

## STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

### Resources Overview and Scrutiny Panel Wednesday, 23 June 2021

#### **1. Question received from Councillor Gledhill:**

“What is the Council’s policy on the use of bailiffs in relation to Council Tax matters?”

#### **Response from Councillor Ralphs, Leader of the Council:**

The Council has a statutory duty to undertake recovery action for non-payment of Council Tax in line with the Council Tax Administration and Enforcement Regulations 1992 (as amended) and takes a firm but fair application of the legislation in order to maintain income receipts to fund essential front line services.

Prior to Enforcement Agents being engaged, there are a number of steps which are taken. These include reminder notices, final notices and summons. At each of these stages, we encourage customers to make contact with the Council in order to discuss their Council Tax account and establish a payment arrangement. During the Coronavirus pandemic, the Council issued an informal letter (prior to reminder notice) as an additional step with signposting to external agencies who can support with financial hardship, recognising the impact COVID-19 may have had on households. The Council also provides options to pay Council Tax in instalments over 12 months (rather than 10) and a choice of three payment dates if paid via Direct Debit.

If recovery gets to summons stage and a liability order is awarded at Court, this secures the debt and provides additional steps to take enforcement action. Where possible, the Council explores the use of attachment of earnings/benefits – which results in a weekly reduction (amount in line with regulations based on amount earned) from salary/benefits. At the point all other recovery options have been exhausted, the Council would then consider passing the account to Enforcement Agents. However, where the Council is aware that the customer is vulnerable, further action is taken internally to avoid where possible, the account going to the Enforcement Agent. However, if no other way of collecting the debt has been secured, it may be passed on as a separate upload and the Enforcement Agent would be informed of the possible vulnerability.

Enforcement Agents operate in accordance with the Human Rights Act 1998, Equality Act 2010 and Taking Control of Goods Regulations 2014. Even when an account is passed to Enforcement Agents, we request them to issue a ‘pre-compliance’ letter – there is no requirement to issue this under regulation, but it provides an opportunity for the customer to make contact and agree an arrangement prior to any fees being added. The Enforcement Agents are required to identify any vulnerabilities (which the Council may not have been aware of) and have specific welfare and safeguarding teams established and work alongside support organisations which provide debt advice. Where vulnerable customers are identified Enforcement Agents would notify the Council and the account may be returned.

The Council are looking at working more closely with the Citizens Advice Bureau (CAB) with a view to signing up to their Council Tax Protocol which encourages the Council, Enforcement Agencies and the CAB to work in partnership to support those in genuine financial hardship.

Officers have provided presentations to Resources Committee previously in respect of the recovery process, but this could be added to the Committee work programme so a full update could be provided if Councillors feel this would be beneficial.

