

|   |  |                              |  |
|---|--|------------------------------|--|
| REPORT TO:  | Overview and Scrutiny                    |                              |  |
| DATE:   | 4th September 2019                       |                              |  |
| PORTFOLIO:  | Cllr Joyce Plummer, Resources            |                              |  |
| REPORT AUTHOR:  | Rachael Walker, Customer Contact Manager |                              |  |
| TITLE OF REPORT:  | Council Tax Collection and Recovery      |                              |  |
| EXEMPT REPORT (Local Government Act 1972, Schedule 12A) | Options                                  | Not applicable               |  |
| KEY DECISION:   | <b>No</b>                                | If yes, date of publication: |  |

### 1. **Purpose of Report**

- 1.1 To provide Overview and Scrutiny with an overview of the Council Tax Collection and Recovery Policy and methods used by the Council in the collection and recovery of Council Tax arrears.

### 2. **Recommendations**

- 2.1 That Overview and Scrutiny note the contents of the report and comment accordingly.

### 3. **Reasons for Recommendations and Background**

- 3.1 A Councillor has raised the following concern: *“Council Tax arrears was the highest debt category (for those attending CAB with debt issues) with, in some cases, bailiffs being instructed very early in the collection process, when there are other options, such as attachment of benefits. This latter issue is more pronounced in Hyndburn than Rossendale. I’m asking therefore that we scrutinise, [...] the impact (as identified by the Citizens’ Advice Bureau) on people with low incomes when cases are passed to Bailiffs at an early stage. As the CAB Manager has noticed a marked difference in policy/procedure between Rossendale and Hyndburn BCs, perhaps we could make a comparison between the two local authorities and draw conclusions from that, in the hope of reducing any extra unnecessary hardship caused to residents who are already struggling financially?”*
- 3.2 Having met with the Chief Officer of Citizen’s Advice Rossendale and Hyndburn (CARH) and Rossendale Borough Council (RBC), this report aims to address the concerns raised above, in particular that:
1. Enforcement Agents are being instructed very early in the collection process
  2. Enforcement Agents are being instructed when other collection methods are available, e.g. deductions from benefits
  3. The differences between Rossendale BC and Hyndburn BC’s collection and recovery practices

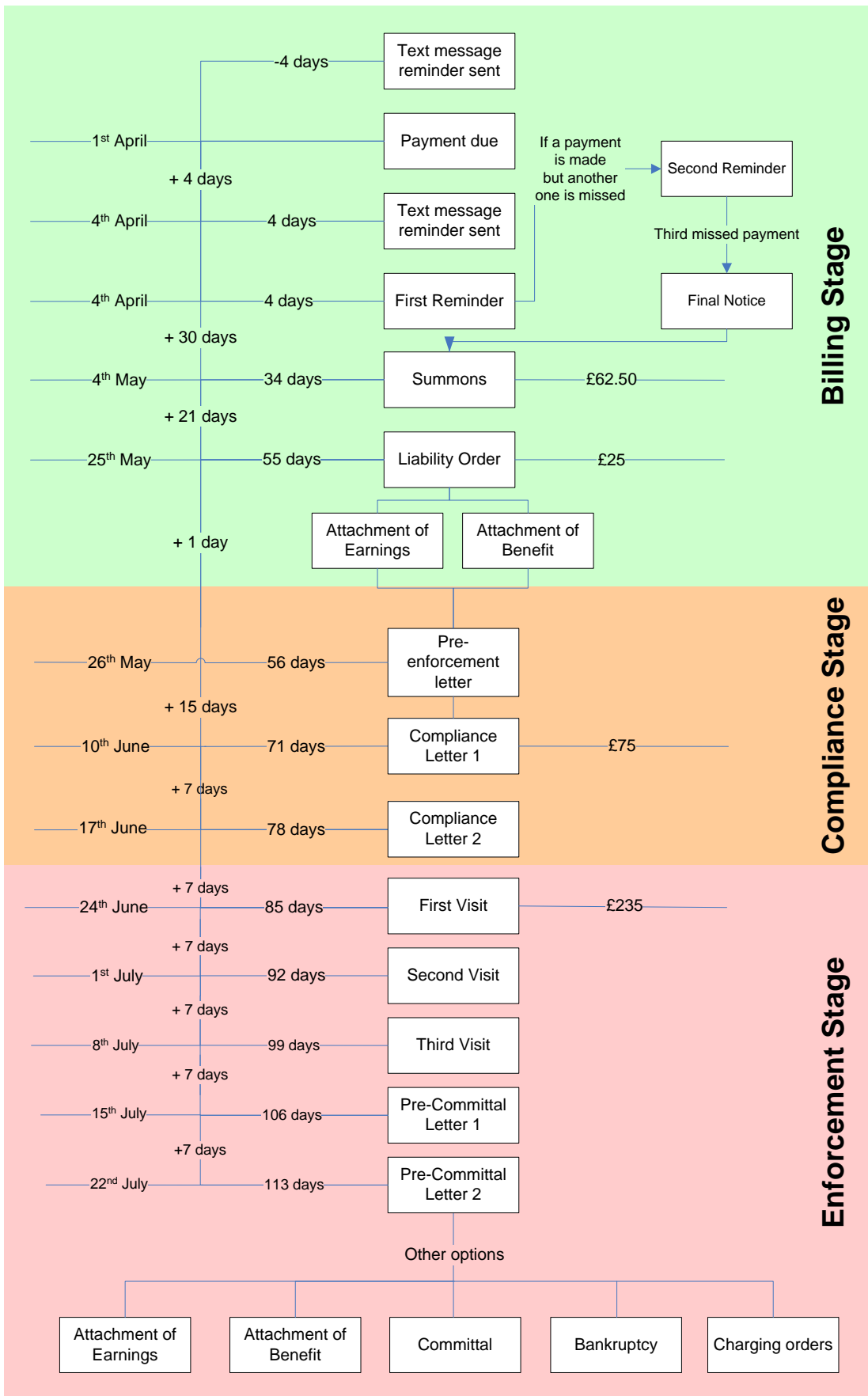
#### 4. The impact that Council Tax recovery has on residents with low incomes

##### **Benefits, Revenues and Customer Contact**

- 3.3 Hyndburn Borough Council collects Council Tax on behalf of Lancashire County Council, Lancashire Police and Lancashire Fire and Rescue, in addition to Hyndburn's own precept and a minor precept for Altham Parish Council. In 2018/19, our net collectible debit was £38.8million, of which we collected £36.8million, an in-year collection rate of 94.8%.
- 3.4 Each year we manage Council Tax for 36,700 properties and provide Council Tax Support to 7,200 households. Our Customer Contact Centre handled 68,000 enquiries for Revenues and Benefits in 2018/19 which was 39% of all enquiries. Revenues and Benefits is the most common reason for contacting the Council by far, with just over double the number of contacts than for the second most common enquiry, waste and recycling.
- 3.5 The department is based at Broadway and comprises a total of 44 members of staff including 19 customer contact officers and 11 revenues officers dedicated to the administration of billing and recovery for Council Tax and Business Rates. The teams work in close collaboration, as does the management of the department as a whole.
- 3.6 Staff training takes place regularly, with both in-house and external training with staff working towards professional qualifications in revenues. The department's management team works closely with system suppliers and auditors and liaise regularly with revenues managers and heads of service from all Lancashire authorities.

##### **Collection and Recovery of Council Tax**

- 3.7 Hyndburn's Council Tax and National Non Domestic Rates Collection and Recovery Policy is attached to this report at Appendix 1. This policy, agreed by Cabinet in October 2018 provides an overview of the steps used by the Council to collect and recover Council Tax and Business Rates, though this report will focus on Council Tax.
- 3.8 The policy, and all actions taken during the collection of Council Tax are covered in legislation, as amended. In particular:
- The Local Government Finance Act 1992
  - The Council Tax (Administration and Enforcement) Regulations 1992
  - The Taking Control of Goods Regulations 2013
  - The Tribunals, Courts and Enforcement Act 2007
  - The Council Tax (Deductions from Income Support) Regulations 1993
- 3.9 This suite of legislation provides billing authorities with timescales and stages in the collection of Council Tax as well as a sequence or order of allowable actions that can be taken.
- 3.8 The chart on page 3 is taken from the Collection and Recovery Policy and outlines the general route an unpaid Council Tax account may take:



- 3.9 At all stages of the collection process, residents are encouraged to contact us if they are struggling to pay or have missed an instalment. At all stages, our officers are trained to recognise and to provide flexibility for vulnerable customers and to ensure that benefits and any relevant discounts and exemptions are claimed. Details of our Vulnerability Policy are included at 3.42 to 3.45 of this report and the policy is attached at Appendix 4.
- 3.10 If a resident does make contact with the Council, our aim will be to help them to bring the account up to date and establish a payment method such as direct debit to prevent further arrears. Any resident already at the summons stage will be offered a payment arrangement with the Council and an opportunity to pay the bill in-year and prevent any further action.
- 3.11 Anyone unable to afford an in-year payment arrangement can opt to have their income and expenditure assessed in order to agree to a longer arrangement if appropriate. This is more common for arrears as current year Council Tax payments will not be spread over to the next financial year unless there are exceptional circumstances.
- 3.12 Any account for which we hold information about employment or benefits will not be passed to an Enforcement Agent but will be sent either for an Attachment of Earnings Order or a Deduction from Benefits Order – both of which can be stacked over multiple years.
- 3.13 An unpaid bill on the most direct path down the recovery route will not reach Enforcement Agent Compliance stage until approximately 71 days, or ten weeks, from the instalment being due. The compliance stage is the point at which the first Enforcement Agency letter is sent, incurring additional costs. By this point, the resident has been sent at least five letters and may have also received emails, text messages or direct calls from our officers.
- 3.14 If, once an account has been passed to an Enforcement Agent, we are made aware of a resident's vulnerability or benefit/Council Tax Support claim, the account is considered for alternative recovery such as Deductions from Benefits or an arrangement with the Council.
- 3.15 All Enforcement Agents working on behalf of the Council agree to the Council's Enforcement Agent Code of Conduct at Appendix 2 and have their own vulnerability team, income assessment process and are given flexibility to make arrangements when dealing with vulnerable customers.

### **Collection of Council Tax and Council Tax Support**

- 3.16 As at 3.12 above, if we hold relevant information or are made aware that a resident is claiming a main state benefit such as Universal Credit, and the resident has not made an arrangement with us, our first consideration is to recover any arrears via a Deduction from Benefits Order.
- 3.17 Deductions from Benefits requests are submitted to the DWP and if relevant criteria is met, deductions are made for most state benefits at a rate £3.70 per week or for Universal Credit, 5% of the basic standard allowance (which for a couple would be

£7/week) until the arrears are paid. Deductions made are generally lower than the Council Tax instalment would be if paid in line with the original bill, and so the bill takes longer to pay this way and often overlaps with the bill for the following or subsequent years.

