

HIGH PEAK BOROUGH COUNCIL

Report to The Executive

15 August 2019

TITLE:	Citizens Advice - Council Tax Protocol
EXECUTIVE COUNCILLOR:	Councillor Alan Barrow - Executive Councillor for Corporate Services and Finance
CONTACT OFFICER:	Claire Hazeldene - Head of Finance
WARDS INVOLVED:	Non Specific

Appendices attached:

- **Appendix A - Citizens Advice Council Tax Protocol**

1. Reason for the Report

- 1.1 The purpose of this report is to consider a recommendation by the Council Tax Collection Working Group for the Council to adopt the Citizens Advice Council Tax Protocol

2. Recommendation

- 2.1 It is recommended that the Executive:

- Adopt the Citizens Advice Council Tax Protocol as attached at Appendix A);
- Note the issues that will need to be addressed as detailed in section 9.3 of the report; and
- Note the additional work that is to be undertaken by the Working Group as set out in section 10 of the report.

3. Executive Summary

- 3.1 At their meeting held on 15th July, the Council Tax Collection Working Group considered a presentation from Derbyshire Districts Citizens Advice requesting the Council to adopt the Citizens Advice Council Tax Protocol (attached at Appendix A).

- 3.2 The protocol was developed in partnership with the Local Government Association. The aim of the protocol is to offer practical steps aimed at preventing people from getting into debt and to ensure that when local authorities use enforcement agents that they act within the law.
- 3.3 The working group also received a report that highlighted the implications that would arise from the Council adopting the protocol. The conclusion was that there is nothing in the document that would result in major revisions in the Council's collection procedures and therefore the principles of the protocol were supported.
- 3.4 There are however a number of issues that will need to be addressed after committing to signing the document. It was agreed that the working group would consider and resolve these issues at their next meeting.

4. How this report links to Corporate Priorities

- 4.1 Agreeing the protocol will help the Council ensure that it provides excellent levels of service to its customers

5. Options and Analysis

- 5.1 It is recommended that Council adopts the protocol – the implications of this are limited and it will be a positive statement about the Council's commitment to treating people fairly throughout the council tax recovery process

6. Implications

- 6.1 Community Safety - (Crime and Disorder Act 1998)
None
- 6.2 Workforce
Some additional training particularly focusing on vulnerability and hardship will be required to support the Council's compliance with the protocol
- 6.3 Equality and Diversity / Equality Impact Assessment
The report has been prepared in accordance with the Council's Diversity and Equality Policy
- 6.4 Financial Considerations
None
- 6.5 Legal
None
- 6.6 Sustainability
None

- 6.7 Internal and External Consultation
The CAB attended the working group to outline the case for the Council adopting the protocol
- 6.8 Risk Assessment
Not applicable

ANDREW P STOKES
Executive Director (Transformation) & Chief Finance Officer

**Web Links and
Background Papers**

Location

Contact details

Buxton Town Hall

Claire Hazeldene
Head of Finance
claire.hazeldene@highpeak.gov.uk

7. Background & Introduction

- 7.1 The working group established to look at the collection of council tax first met on the 1st April and established a work programme. It was agreed that the first priority would be for the group to consider the adoption of the Citizen Advice Council Tax Protocol by the Council.
- 7.2 The group received a presentation by Derbyshire Districts' Citizens Advice Bureau who set out the background to the protocol and the issues that it could be used in High Peak to address.
- 7.3 Following the presentation the working group agreed to make the recommendation to the Executive for the Council to adopt the protocol. The purpose of this report is for members of the Corporate Select Committee to consider this recommendation.

8 Citizens Advice - Council Tax Protocol

- 8.1 The Citizens Advice Council Tax Protocol was developed in partnership with the Local Government Association. The aim of the protocol is to offer practical steps aimed at preventing people from getting into debt and to ensure that when local authorities use enforcement agents that they act within the law.
- 8.2 The protocol, which is attached at Appendix A, asks that Councils:
- Work with enforcement and advice agencies to help people pay their council tax bills while accessing debt advice;
 - Ensure all communication with residents about Council Tax is clear;
 - Use the Standard Financial Statement when calculating repayment plans;
 - Offer flexible payment arrangements to residents;
 - Do not use enforcement agents where a resident receives Council Tax Support;
 - Publish their policy on residents in vulnerable circumstances.
- 8.3 In summary, there are three areas of focus within the document:
- *Partnership: to foster more effective partnership working* - This section focuses on the Council, the CAB and enforcement agents working together, meeting regularly – with all parties signing the protocol document. It proposes a dedicated contact at the Council for the CAB to discuss specific cases with as well as the provision of relevant training particularly focusing on vulnerability and hardship.
 - *Information: to improve the information supplied to Council Tax payers about the billing process, how to get support and debt advice and to promote engagement* - This section focuses on ensuring that communication issued by the Council and Enforcement Agents is clear and understandable, as well as ensuring all relevant information is available on the Council's website. It recommends the option to provide

flexible payment arrangements, signposting national debt advice services on documentation, and promoting available discounts/reliefs/support schemes.

- *Recovery: encouraging effective recovery, with early engagement and referral to money advice organisations* - This section focuses on how Councils should ensure the recovery process is as effective as possible, with enforcement charges and recovery policies reviewed regularly and consideration given to those debtors on Council Tax support or awaiting a claim for Universal Credit. It also recommends the Council establishes a clear 'vulnerability definition'. In addition, it recommends the Council prioritise direct deductions from benefits/earnings as a mechanism for recovery, provision for debt advisors to negotiate payment plans on behalf of the debtor and clarity provided to the debtor as to which debts are being paid off (where multiple liability orders exist).

9 Signing the Protocol - Implications for the Council

- 9.1 It is proven that where local authorities and debt advice agencies work closely together, collection processes can be improved. An effective local relationship leads to more early interventions to support people struggling with payments and helps prevent further charges and reduces both collection costs and demand on local public services.
- 9.2 Council officers have already met with the local CAB representatives and discussed the protocol – the conclusion is that there is nothing in the document that would result in major revisions in the Council's collection procedures and therefore the principles of the protocol are supported.
- 9.3 There are however a number of issues that will need to be address after committing to signing the document. These are as follows:
- Providing a dedicated contact at the Council for the CAB to discuss specific cases;
 - Some additional training particularly focusing on vulnerability and hardship;
 - A review of communication issued by the Council and Enforcement Agents to ensure that they are clear and understandable;
 - Ensuring that proper consideration is given to those debtors on Council Tax support or awaiting a claim for Universal Credit;
 - Establishing a clear 'vulnerability definition'.

10 Further Work

- 10.1 At the initial working group meeting, Councillors concluded that it was critical that vulnerability is clearly defined. It was agreed that the Council's current enforcement agents attend the next meeting of the working group to outline their approach to vulnerability which in turn will aid the Council in developing a clear definition.

10.2 In addition it was agreed that the working group would also review all of the communications issued by the Council throughout the council tax recovery process with a view to making recommendations for improvement.