- 3.18 If a Deduction from Benefits is not possible, for example other higher priority deductions such as rent arrears are already being made, and the resident has not made an arrangement with us, their details may be passed to a Debt Collection Agency, which is not the same as an Enforcement Agent (though in the case of Rossendale's, both operate under the same name).
- 3.19 A Debt Collection Agency referral does not incur additional costs for the resident and does not involve the distress of goods. In 2018/19 we referred 1,700 cases to a debt collection agency as an alternative to an enforcement agent in recognition of the fact that the resident was claiming benefits.
- 3.20 In 2018/19 we sent 450 Deduction of Benefit requests to the DWP and currently have 1,119 in payment with 2,000 stacked for payment once the current deduction has ceased. Only one deduction for Council Tax can be taken at a time.
- 3.21 In response to the request for this report, we cannot uphold a complaint that Council Tax arrears are being sent to Enforcement Agents early in the collection process – a ten week period between an instalment being due and the compliance stage of enforcement is within legislative guidelines and provides residents with ample time to contact the Council to make an arrangement.
- 3.22 Additionally, the evidence in this report demonstrates that accounts are not being referred to enforcement agents instead of alternative methods of recovery such as Deductions from Benefits. Despite a Deduction from Benefits typically taking longer to clear arrears than other methods, this is still the Council's initial route for residents on benefits who are in arrears.

### **Differences between Rossendale and Hyndburn Borough Councils**

- 3.23 Rossendale Borough Council (RBC) and Hyndburn Borough Council (HBC) are neighbouring authorities with relatively similar populations. A snapshot of comparison data has been gathered in order to try to find similarities and differences between the two authorities:

## 3.24

|   | <b>Rossendale</b> | <b>Hyndburn</b> |
|---|-------------------|-----------------|
| Population <sup>i</sup>                               | 70,900            | 80,800          |
| No of Dwellings <sup>ii</sup>                         | 31,900            | 36,700          |
| Gross Weekly Pay <sup>iii</sup>                       | £480.80           | £458.00         |
| Council Tax Support (CTS) claimants <sup>iv</sup>     | 5,700             | 7,200           |
| Working age CTS claimants                             | 3,500             | 4,300           |
| CTS minimum payment level                             | 20%               | 30%             |
| Band A Council Tax 2019/20                            | £1,261.10         | £1,242.03       |
| Minimum Working Age Band A payment                    | £252.22           | £372.61         |
| 2018/19 Collection Rate <sup>v</sup>                  | 96.6%             | 94.8%           |
| 2018/19 working age CTS collection rate               | 73.41%            | 60%             |
| Universal Credit Full Service date                    | July 2018         | February 2018   |
| Universal Credit claimants (April 2019) <sup>vi</sup> | 1,672             | 4,195           |
| Direct Debit take-up                                  | 77%               | 65%             |

- 3.25 For this report, we have contacted colleagues at Rossendale BC and they have kindly provided information about their recovery process. Both boroughs are working within legislation:

|  | <b>Rossendale</b>                        | <b>Hyndburn</b>                          |
|--|--|--|
| No of days before reminder is issued     | 7 days                                   | 4 days                                   |
| Frequency of reminders                   | Monthly                                  | Daily                                    |
| Reminder lower limit                     | £20                                      | -  |
| Summons frequency                        | Monthly                                  | Monthly                                  |
| Summons lower limit                      | £92.50                                   | £35                                      |
| Liability Court frequency                | Monthly                                  | Monthly                                  |
| No of days after court before compliance | 14                                       | 14                                       |
| Duration of compliance stage             | 21 days<br>28 days (CTS)                 | 14 days for all                          |
| CTS cases sent to enforcement?           | Yes                                      | No                                       |
| Arrangements                             | 6 months and<br>within financial<br>year | 6 months and<br>within financial<br>year |
| No of summonses issued in 2018/19        | 4,608                                    | 7,555                                    |

- 3.26 Differences between the two boroughs include Hyndburn having a shorter compliance period (the period during which an Enforcement Agency will write to a debtor and try to make contact before visiting). Hyndburn's compliance stage is 14 days whereas Rossendale's is 21. Both boroughs send the debtor a '14 day letter' giving them 14 days' breathing space before the compliance stage. For Hyndburn, this is outsourced to Rossendale's Enforcement Agent which may give the impression that the case has moved to compliance 14 days earlier than it has.

- 3.27 HBC does not send CTS cases or known benefit cases to an Enforcement Agent, whereas RBC does. Allowances are made at this stage by RBC by extending the compliance stage for a CTS debtor, no such provision is needed for HBC.
- 3.28 Key differences lie in the number of debtors each borough has and how Council Tax is paid. 77% of Rossendale's taxpayers pay by direct debit, a known method through which collection rates are generally higher. This reduces the need for recovery in the majority of cases. Hyndburn's direct debit take-up is 65% and rising, which should lead to less recovery being needed in the future.
- 3.29 Rossendale's minimum payment level for a working age CTS claimant is 20% whereas Hyndburn's is 30%. This leads to higher bills for CTS households in Hyndburn than in Rossendale, a known factor that leads to more Council Tax recovery cases.
- 3.30 Other differences such as the lower limits for a summons may lead to differing recovery levels in the boroughs, however although the limits in Rossendale are higher, cases under this threshold are 'mopped up' at the end of the year, postponing but not cancelling recovery on these cases.
- 3.31 Hyndburn is less affluent than Rossendale, has a higher proportion of CTS claims per household and a higher proportion of working age CTS claimants – for which a higher proportion of Council Tax is payable.
- 3.32 Despite becoming a Universal Credit Full Service area only five months after Hyndburn, Rossendale's Universal Credit claimant numbers are more than 2.5 times lower than Hyndburn's. Universal Credit is having a known impact on Council Tax billing and recovery, an issue being felt by Local Authorities nationally and having a higher proportion of households on Universal Credit in Hyndburn will increase referrals to Citizen's Advice and will lead to further Council Tax recovery. Rossendale will not be immune to these challenges but this will not be as noticeable yet with lower claimant numbers.

### **Citizens Advice**

- 3.33 Nationally, Citizen's Advice has contributed to a number of studies on the impact that Council Tax Support has had since 2013 and a recent report by the Institute of Fiscal Studies highlights that enquiries to Citizen's Advice on average are around 160 queries per Local Authority per quarter.<sup>vii</sup>
- 3.34 Statistics published by Citizen's Advice show that in the 12 months to April 2019, 14,172 customers in the Northwest sought advice regarding Council Tax arrears, 1,786 of which were specifically regarding enforcement action and the right to enforce debt for Council Tax.<sup>viii</sup>
- 3.35 Statistics were not available for Hyndburn and Rossendale in time for this report to be submitted. Any further information gathered prior to the Committee meeting will be delivered verbally.

- 3.36 For this report, the Chief Officer at Citizen’s Advice Rossendale and Hyndburn provided us with more detail on some of their concerns around Hyndburn’s recovery of Council Tax and gave us the opportunity to clarify a few misunderstandings.
- 3.37 As we have found in our research into Rossendale BC’s practices, there are few differences in the billing and pre-court recovery processes – both working within legislative guidance. We were able to clarify to CARH that the 14 day pre-compliance stage was the same for both boroughs, the only difference being that ours is sent by Rossendale’s Enforcement on our behalf.
- 3.38 We were also able to clarify that known CTS or benefit cases were not sent to an Enforcement Agent but to a no-cost debt collection agency if a deduction from benefits was not possible.
- 3.39 We were able to discuss issues reported to CARH of enforcement agencies not making allowances for vulnerable debtors and not making reasonable arrangements, however there were no examples of this for us to investigate properly. There is an open invitation for CARH to raise specific cases with HBC management should any cases present in the future.
- 3.40 As a result of these discussions, we agreed to trial a new process to support the debt management work done at CARH: prior to a debt appointment taking place, HBC will provide CARH with an overview of all Council Tax and Business Rates debt, will make an arrangement offer and will consider giving vulnerable debtors breathing space to allow their debt counselling to take place. CARH were also provided with a list of direct senior contacts in the department with whom they can raise immediate and urgent issues.
- 3.41 The pro-forma to be used for this process is attached at Appendix 3 and this system will be reviewed in six months to ensure that it is fit for purpose and is supporting debtors.

### **Council Tax Recovery and its Impact on Low Income Households**

- 3.42 Previous collection and recovery policies included a section on the Council’s approach to collection from vulnerable customers. However, in October 2018, Cabinet approved a new Vulnerability Policy specific to the billing and collection of Council Tax and Business Rates as well as the administration and collection of Housing Benefit overpayments.
- 3.43 Since the introduction of Council Tax Support in 2013, the collection and recovery of Council Tax from taxpayers who previously had no Council Tax to pay has placed an increased emphasis on every billing authorities’ obligations towards groups falling within the broad definitions of vulnerability.
- 3.44 Having a separate Vulnerability Policy ensures that our everyday flexibility and duty of care towards vulnerable groups and individuals already in place is transparent and available. The definitions of vulnerability contained within this policy and the flexibility and fairness applied in this policy have been in place within our Collection and Recovery practices since 2015. Additions within the new policy include:



- Additional guidance for staff on the identification of vulnerable groups and individuals.
- Guidance for staff and support for individuals on the threat of self-harm or suicide,
- Accessing our services and our commitment to promoting hardship funds such as discretionary housing payments and exceptional hardship fund payments.

3.45 National studies produced since 2013 cover the impact that Council Tax Support has had on low income households. Our vulnerability policy, use of collection agents rather than enforcement agents and use of Deductions from Benefits are all steps we are taking in recognition of the differing circumstances of low income households.

3.46 However, we have a duty to those households who are paying their Council Tax – both those in receipt of CTS and those paying a full bill. The latest CTS scheme was approved by Full Council in January 2017 and the remit given to officers from the Council and our remit as a billing authority is clear: we have a statutory duty to collect Council Tax on behalf of preceptors in order to fund locally delivered public services.

3.47 In 2018/19, 60% of working age CTS households and 75% of all CTS households paid their bills in full, as did 93% of households without CTS. 1,767 CTS households had an outstanding balance at the end of the last financial year owing collectively just over £700k. Recovery of this debt is underway and the varied methods being used are within legislation, pay due regard to our vulnerable residents and satisfies the remit given to the department by full Council to administer and recover Council Tax in line with the CTS scheme.

#### 4. **Alternative Options considered and Reasons for Rejection**

4.1 N/A

#### 5. **Consultations**

5.1 N/A

#### 6. **Implications**

|  |     |
|--|-----|
| <b>Financial implications (including any future financial commitments for the Council)</b> | N/A |
| <b>Legal and human rights implications</b>   | N/A |
| <b>Assessment of risk</b>  | N/A |

|  |            |
|--|------------|
| <p><b>Equality and diversity implications</b><br/> A <i>Customer First Analysis</i> should be completed in relation to policy decisions and should be attached as an appendix to the report.</p> | <p>N/A</p> |
|--|------------|

**7. Local Government (Access to Information) Act 1985:  
List of Background Papers**

7.1 *Copies of documents included in this list must be open to inspection and, in the case of reports to Cabinet, must be published on the website.*

***If the report is public, insert the following paragraph. If the report is exempt, contact Member Services for advice.***

**8. Freedom of Information**

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2002.

---

<sup>i</sup> <http://www.nomisweb.co.uk/reports/lmp/la/1946157094/report.aspx?c1=1946157099&c2=1941962782>

<sup>ii</sup> <https://www.lancashire.gov.uk/lancashire-insight/area-profiles/>

<sup>iii</sup> <http://www.nomisweb.co.uk/reports/lmp/la/1946157094/report.aspx?c1=1946157099&c2=1941962782>

<sup>iv</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-local-government-finance#local-council-tax-support>

<sup>v</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-local-government-finance#local-council-tax-support>

<sup>vi</sup> <https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml>

<sup>vii</sup> <https://www.ifs.org.uk/publications/13827>

<sup>viii</sup> <https://public.tableau.com/profile/citizensadvice#!/vizhome/AdviceTrendsApril2019/Cover>



# Council Tax and NNDR Collection and Recovery Policy

---

October 2018

## Introduction

This policy covers the main processes adopted by Hyndburn Borough Council and is intended only as an overview and not as a comprehensive explanation of the whole of the Council Tax/NNDR system. As such there are aspects of Council Tax/NNDR law and practices not included in this document but which are nevertheless followed and applied by us in the billing, collection and recovery of Council Tax and NNDR.

## 1. Billing

- 1.1 Council Tax rates are set in February each year and annual bills are generated and delivered mid-March. We bill over 36,000 properties for Council Tax and over 3,000 for NNDR. All bills are delivered 14 days before the first instalment is due in April.
- 1.2 Annual bills or demand notices cover the billing period of 1<sup>st</sup> April to 31<sup>st</sup> March and are sent to the named individual(s) on an account who are jointly and severally liable for pay Council Tax or NNDR on the property or business premises concerned.
- 1.3 In addition to the annual billing process, when a taxpayer notifies us of a property move or a change in their circumstances or household, their account is updated and either a new bill or an adjustment notice is sent.

## 2. Payment methods

- 2.1 Standard Council Tax/NNDR bills are issued with 10 monthly instalments due from April to January. However taxpayers have the option to spread their payments out to include February and March.
- 2.2 We offer seven different payment methods:
  - Direct Debits
  - By cash using barcoded bills at Post Offices and Pay Point outlets
  - Online payments by debit or credit card
  - Telephone payments by debit or credit card
  - Transcash via the Post Office (for which a transaction fee is payable by the taxpayer)
  - Standing orders

- Bank transfers

2.3 For direct debit payers there are four available payment dates – 1<sup>st</sup>, 10<sup>th</sup>, 20<sup>th</sup> and 28<sup>th</sup>.

2.4 Taxpayers are expected to make their payments on time or ahead of their instalment date.

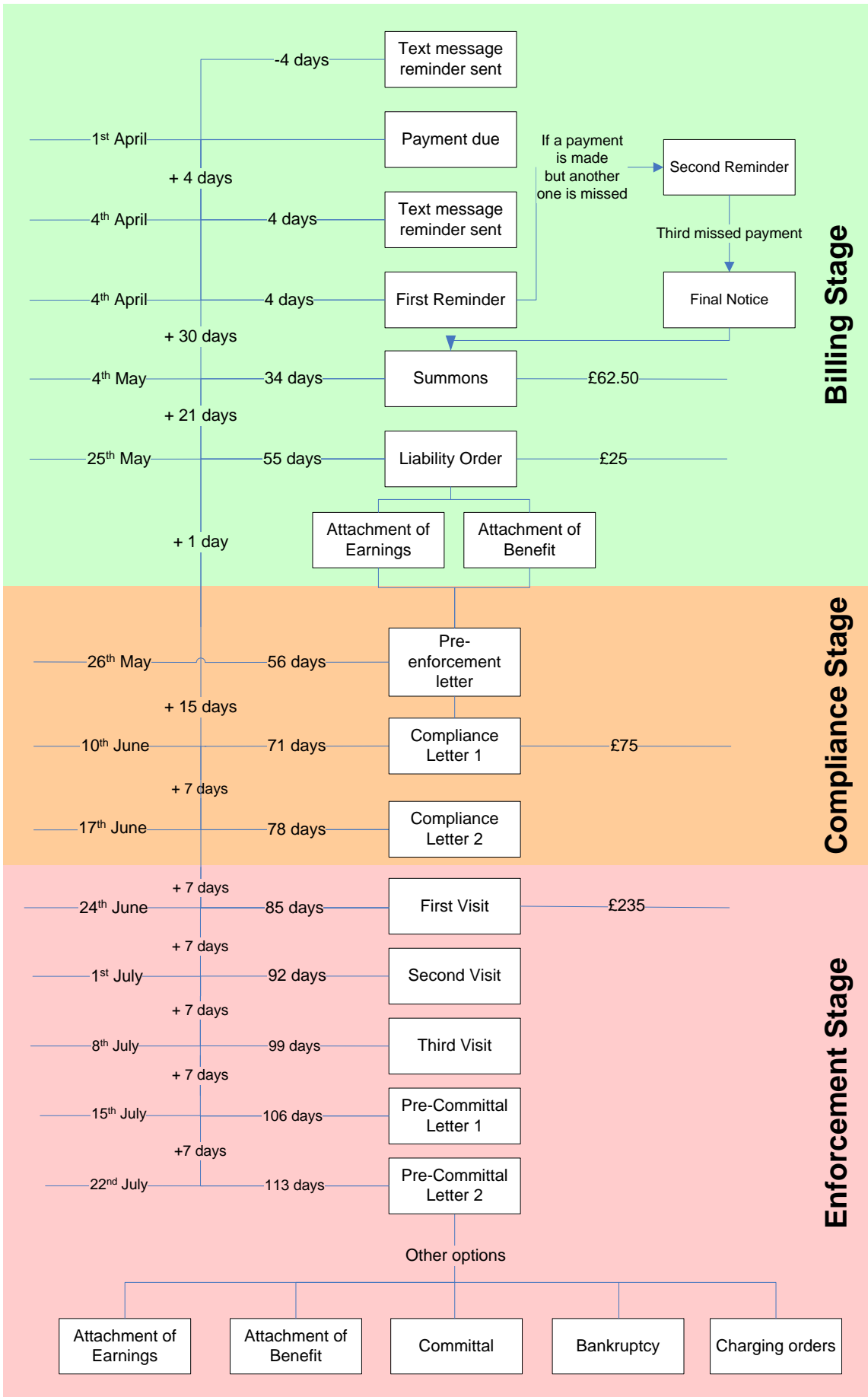
### **3. Recovery**

3.1 Each stage of the process is included in the explanations in this section and the process as a whole has been documented in Chart 1 – Standard Recovery Process, overleaf.

3.2 This chart maps the end to end recovery process assuming that no payment is made. In practice, very few accounts follow this straightforward route; many include some payments and arrangements at some point.

3.3 The days numbered on the left of the flowchart count the number of days between the instalment being due and the action being taken. The charges applied at the different stages are detailed on the right. To put the process into some context, the dates on the chart assume that a payment was due on 1<sup>st</sup> April.

# Chart 1: Standard Recovery Process



## **4. Text Messages and Emails**

4.1 We use SMS text messages and emails as additional payment reminders. These messages are not part of the legal process of collection and recovery. Text messages and/or emails are sent to participating customers four days before an instalment is due and again four days after an instalment if it has been missed.

## **5. Reminders and Final Notices**

5.1 A reminder letter is issued by post four days after an instalment is missed. If the payment is made and the account is brought up to date by the date on the letter, no further action is taken. If no payment is received at all, or only partial payments are made, the account progresses to the summons stage after a further 30 days.

5.2 If a second payment is missed later on in the year, a second reminder is issued. Again, if no further payment is made, the account will progress to a summons. However, if the payment is made and the account is brought up to date then no further action is taken.

5.3 If a third payment is missed, the account will progress to a 'Final Notice' which is a demand for the full amount outstanding for that year and notice that the right to pay by instalment has been removed. Customers are encouraged to contact us to re-establish instalments by bringing their account up to date and setting up a direct debit.

5.4 If a Direct Debit instalment is cancelled by the customer, the missing payment will not be included in any future payments and the account must be brought up to date before another Direct Debit instruction will be accepted. If the account remains in arrears as a result of a missed Direct Debit payment, the account will progress down the standard recovery route.

## **6. Summons and Liability Orders**

6.1 In order to take further recovery action the Council must apply for a Liability Order. A Liability Order is granted by the Magistrates and;

- a) confirms that the person(s) named on an account for Council Tax or NNDR is the person who is properly liable to pay for that property;
- b) authorises the Council to take enforcement action;
- c) imposes a duty on the taxpayer to provide information required by the Council to support further recovery such as employment and income details.

6.2 A Complaint is made by the Council to the Magistrates Clerks' Office and a summons is subsequently issued. Taxpayers are given at least 14 days' notice of a Liability Order hearing.

6.3 Upon the issue of a summons an additional charge is added to the account. A further amount is added if a Liability Order is granted.

6.4 A summons from the Council includes details of a provisional payment plan which puts the outstanding amount into equal instalments, usually over a three month period. The taxpayer must contact us to agree this arrangement or agree an alternative recovery arrangement or method. The provisional arrangement includes summons and liability order costs.

6.5 Taxpayers do not have to attend the Liability Order hearing, it is a block application, names of individuals or companies are not read out as it is not a criminal court hearing. Taxpayers can attend the hearing however and Council officers are available to speak to on the day.

6.6 If a taxpayer wants to make a representation to the court, they can do so but the onus is on them to prove that the Council has made an error in the billing process up to this point or that they are in

fact not liable for Council Tax/NNDR at that property (or the account has been paid and the Taxpayer has proved this is the case). At any stage we encourage customers to contact us if they think a mistake has been made, as if it has, we will rectify it and put the account back to its rightful stage in the billing process.

- 6.7 At any stage if the Council is made aware that a summons and/or liability order has been issued incorrectly, it will be withdrawn and the costs will be removed.
- 6.8 If the full amount due, plus summons costs, is paid before the liability order hearing, the Council will not apply for a liability order.
- 6.9 If the taxpayer contacts the Council prior to the liability order hearing to make a payment arrangement, the arrangement will include the cost of a liability order.
- 6.10 When making an arrangement, we will obtain details of each liable taxpayer's employer or relevant benefit details, as this will allow us to make an application for deductions from earnings or benefits should the taxpayer default on their payment arrangement.
- 6.11 We will normally make only one arrangement with a taxpayer at this stage. If the payment arrangement is not maintained, the account will progress to the next stage of recovery. Payment arrangements will not be altered or adjusted once agreed. Payment arrangements will be made for the first of the month unless set up by Direct Debit.
- 6.12 Once a liability order has been granted, notification is issued to the taxpayer along with a request for further information which would support the recovery of unpaid Council Tax and/or NNDR.
- 6.13 The information requested at this stage includes
- employment details such as job title, employer, payroll number and take-home pay
  - national insurance number
  - details of any state benefits claimed such as Job Seeker's Allowance or Universal Credit
  - an option to make an offer of payment
  - an option to agree to the proposed payment plan outlined on the summons

## **7. Attachment of Benefits**

- 7.1 The Council can apply to the Department for Work and Pensions to have a deduction made from main state benefits. An attachment of benefits is only available on Council Tax debt and not NNDR. Deductible benefits are:
- Job Seeker's Allowance
  - Income Support
  - Employment and Support Allowance
  - Universal Credit
  - Guaranteed Pension Credit
- 7.2 A standard deduction of 5% is taken from benefits and paid directly to the Council to clear outstanding arrears.
- 7.3 It is usually the case that the Attachment of Benefit deduction is less than what is required in order to clear the outstanding Council Tax by the end of the financial year. In this case, the attachment will continue until the arrears are paid or benefits are stopped. If the taxpayer falls into arrears in the following year also, another attachment can be made which will only start to make deductions

once the first attachment is ended. Only one attachment will be in place at any one time, but liability orders can be obtained and ‘stacked’ or queued.

- 7.4 If a new year’s bill is referred to recovery and an attachment of benefits is applied while one is still running, the older debt will be paid off first and any subsequent attachments will follow once the older debt has been paid. However, ‘newer’ debt can be recovered at the same time as an attachment of benefits using other methods of recovery such as a payment arrangement or by referral to the debt collection section of the Council’s Enforcement Agent.
- 7.5 If the benefit is stopped before the arrears are paid, other recovery options will be pursued.

## 8. Attachment of Earnings

8.1 The Council can apply to a taxpayer’s employer to have a deduction taken directly from earnings and paid to the Council towards Council Tax arrears. An attachment of earnings is only available on Council Tax debt. Employers are legally obliged to comply with an attachment order.

8.2 The deductions made are based on the net amount earned:

| Monthly earnings           | Weekly earnings      | Daily earnings   | Deduction   |
|----------------------------|----------------------|------------------|---|
| <b>Up to £300.00</b>       | Up to £75.00         | Up to £11.00     | 0%  |
| <b>£300.00 - £550.00</b>   | £75.00 - £135.00     | £11.00 - £20.00  | 3%  |
| <b>£550.00 - £740.00</b>   | £135.00 - £185.00    | £20.00 - £27.00  | 5%  |
| <b>£740.00 - £900.00</b>   | £185.00 - £225.00    | £27.00 - £33.00  | 7%  |
| <b>£900.00 - £1420.00</b>  | £225.00 - £335.00    | £33.00 - £52.00  | 12%   |
| <b>£1420.00 - £2020.00</b> | £335.00 - £505.00    | £52.00 - £72.00  | 17%   |
| <b>Exceeding £2020.00</b>  | Exceeding<br>£505.00 | Exceeding £72.00 | 17% of the first<br>£505.00 and 50% of<br>the remainder |

- 8.3 If an attachment of earnings is less than what is required in order to clear the outstanding Council Tax by the end of the financial year, the attachment will continue until the arrears are paid or employment is stopped. If the taxpayer falls into arrears in the following year also, another attachment can be made which can run concurrent to the first attachment. A maximum of two attachments can be in place at any one time, further attachments can be obtained and ‘stacked’ or queued and will begin to make deductions once one or both running attachments have been paid.
- 8.4 If a new year’s bill is put in to recovery and there are already two attachments running, the older debts will be paid off first and any subsequent attachments will follow once the older debts have been paid. However, ‘newer’ debt can be recovered at the same time as an attachment of earnings using other methods of recovery such as a payment arrangement or enforcement agent action.
- 8.5 If the employment stops before the arrears are paid, other recovery options will be pursued. If the taxpayer moves to a new job and the Council is provided with new employment details, an attachment of earnings order may be applied to the new earnings.
- 8.6 An employer may make an administration deduction of £1 per transaction, this is prescribed in the regulations but not all employers make this deduction.

## 8. Payment arrangements

8.1 At all stages of the billing and recovery process for Council tax and NNDR we encourage taxpayers to contact us if they are having difficulties making payments.



- 8.2 We will normally make only one arrangement with a taxpayer per financial year. If the payment arrangement is not maintained, the account will progress to the next stage of recovery. Payment arrangements will not be altered or adjusted once agreed.
- 8.3 Payments will normally be spread out over any remaining months in the financial year. Cash instalments will be available on the first of the month only. Other dates are available by Direct Debit.
- 8.4 If a taxpayer is not able to commit to a payment arrangement, they may complete a Statement of Means application which will allow us to assess a payment level which is affordable. This application must be returned to us along with the two most recent monthly bank statements, employment or benefit details and a completed direct debit form. In exceptional circumstances and if the taxpayers' expenditure is considered reasonable, we may consider a lower than standard payment arrangement. All arrangements made via the statement of means application will be reviewed quarterly and new bank statements will be requested. As above, we will normally make only one payment arrangement and if it not maintained, the account will normally progress to the next stage of recovery.

## **9. Compliance and Enforcement stages**

- 9.1 The Council has a separate code of conduct and individual service level agreements which we use to manage our relationship with an appointed Enforcement Agent. Detailed in this policy are the enforcement measures we have agreed with our Enforcement Agent known as compliance and enforcement stages.
- 9.2 The Council's Enforcement Agent will issue a pre-compliance letter once a case has been referred to them, normally one day after a Liability Order hearing. The pre-compliance letter, commonly known as the 14 day letter, gives the taxpayer a 14 day period in which to make contact about the outstanding debt, to pay in full or to make a payment arrangement without the addition of compliance and enforcement fees. The pre-compliance letter also compels the taxpayer to provide information such as employment or benefit details in accordance with the Liability Order.
- 9.3 Following the expiration of the 14 day pre-compliance period, compliance letters are issued on the first available day and then again after seven days. A fee is added to the debt upon the issue of the first compliance letter. This fee covers both agreed enforcement agency letters.
- 9.4 Visits from enforcement agents will begin if after both compliance letters have been issued, the taxpayer has either not engaged with the enforcement agent, has not made a reasonable offer of payment or has made an arrangement and has not paid as agreed. A further enforcement fee is added once visits have commenced.
- 9.5 All fees added to accounts by the enforcement agent are in accordance with legislation and in agreement with the Council.
- 9.6 Enforcement agents are instructed to make all efforts to agree an affordable and reasonable payment arrangement with taxpayers. Enforcement agency practices fall into two categories:
1. Establishing a payment arrangement, taking payment and passing that money to the Council in order to decrease the debt with a view to paying it off in full. Enforcement agencies employ both visiting enforcement agents and customer services staff who are on hand to help taxpayers to make affordable arrangements and to manage their payments.

2. Distraint or levying distress on goods: an enforcement agent is authorised to list saleable goods belonging to the taxpayer that could be removed and sold to pay off the debt if the taxpayer either does not make or does not honour a payment arrangement.

9.7 Once an account has been passed to an enforcement agent, all taxpayers are instructed to contact the enforcement agents directly. While the Council will not refuse a payment, unless the account is cleared in full including any fees owed, making payments to the Council will not necessarily stop or prevent any enforcement agency action.

9.8 If an enforcement agency is unsuccessful in recovering the Council Tax or NNDR debt, the account will be returned to the Council for further action.

## **10. Charging orders**

10.1 A charging order is a court order which allows the Council to recover a Council Tax debt from the proceeds of sale of a property. Applications for charging orders are made to the County Court and are only available for Council Tax debts.

10.2 A charging order may be considered if all of the following conditions apply to the debt:

- a. The debt is at least £1000;
- b. The billing and recovery process has been followed correctly and a liability order has been obtained;
- c. The Council and its enforcement agent have made all reasonable attempts to establish a payment arrangement and to engage with the taxpayer;
- d. Details of the taxpayer's financial circumstances including details of capital held have been made available and affordable solutions have been explored. This will not be available in all cases as some taxpayers do not engage with or provide details to the Council. In these cases the Council will demonstrate all reasonable attempts to determine the taxpayer's financial circumstances including capital held;
- e. The case has been passed to an enforcement agent;
- f. Consideration has been made to other available recovery methods such as committal or bankruptcy;
- g. Consideration has been made as to the potential impact on other individuals such as any joint owner(s), partners or dependents;
- h. Land Registry information has been obtained and confirms ownership of the property;
- i. The property in question is the property for which Council Tax is owed;
- j. Where there is an outstanding mortgage on the property, consideration should be given as to whether it is likely that the property will be repossessed.

10.3 Whilst it is not possible for a charging order to be issued for NNDR debts, the Council may consider postponing recovery action pending the sale of a commercial or residential property if this is agreed with the taxpayer.

10.4 Once the Council has obtained a Charging Order on a property, we may consider making an application for an Order of Sale which will force the sale of a property in order to recover the Council Tax debt covered by the Charging Order.

## **11. Committal to prison**

11.1 Committal proceedings may be considered if all of the following conditions apply to the debt:

- a. All other recovery methods have been exhausted;

- b. Charging orders are not available or considered to be potentially unsuccessful;
  - c. Bankruptcy is not considered a viable option, for example due to other debtors having priority claims against the individual;
  - d. The Council has made every effort to engage with the taxpayer and has made a reasonable offer of a payment arrangement;
  - e. The debt has been passed to an enforcement agent who has been unsuccessful and has certified the debt as 'Nulla Bona' or that attempts to levy distress on goods has been frustrated by the taxpayer either by lack of contact or refusing enforcement agent entry to premises;
  - f. The Council has reason to believe that the taxpayer has had the means to pay the Council Tax but has wilfully refused to do so (deliberately avoided making payments);
  - g. The Council has reason to believe that the taxpayer has had the means to pay the Council Tax but has not done so through culpable neglect (failure to pay through carelessness);
- 11.2 If committal proceedings are being considered by the Council, we will write to the taxpayer inviting them to meet with Council Officers in person in order to discuss management of the debt.
- 11.3 If this is unsuccessful, (either through lack of contact from the taxpayer, failure to attend the meeting or pay the debt), the Council will write to the taxpayer to inform them that an application for a Committal hearing has been made. The Council will apply to a Magistrates' Court for a summons to be issued requiring the taxpayer to attend the Court for a means enquiry hearing to be held in the taxpayer's presence. This will determine whether the failure to pay is due to wilful refusal or culpable neglect.
- 11.4 If the taxpayer does not attend the means enquiry hearing, the Council will make an application for a warrant of arrest not backed by bail.
- 11.5 If the taxpayer attends the court hearing, the Council will discuss the debt with the taxpayer and the Magistrates will conduct a full means inquiry into the taxpayer's circumstances including income and expenditure in an attempt to reach a reasonable payment agreement or payment of the debt in full.
- 11.6 At the hearing, the Magistrates may sentence the taxpayer to a term of imprisonment not exceeding three months. This sentence can be suspended on whatever terms the Magistrates considers appropriate, usually upon payment of the outstanding debt – actual imprisonment will not happen unless the taxpayer defaults on a payment arrangement.
- 11.7 The Council will respect the decision made by the court and will write to the taxpayer after the hearing to detail any payment arrangements which may have been agreed.

## **12. Bankruptcy and winding up orders**

- 12.1 Bankruptcy and/or winding up orders may be considered in the following circumstances:
- a. The debt is at least £5000;
  - b. Consideration has been made to other available recovery methods such as committal or charging orders;
  - c. The billing and recovery process has been followed correctly and a liability order has been obtained;
  - d. The Council and its enforcement agent have made all reasonable attempts to establish a payment arrangements and to engage with the taxpayer;
  - e. Details of the taxpayer's financial circumstances including details of capital held have been made available and affordable solutions have been explored. This will not be

available in all cases as some taxpayers do not engage with or provide details to the Council. In these cases the Council will demonstrate all reasonable attempts to determine the taxpayer's financial circumstances including capital held;

- f. The case has been passed to an enforcement agent;
- g. Consideration will be made as to the potential impact on other individuals such as any joint owner(s) of any property, partners or dependents;
- h. If capital assets include property, Land Registry information has been obtained and confirms ownership of the property;
- i. Where there is an outstanding mortgage on a property, consideration should be given as to whether it is likely that the property will be repossessed.
- j. The Council has reason to believe that the taxpayer has had the means to pay the Council Tax but has wilfully refused to do so (deliberately avoided making payments);
- k. The Council has reason to believe that the taxpayer has had the means to pay the Council Tax but has not done so through culpable neglect (failure to pay through carelessness);

12.2 The Council's Insolvency Policy is available on request or at [www.hyndburnbc.gov.uk](http://www.hyndburnbc.gov.uk)

## 13. Fees

13.1 Fees added are normally recovered alongside the original outstanding balance and are incorporated into any payment arrangements made. Fees added at the Summons and Liability Order stage are payable to the Council, Enforcement Agency fees are payable to the Enforcement Agency directly. The Liability Order letter issued by Enforcement Agents on behalf of the Council is not included in the enforcement agency letters fee.

| Recovery stage             | Additional Fee |
|----------------------------|----------------|
| Summons                    | £62.50         |
| Liability Order            | £25.00         |
| Enforcement agency letters | £75.00         |
| Enforcement agency visits  | £235.00        |

13.2 The summons and liability order fees applied by the Council are calculated in accordance with the guidance issued to Local Authorities on Good Practice in the Collection of Council Tax Arrears<sup>1</sup>.

## 14. Vulnerable customers

14.1 A separate vulnerability policy has been produced and accompanies this policy at Appendix 1 and due regard is paid to this policy when making decisions on recovery action for Council Tax and NNDR.

## 15. Proactive recovery

15.1 At all stages of recovery, we have a programme of proactive outbound calls which are made to taxpayers at most stages of billing and recovery.

15.2 We recognise that it is not possible to contact every customer and not receiving a telephone call or email from the Council will not prevent ordinary recovery action from taking place. It remains the taxpayers' responsibility to contact the Council about their bill or arrears for Council Tax and/or NNDR.

<sup>1</sup> <https://www.gov.uk/government/publications/council-tax>

## **16. Complaints**

16.1 Complaints about the handling of any account will be dealt with in accordance with the Council's general complaints policy which can be found at [www.hyndburnbc.gov.uk/complaints](http://www.hyndburnbc.gov.uk/complaints)

## **17. Equality and diversity**

17.1 A Customer First Analysis accompanies this policy. No adverse impact has been identified that may discriminate against any group with a protected characteristic as defined by the Equality Act 2010 and outlined in the Public Sector Equality Duty.

## **18. Review/approval**

18.1 This policy will be reviewed annually and updated if required.

## **19. Data Protection**

Details of how we use taxpayers' data for the collection and recover of Council Tax and business rates can be found at [www.hyndburnbc.gov.uk/data-privacy](http://www.hyndburnbc.gov.uk/data-privacy)



# ENFORCEMENT AGENT CODE OF CONDUCT

October 2018

## Contents

|   |    |
|---|----|
| <a href="#">Introduction</a>                                    | 1  |
| <a href="#">General</a>   | 2  |
| <a href="#">3. Caseload Administration</a>                      | 2  |
| <a href="#">4. Visiting Standards</a>                           | 3  |
| <a href="#">5. Payment Arrangements &amp; Payments Received</a> | 4  |
| <a href="#">6. The Removal and Sale of Goods</a>                | 6  |
| <a href="#">7. Fees</a>   | 7  |
| <a href="#">8. Warrants</a>                                     | 8  |
| <a href="#">9. The Council's Responsibilities</a>               | 9  |
| <a href="#">10. Information</a>                                 | 9  |
| <a href="#">11. Disputes, Correspondence &amp; Complaints</a>   | 9  |
| <a href="#">12. Vulnerable Customers</a>                        | 10 |
| <a href="#">Schedule 1 – Goods Exempt from Distress</a>         | 11 |

## Introduction

- 1.1 This code of conduct explains the requirements placed upon any enforcement agency and its representatives, hereafter referred to as “the Agent”, contracted by Hyndburn Borough Council (“the Council”) for the purpose of assisting in the collection of Council Tax and National Non Domestic Rates due to the Council through the use of a range of enforcement means.
- 1.2 Responsibility for administering the code lies with the Council.
- 1.3 This code replaces all previous codes and working arrangements. Subsequent variations to the code that result from either legislative changes or improved working practices will be included in the document and recorded through a change control process.
- 1.4 Copies of this code must be freely available from the offices of both the Council and the Agent; it must also be available on the Council’s website, and offered readily to any person who requests it.

## General

- 2.1 At no point must the reputation of the Council be brought into question through the actions of any contracted Agent.
- 2.2 The Agent must comply at all times with the statutory provisions of
- (a) The Council Tax (Administration and Enforcement) regulations 1992/613 (as amended),
  - (b) The Non Domestic Rating (Collection and Enforcement) (Local Lists) regulations 1989/1058 (as amended)
  - (c) The Taking Control of Goods Regulations 2013 and the Taking Control of Goods National Standards 2014
  - (d) the GDPR, the LED and any applicable national implementing Law as amended from time to time
  - (ii) the DPA 2018 to the extent that it relates to processing of personal data and privacy
  - (iii) all applicable Law about the processing of personal data and privacy;
- 2.2.1 Any doubt over the interpretation of the law needs to be referred to the Council for reconsideration.
- 2.3 The geographic scope for enforcement is anywhere in England and Wales.
- 2.4 Enforcement Agents must not state or infer that the Council employs them; they are required to confirm they are acting on behalf of the Council. They must carry at all times full and proper photographic identification, issued and authorised by the agent, and produce this without being asked whenever attending a debtor's property, and show it to any other person having reason to require it. Enforcement Agents must also carry a copy of the Council's authorisation to the agent to act on behalf of the Council, and be instructed to produce the document if requested to do so by any person having reason to require it.
- 2.5 The Agent's employees will maintain an acceptable standard of dress consistent with the provision of a professional service. They must act in a lawful, dignified and courteous manner, being firm but fair at all times.
- 2.6 The Agent must not discriminate on any grounds including but not limited to those identified in the Equalities Act 2010 as protected characteristics. Enforcement Agents will be respectful of the religion and culture of others.
- 2.7 The Agent will ensure interpreter services are called upon whenever it is apparent the customer is unable to communicate in English or there are clear difficulties in understanding matters at issue.
- 2.8 Enforcement Agents must possess a detailed knowledge of the Law of Distress and revenue collection procedures. Enforcement Agents levying distress on behalf of the Council must hold a current and valid certificate issued by the County Court, and ensure it remains in date at all times.
- 2.9 The Agent must ensure that its recruitment, selection and training purposes are suitably robust to ensure its employees are wholly capable of delivering the contracted service to the standards required by the legislative and regulatory frameworks and the demands of this code of practice.

## 3. Caseload Administration

- 3.1 The Council will forward caseload to the Agent usually in a secure electronic file format, if necessary secure hard copy referrals will be made. The level of information contained in the files will be as agreed between the Council and the Agent, and wherever possible instructions will be uploaded automatically into the Agent's computer systems.

- 3.2 Personal information transmitted between the Council and the Agent and vice versa is confidential. Data must be encrypted/password protected to ensure it cannot be obtained by an unauthorised source, and the use of all data must comply with the requirements of Data Protection Legislation.
- 3.3 Where either the Council or the Agent retains data on its computer system for access by either party, the data must be kept under secure conditions to prevent its access by an unauthorised source and be within the requirements of Data Protection Legislation
- 3.4 Caseload allocated to the Agent will consist either of accounts for processing as 14-day letter stage, or accounts where enforcement agent action is the required course of action. The Council will ensure caseload is clearly identified as to which enforcement route is required. Suitable checks must be undertaken to ensure the number and value of the cases exported balance when imported into the Agent's systems.
- 3.5 The 14-day caseload will require the Agent to issue pre-enforcement agent action warning notices, the content of which must have been agreed in advance with the Council, and administer all subsequent customer contact in response to the documents. Statistical information must be provided to the Council in respect of the caseload that includes detail on the number of phone calls and value of payments received.
- 3.6 Accounts the Agent administers through 14-day stage where full payment is not obtained may be progressed thereafter as enforcement agent cases without prior referral to the Council. Enforcement agent only cases do not require the issue of a pre-enforcement agent action warning notice, as the Council will have undertaken this action.
- 3.7 Caseload allocated to the Agent must be uploaded and monitored via the Agent's client web, which must be kept up to date to ensure reliable data can be viewed at all times. The Agent will ensure the Council has constant access to its client web throughout office hours, and provide sufficient training to ensure the Council can interpret accurately the progress of its caseload at all times. Full and unambiguous notation needs to be available on the client web to document the administration of any case passed to the Agent.
- 3.8 The Council reserves the right to recall any case referred to the Agent. In such circumstances the Agent will cease its action immediately and enforcement agent fees will not normally be payable.

#### **4. Visiting Standards**

- 4.1 Visits to domestic properties should take place during the hours specified in the between 08:00 and 20:00 on weekdays and between 08:00 and 20:00 on Saturdays. The Council will retain an option to permit Sunday visits on specified dates to be agreed with The Agent.
- 4.2 The hours of business of a commercial organisation like a nightclub may also warrant visits outside of the above stated hours. The Agent needs to be mindful that during extended visiting hours and weekends or Bank Holidays, the Council is unlikely to have officers available to assist with any enquiries.
- 4.3 Arrangements may be made between the Agent and the Council to vary or reduce visiting arrangements at certain seasonal times such as national and/or religious holidays and festivals.
- 4.4 A minimum of three visits must be made to make contact. The enforcement agent may revisit on the same day for the purposes of either levying distress or removing goods if there is good reason, based on investigations made, to believe the customer will be in during the subsequent visit.
- 4.5 Enforcement Agents will make themselves available by mobile phone during their working hours and have appropriate messages on voicemail to assist customers.



- 4.6 Accounts will progress to a compliance strategy that involves the issue of the statutory enforcement notice and two additional letters. The first additional letter may be issued the day after the expiration of the 14 day letter. The second additional letter may be issued up to seven days after the expiration of the 14 day letter. A first enforcement stage visit scheduled up to seven days following the issue of the second letter, a second visit up to seven days after the first visit and a third visit up to seven days following the second visit.
- 4.7 The Agent will agree the templates for standard documentation with the Council, and ensure that all notices and other documents left with, or sent to customers are on pre-printed stationery, unambiguous and clear in their content, comply with all relevant regulations, and meet plain English standards.
- 4.8 Reasonable checks need to be made to ensure that Enforcement Agents visit the correct address, and they must have access to accurate details concerning each customer's case. If during their visit it is apparent to the enforcement agent that the customer has moved address, discreet enquiries need to be made with the current/new occupier to establish a forwarding address without revealing the nature of the visit to such third parties. The information gathered including details about the new occupier(s) need to be confirmed on the Agent's client web and referred to the Council without delay.
- 4.9 In the event of a visit resulting in no contact with the customer, notification must be left in a sealed envelope addressed to the customer marked private and confidential. The notification must confirm the enforcement agent's contact details, the date and exact time the visit was made and details of the balance outstanding including any fees incurred.
- 4.10 The enforcement agent should seek to establish the identity of all persons present, and must ensure that when discussing debts they are dealing with the customer and/or their agreed representative.
- 4.11 Entry must not be attempted if the only people at the property are understood to be under the age of eighteen. In such circumstances the procedure detailed at 4.10 above needs to be followed. Entry must be peaceful and Enforcement Agents must under no circumstances seek to gain physical access to a property by use of deception.
- 4.12 The customer's privacy is to be respected at all times. No conversations concerning a debt should occur in a public area, and wherever possible, customers should be interviewed in private unless they wish other persons to be present.
- 4.13 Enforcement Agents must maintain a calm and professional manner at all times, irrespective of whether they are subject to provocation in the course of fulfilling their duties. Physical confrontation must be avoided at all costs, and if the customer becomes violent or the enforcement agent fears for their personal safety they should seek to withdraw and report the incident to the police, their line manager and the Council.

## **5. Payment Arrangements & Payments Received**

- 5.1 The enforcement agent's initial contact with a debtor will be with the intention of levying distress and seeking immediate and full payment of the debt. Where this is unrealistic a payment arrangement should be established, which the Agent must monitor.
- 5.2 Arrangements must be confirmed in writing, and give a clear explanation of the total amount due, the repayment amounts and due dates, and the consequences of it not being maintained. The Agent has the discretion to issue a maximum of one payment arrangement reminder letter, which will require the arrangement to be brought up to date within five working days and maintained thereafter. At all stages of the distress process, apart from where the removal of goods has started, customers are to be encouraged to make a payment arrangement within the agreed guidelines as the Council would wish to avoid the removal of goods unless absolutely necessary.

- 5.3 The Agent is instructed to aim to clear all debts within the relevant financial year wherever appropriate. However this may be impractical dependent on when in a year a case is referred to the Enforcement Agent, what the amount outstanding is, and what the customer's circumstances are. Any account referred progressing to the compliance stage after the 1<sup>st</sup> February will be given a rolling three month period in order to clear in-year debt. For example, arrangements made in February can be agreed for three months from February to April and arrangements made in March can include payments up to the end of May.
- 5.4 In arrears cases i.e. debt raised in a previous financial year, repayment periods of up to one year may be offered at the Agent's discretion, and arrangements exceeding this period must be referred to the Council for agreement.
- 5.5 Where a customer offers a payment arrangement that appears to be beyond their means, the enforcement agent has a responsibility to advise the customer accordingly.
- 5.6 As with Council Tax referrals, there is a similar need to collect Business Rates due within the year it is referred. For Business Rates the first visit may be an enforcement van call, and if full payment is not made at that time the preferred time frame is for payment within one month, with the possibility of allowing up to three months at the enforcement agent's discretion if the customer's circumstances merit such an extension.
- 5.7 In the event of the enforcement agent not receiving full payment on their first contact, which includes their statutory attendance fee, any payment arrangement ideally needs to be secured by a signed Walking Possession Agreement. The agreement must specify any goods on the premises, which could be removed, and the enforcement agent must make it clear to customers that no goods will be removed if payments are received in accordance with the arrangement.
- 5.8 Enforcement Agents should take reasonable steps to ensure that the value of the levy goods is proportional to the debt outstanding. Care must be taken to ensure the goods are not already subject to a levy by a third party. If the customer refuses to sign the agreement, this must be noted on the document. Payment arrangements may be made where it is possible there are insufficient goods to cover the debt as the levy may act as an incentive to the customer to ensure payment.
- 5.9 There may be occasions where no goods are available on which to levy such as where a property is rented fully furnished, or where a levy occurs in the customer's absence such as when a vehicle is parked on a drive or where the contact is with a spouse or parent.
- 5.10 The enforcement agent must seek to obtain employer details and financial circumstances when negotiating any payment arrangement, which will be shared with the Council. If it is established that the customer receives Income Support, Jobseekers Allowance, Pension Credit Guarantee (PCG) or Employment Support Allowance (ESA) or Universal Credit, the enforcement agent should their National Insurance Number and date of birth, and should make a payment arrangement equivalent to benefit deduction levels of 5% unless it is apparent there are good distrainable effects that would help discharge the debt quicker. In the event of the arrangement failing, or other appropriate circumstances such as exceptional hardship or exceptional vulnerability, the case should be returned to the Council.
- 5.11 If the customer works but their income is only equivalent to subsistence level state benefits, and the enforcement agent is shown evidence to this effect, an arrangement needs to be made that is equivalent to the deductions usually secured through attachments to these benefits, which is 5% of the benefit received.
- 5.12 If the enforcement agent considers the customer's circumstances are such that they may be eligible for some form of benefit but have not applied, the enforcement agent should advise the customer to apply.
- 5.13 There will be occasions when the Council will direct the Agent to accept an arrangement and require the Agent to monitor its payment thereafter.

- 5.14 Official, numbered company receipts must be given in all instances where payment is received in person by an enforcement agent. The receipt must state the date and the exact amount received the method of payment, and confirmation of any balance outstanding. The enforcement agent must advise the customer to keep all receipts in the event that they are required to verify payment.
- 5.15 Where the Agent receives payment by post, a receipt will only be required if the debtor provides a pre-paid self-addressed envelope for this purpose.
- 5.16 Postal payments received by the Agent prior to the start of an enforcement agent visit that clear a debt in full must be accepted by the Agent as final settlement without the additional enforcement agent fees being added.
- 5.17 Where the removal of goods is imminent the Council will not endorse payment by a non-guaranteed method like cheque; cash is the favoured option.
- 5.18 Any online payment functionality offered by the Agent must include the facility for customers to obtain a receipt for any payment made.
- 5.19 The scale of charges the Agent applies to payment by certain methods like debit or credit card will be agreed with the Council in advance of its application and displayed clearly to customers.
- 5.20 The Council will notify the Agent of payments made directly to the Council, ideally on a daily basis.
- 5.21 There may be occasions where the Council refers an additional liability order to the Agent, who has an existing arrangement with the customer. In such instances the Agent will visit to make the necessary levy. However it is at the Agent's discretion (dependent on the timing of the additional referral, how much the referral is for, and how much remains to be paid on the original case), as to whether a separate payment arrangement is set up for the new debt or if its payment is scheduled to begin when the existing one ends.
- 5.22 For Council Tax and Business Rates, if there are sufficient goods and the debtor refuses to make an arrangement, a notice of removal must be left confirming that if neither payment in full (including enforcement agent fees) nor an acceptable payment arrangement is made within five working days, the enforcement agent will revisit with the intention of removing goods from the sixth day onwards.
- 5.23 For Business Rates where the removal of goods may result in the business's closure, or job losses, the enforcement agent must contact the Council for guidance before action proceeds.
- 5.24 If the customer is unable to make a reasonable payment offer, or has insufficient goods or refuses legal access, the Agent will return the case to the Council with a full report of the circumstances duly certified "nulla bona" so further enforcement action may be considered.

## **6. The Removal and Sale of Goods**

- 6.1 The Agent may remove goods with a view to their sale if a suitable payment arrangement is neither made nor maintained with a customer who owns sufficient goods duly identified which, when sold, would discharge a minimum of 50% of one case and the related fees. No removal must be attempted unless there has been prior contact with the customer and all other legal requirements have been fulfilled.
- 6.2 The Agent must only remove goods in accordance with prescribed regulations and codes of practice however some items are exempt from distress as detailed in Schedule 1 to this code of conduct. The Agent must never knowingly remove any items which form part of an existing levy by a third party.
- 6.3 The Agent needs to notify the Council of any intended forced entry to any part of the premises for the purpose of removing goods where walking possession has been secured previously. If the action is agreed, a

police officer must be advised of the intention to force entry, and the premises must be secured before departure.

- 6.4 The Agent may make the Council aware of its intention to remove goods if it considers such action to be prudent.
- 6.5 All goods removed need to be listed on an inventory that also details any obvious defects to the items, a copy of which must be left with the customer. Additionally the customer must be provided with written confirmation of the total balance outstanding, including enforcement agent fees, and notification of the intention to commence sale proceedings if payment in full is not received within a further five working days.
- 6.6 If the customer is not present, the authorised possession notice and associated documentation needs to be left in a prominent place within the premises for their attention in a sealed envelope marked private and confidential. Time and date-stamped photographs should be taken of the goods removed to indicate their condition and reduce the possibility of a subsequent claim for damages, where considered appropriate.
- 6.7 The Agent or contractors acting under their supervision must ensure that the removal, transportation and storage of goods occur with due care and attention; the items taken into possession must be covered by an adequate insurance policy.
- 6.8 Where a vehicle is seized a report must be completed detailing its condition prior to removal. Any third party used to remove the vehicle and the customer (if present) must countersign the report. If the customer is present and refuses to sign, the document should be noted to this effect.
- 6.9 The cost of transporting goods to the place of sale and the auction costs must be kept to a minimum. Reputable auction facilities must be used to ensure the sale is properly publicised with a view to encouraging as many potential buyers as possible to assist in securing the best price for the goods. A reserve should be placed on any goods of high value, which is defined as any single item with an estimated value of £500 or more for Council Tax and £1,000 or more for Business Rates.
- 6.10 A specialist sales room should be engaged for the sale of any particularly high value and specialised items like jewellery and antiques.
- 6.11 The Agent must advise the customer where the goods will be stored, which must be a reasonably accessible location, and the anticipated date and place of auction. The customer must be given an opportunity to redeem their goods by paying in full prior to the auction.
- 6.12 The Agent must provide the Council with confirmation of the amount realised through the auction.

## **7. Fees**

- 7.1 Fees must be levied in accordance with legislation.
- 7.2 Where “reasonable fees and expenses” apply, the Agent will agree the scale of charges with the Council, which the Council agrees to review annually.
- 7.3 The Council will inform the Agent of any instances where it is considered fees have been added incorrectly or inappropriately. In any such instance where the customer has paid such fees, the Agent will refund these without delay; unpaid fees will be written off.
- 7.4 Fees must not be added for a future action, although clear information about potential charges that may be incurred for subsequent late or non-payment should be included on documents.
- 7.5 All fees incurred must be clearly stated in a legible manner on documentation provided to customers, with no reference to phrases like “ring for balance”. There may be occasions like where the removal of goods

occurs where it is initially impractical to be able to confirm the fees level. Any inappropriate application of fees or alteration or pre-printed stationery identified by the Council will be referred to the Agent, who will be expected to apply their disciplinary code to any of its staff identified as having been involved in such practices. Practices such as this may be considered by the Council to be in breach of this agreement and as such, no further referrals will be made and any agreements may be terminated.

- 7.6 Where the Agent administers more than one liability order for a customer, fees must be calculated on the aggregate balance of all, not individual, orders.
- 7.7 Enforcement/van charges must only be added once where goods are not removed unless removal has commenced and goods are returned due to payment.
- 7.8 Enforcement agent levy fees must be calculated on the amount outstanding at the time of the levy rather than the original amount referred.
- 7.9 Any percentage fees will be rounded to the nearest pound.

## **8. Warrants**

- 8.1 Following the issue of a committal summons and its subsequent approval by the magistrates, the Council will issue a contact letter to customers confirming that unless they pay in full or make an arrangement within seven days, bail warrant or warrant of arrest (no bail) enforcement will proceed.
- 8.2 Cases will be issued to the Agent thereafter, and action to execute the warrants must begin within a maximum of 28 days.
- 8.3 The Council will confirm to the Agent the dates, times and limit on numbers of persons that can attend Court as agreed with the Magistrates for scheduled committal hearings where “no bail” warrants can be executed; the Council will also confirm to the Agent the dates on which the Court have agreed to accept customers arrested under bail conditions.
- 8.4 When executing a bail warrant the Agent’s enforcement officer must, unless payment in full including fees is received, arrest and bail the customer to appear before the magistrates on a date agreed with both the Council and the Court. Payment may be by cash, cheque or debit/credit card and in the event of a cheque payment funds must have cleared by the surrender date.
- 8.5 When executing bail warrants the Agent’s enforcement officer must explain to the customer the reason for their arrest, full details of the charge outstanding, the type of warrant being executed, the time, date and place of the committal hearing the customer has been bailed to attend, and the consequences of non-attendance. Documentation must also be left with the customer that clearly confirms these details.
- 8.6 The Agent must notify the Council of the full details of the bail warrants executed no later than three working days before the hearing.
- 8.7 If the customer refuses to sign a bail warrant the Agent’s enforcement officer must return the warrant to the Authority, which will return to the Court and apply for a “no bail” warrant instead.
- 8.8 When executing “no bail” warrants the agent’s enforcement officer must, unless payment in full including fees is received, arrest and escort the customer to the Court, informing the Council without delay of their actions, who in turn will notify the Court that the customer is being brought in. Payment may be by cash or debit/credit card. In the event of card payment not being honoured further action may continue to execute the warrant.
- 8.9 When executing “no bail” warrants the Agent’s enforcement officer should, where possible, inform another member of the customer’s household that an arrest has been made.

- 8.10 The Agent shall wherever possible provide two enforcement officers to either execute or assist in the execution of a “no-bail” warrant.
- 8.11 “No bail” warrants must not be executed where it is apparent that such action would result in children being left unsupervised in a property.
- 8.12 Where it becomes apparent to the agent’s enforcement officer that the customer is in receipt of Income Support, Jobseekers Allowance, Pension Credit Guarantee, Employment Support Allowance or Universal Credit, the warrant does not need to be returned to the Council. The customer should still surrender to the warrant with a view to the Magistrates undertaking a full means enquiry, resolving to either remit/direct for attachment as appropriate.
- 8.13 The Agent must return bail and “no bail” warrants as soon as it is apparent that they are unenforceable, or within a maximum of six months, whichever is the soonest, unless the Council gives approval to extend this time frame. It is recognised that access to Magistrates’ Court time may require the six month time frame to be extended regularly. Cases need to be returned with a full report that details the actions undertaken.

## **9. The Council’s Responsibilities**

- 9.1 The Council must notify the Agent of all payments received and other contacts with the debtor.
- 9.2 The Council has a responsibility to tell the debtor that if payment is not made within a specified period of time, action may be taken to enforce payment.
- 9.3 The Council must not request the suspension of a warrant or make direct payment arrangements with debtors without notifying the Agent.
- 9.4 The Council must not issue a warrant knowing that the debtor is not at the address, as a means of tracing the debtor at no cost.
- 9.5 The Council must provide a contact point at appropriate times to enable the Agent to make essential queries particularly where they have cause for concern.

## **10. Information**

- 10.1 All notices, correspondence and documentation issued by the Agent must be clear and unambiguous and to the satisfaction of the Council.
- 10.2 On returning any un-executed warrants, the Agent should report the outcome to the Council and provide further appropriate information, where this is requested.
- 10.3 The Agent should provide clear and prompt information to debtors and where appropriate, to the Council.

## **11. Disputes, Correspondence & Complaints**

- 11.1 In the event of the customer disputing aspects of their liability or payment history the Agent will contact the Council for clarification on the nature of the charge outstanding and payments received, and how to proceed.
- 11.2 The Agent will answer all correspondence from customers within 5 working days of it being received, wherever possible, supplying copies of such to the Council for its own records where considered appropriate.

- 11.3 The Agent will administer an internal complaints procedure, with which its representatives must be conversant, and provide a monthly statement that summarises the complaints it has administered in respect of the Council's customers, to include confirmation of the number of complaints that were or were not upheld.
- 11.4 The Council will investigate all complaints it receives relating to the actions of the Agent and its representatives, responding to the complainants in accordance with the Council's complaints procedure and informing the Agent of its findings.
- 11.5 The Agent will provide the Council with a copy of its complaints procedure, and advise the Council of any subsequent amendments to the process within five working days of their occurrence.
- 11.6 The Council and Agent will share appropriate documentation, in accordance with Data Protection Legislation, to enable either party to administer its complaints caseload efficiently and to respond to customers fully within ten working days.
- 11.7 The Agent should make use of the complaints and disciplinary procedures of professional organisations like the Association of Civil Enforcement Agencies or the Enforcement Services Association.
- 11.8 The Agent must make available to customers and stakeholders details of their complaints procedure on request and publicise it in accessible places like its website and offices.
- 11.9 Facilities should be in place to ensure the complaints procedure is available by means accessible to disadvantaged customers like those with visual impairment or whose first language is not English.

## **12. Vulnerable Customers**

- 12.1 Attempt should not be made to levy or remove goods from the following type of customers due to their vulnerability without prior reference to the Council:
- a) Any elderly persons over the age of seventy-five;
  - b) Any elderly persons under seventy-five where it is apparent they are frail, confused, ill or having difficulty in dealing with their affairs;
  - c) Any severely disabled persons;
  - d) Any person considered to being mentally impaired;
  - e) Any person considered to be impaired due to intoxication either through alcohol or drugs where the intoxication is severe enough that the person is not able to deal with their affairs;
  - f) Any household where there has been bereavement within the last two weeks;
  - g) Any customer (or their partner) who is in the last two months of pregnancy;
  - h) Any household with a new baby under the age of six weeks;
  - i) Any customer (or household member) who is suffering from long term or serious illness;
  - j) Any customer who is suffering from a terminal illness;
  - k) Any single parent of children under the age of twelve in receipt of a means tested benefit or who is experiencing financial hardship;
  - l) Any property where the English language is not spoken read or understood in the household and where interpretation services are not readily available;
  - m) Any customers living on any of the subsistence level benefits whose circumstances are such that it may be more appropriate for the Council to administer the debt by the application of an attachment;
  - n) Any other person or household where the enforcement agent considers there to be any other vulnerability. The enforcement agent will be expected to explain the nature of the vulnerability and their use of this discretion to the Council.

- 12.2 When the nature of a person or household's vulnerability is temporary, the agent will place a temporary hold on all enforcement action and will re-visit the account at a predetermined date. This must be communicated clearly with the customer.

## **Schedule 1 – Goods Exempt from Distress**

In the process of executing a Council Tax or National Non Domestic Rates distress warrant the enforcement agent must exercise caution, consulting with the Council for advice where there is doubt about removing certain goods. The enforcement agent will not levy on the following items:

- a) For Council Tax only, any tools, books, vehicles and other items of equipment necessary to the debtor for their personal use in the course of their trade, employment, profession or vocation. (Note – while a mini cab driver's vehicle is a tool of their trade, a car used for commuting purposes is not);
- b) Cooking and heating appliances where such items are not duplicated and where this would leave the customer and other household members with no means of preparing a hot meal and maintaining adequate heating within the premises;
- c) Refrigerators where such items are not duplicated and, where this would leave the customer and other household members with no means of keeping food cold;
- d) Food;
- e) Bedding or household linen that would leave the customer and other household members without the basics required for domestic life;
- f) Beds and chairs, where this would leave the premises without one bed and one chair for each occupant;
- g) Children's toys and items reasonably required for the welfare or upbringing of any dependent child who is a member of the household;
- h) Medical aids or medical equipment reasonably required for the use of any member of the household;
- i) Books or any articles reasonably required for the education or training of the customer or any member of their household not exceeding an aggregate value of £500;
- j) Articles required for safety reasons in the property;
- k) Items purchased through authorised loans and grants advanced from the Social Fund;





**HYNDBURN**

The place to be  
an excellent council

## Citizens Advice Information Request

|  |                         |
|--|-------------------------|
|  | <b>Reference number</b> |
|  | Name(s)                 |
|  | Address                 |



**HYNDBURN**  
 The place to be  
 an excellent council

|  |                               |  |
|--|-------------------------------|--|
|  | Date of information request   |  |
|  | Date of appointment           |  |
|  | ATD confirmed?                |  |
|  | Officer providing information |  |
|  | Date provided                 |  |

|            |  |  |
|------------|--|--|
| <b>1.</b>  | Total Council Tax Debt   |  |
| <b>2.</b>  | Financial years which debt relates to.                             |  |
| <b>2.</b>  | Any discounts or exemptions on the account? If so, which?          |  |
| <b>3.</b>  | Date any discount/exemption was last awarded to.                   |  |
| <b>3.</b>  | CTS in payment – or CTS history of application, nil qualifier etc. |  |
| <b>4.</b>  | Current year recovery status                                       |  |
| <b>5.</b>  | Arrears recovery status  |  |
| <b>6.</b>  | Last contact with the Council                                      |  |
| <b>7.</b>  | Arrangement offer from Council                                     |  |
| <b>8.</b>  | Is account on hold until appointment?                              |  |
| <b>9.</b>  | Any other debt owed to the Council e.g. HBOP? NDR?                 |  |
| <b>10.</b> | Notes  |  |
|            |  |  |

Appendix 4

# Benefits, Revenues and Customer Contact Vulnerable Customer Policy

---

October 2018

## 1. Introduction

- 1.1 This document outlines how we will broadly define vulnerability, how we identify and how we treat our vulnerable customers and how we may make allowances for our vulnerable customers when administering Council Tax, National Non Domestic Rates, Housing Benefit and Council Tax Support.
- 1.2 There is no definition of vulnerability prescribed by the variety of legislation covering benefits and revenues and while we have listed some circumstances in this policy which may indicate vulnerability, this list is by no means exhaustive.
- 1.3 The policy intentions outlined in this document cover the Council's actions for
  - Housing Benefit including the recovery of overpayments
  - Council Tax Support including the recovery of excess Council Tax Support
  - Council Tax billing and recovery
  - National Non Domestic Rates billing and recovery
  - Discretionary Housing Payments
  - Exceptional Hardship Fund Payments for Council Tax Support claimants
  - Exceptional Hardship Fund Payments for Council Tax payers

## 2. Vulnerable customers

- 2.1 Whilst there are no prescribed descriptions of vulnerable groups, local authorities must have regard to their responsibilities defined under:-
  - The Equality Act 2010 – the public sector Equality Duty in respect of protected characteristics.
  - The Child Poverty Act 2010 – duty to reduce and mitigate the effect of child poverty in local areas.
  - The Housing Act 1996 – duty to prevent homelessness
- 2.2 Particular regard may be taken when delivering our services for the following people:
  - a. Any elderly persons over the age of seventy-five;

- b. Any persons under seventy-five where it is apparent they are frail, confused, ill or having difficulty in dealing with their affairs;
- c. Any severely disabled persons;
- d. Any person considered to be mentally impaired;
- e. Any person considered to be impaired due to intoxication either through alcohol or drugs where the intoxication is severe enough that the person is not reasonably able to deal with their affairs;
- f. Any household where there has been bereavement within the last two weeks;
- g. Any customer (or their partner) who is in the last two months of pregnancy;
- h. Any household with a new baby under the age of six weeks;
- i. Any customer (or household member) who is suffering from long term or serious illness;
- j. Any customer who is suffering from a terminal illness;
- k. Any single parent of children under the age of twelve in receipt of a means tested benefit or who is experiencing financial hardship;
- l. Any property where the English language is not spoken, read or understood in the household and where interpretation services are not readily available;
- m. Any customers living on any of the subsistence level benefits where the debt does not exceed £200.00, in which cases it may be more appropriate for the Council to administer the debt by the application of an attachment;
- n. Any other person or household where a council officer or agent working on behalf of the council considers there to be any other vulnerability. The council officer or agent working on behalf of the council will be expected to explain the nature of the vulnerability and their use of this discretion to the Council.

2.3 Not all customers who fall into these categories will consider themselves to be vulnerable nor will falling into one or more of these categories by itself mean that someone is vulnerable and requires an adapted approach to our services. Decisions regarding vulnerability will be made holistically and with due regard each person's or household's circumstances.

2.4 Customers who may be vulnerable will not be made exempt from paying Council Tax, Business Rates, Housing Benefit overpayments or any other money owed to the Council as a result of their potential vulnerability alone.

### **3. Identifying vulnerable customers**

3.1 All staff working in Benefits, Revenues and Customer Contact are provided with training aimed at increasing awareness of vulnerability, how to spot vulnerability and how we will treat our vulnerable customers.

3.2 Vulnerability may be identified via a number of methods:

- Self-identification: customers may tell us specifically that they consider themselves to be vulnerable and why. We may require further information from a customer in order to adapt our services appropriately and this will be handled with sensitivity.
- Speaking to or communicating with customers via email – it may be the case that a customer provides information that can indicate a vulnerability and we aim to be alert to this at all times.
- Referral from another organisation – we work in partnership with a number of organisations and while we will be sensitive to any and all data sharing arrangements, if a partner organisation informs us that they have identified someone as vulnerable, we will consider this for our services too.
- Information we hold about our customers – if during the course of our work, information such as dates of birth, details of children in a household or details of disability benefits in payment is available to us, this may help us to identify someone as potentially vulnerable and guide our staff to adapting our services.

#### **4. Suicide and self-harm**

- 4.1 Threats or indications of self-harm or suicide will be taken seriously and will not be dismissed or ignored. Customers will be encouraged to contact their GP, local mental health team or support worker if they have one. With their consent, it may be appropriate for the Council to contact someone on the customer's behalf.
- 4.2 Emergency services will be contacted if any customer is considered to be in any immediate danger of suicide or self-harm. Customer consent is not required to do this.
- 4.3 All customers who threaten or indicate suicide or self-harm will be referred to a manager to ensure that all options have been explored and that the Council officer has acted appropriately. This may include a review of telephone recordings, emails, letters or further contact with a customer.

#### **5. Accessing our services**

- 5.1 Our customers can access information and advice via a variety of methods including:
- Online via our website and Connect services
  - By telephone
  - By email
  - In writing
  - Face to face
- 5.2 Our face to face availability is limited to vulnerable customers only but is available and will be offered to anyone who cannot communicate with us using one of our other available methods or who may require additional support that a face to face appointment can sometimes provide.

- 5.3 We consider our online services to be integral to the successful future delivery of our services and we will offer online access to all services as a first option. If a customer informs us that they do not have access to the internet and no one else in their household is able to do this, we will offer them alternatives such as telephone services or paper forms.

## **6. Council Tax and Business Rates Collection and Recovery**

- 6.1 We aim to ensure that all appropriate exemptions and discounts are applied to Council Tax accounts if applicable. This includes but is not limited to disabled adaptation reductions, single occupancy discounts, severe mental impairment discounts, carer's discounts etc.
- 6.2 We will provide suitable payment methods to take into account the varying nature of our residents' access to technology – for example, our barcoded bills allow people to pay by cash using Post Offices or PayPoint outlets throughout the borough.
- 6.3 We will provide a paper billing service to those who do not have access to the internet for e-bills or for those whose preference is paper.
- 6.4 We will consider all appropriate methods of recovering unpaid Council Tax from vulnerable households including limiting referrals to enforcement agents, flexible payment arrangements, attachments of earnings and deductions from benefits which may be more suitable for some customers.
- 6.5 We will consider all appropriate methods of recovering unpaid Business Rates from individuals including limiting referrals to enforcement agents and flexible payment arrangements.
- 6.6 When the nature of an individual's or household's vulnerability is temporary, we may consider a temporary hold on enforcement action and will re-visit the account at a predetermined date.

## **7. Housing Benefit and Council Tax Support**

- 7.1 We aim to ensure that all households are given correct and timely advice and information about available benefits in order to prevent or lessen vulnerability.
- 7.2 We will use all available contact methods to communicate with our customers such as email, telephone, letters and face to face information and advice as appropriate in order to accommodate our customers' varied needs.
- 7.3 We will consider all appropriate methods of recovering overpaid Housing Benefit from vulnerable households including limiting referrals to debt collection agents, flexible payment arrangements, direct attachments of earnings and deductions from benefits which may be more suitable for some customers.

- 7.4 When the nature of an individual's or household's vulnerability is temporary, we may consider a temporary hold on all enforcement action and will re-visit the account at a predetermined date.
- 7.5 We will ensure that we provide information about Discretionary Housing Payments and Exceptional Hardship Fund payments as appropriate in order to support customers through welfare reforms and to help with the prevention of rent arrears, Council Tax payment issues and financial vulnerability.

## **8. Complaints**

- 8.1 Complaints about the handling of any account will be dealt with in accordance with the Council's general complaints policy which can be found at [www.hyndburnbc.gov.uk/complaints](http://www.hyndburnbc.gov.uk/complaints)

## **9. Equality and diversity**

- 9.1 A Customer First Analysis accompanies this policy. No adverse impact has been identified that may discriminate against any group with a protected characteristic as defined by the Equality Act 2010 and outlined in the Public Sector Equality Duty.

## **10. Review/approval**

- 10.1 This policy will be reviewed annually and updated if required.