

*Tendring*  
District Council



# Collection and Recovery

## Protocol/Procedure Document for

### Council Tax & NNDR

The Council is committed to fulfilling the requirements of the Local Government Acts 1988 and 1992 and any such amendments for the collection of Council Tax and National Non-Domestic Rates.

This document deals with the revenue collection for said taxes.

Revised: September 2025

# Council Tax

## **Statutory Instalments**

The Council will advise all local taxpayers of their statutory right to pay by the number of instalments prescribed in the legislation whether it is the annual bill or a subsequent adjustment notice.

The Councils default instalment plan in accordance with regulation is 10 monthly instalments but upon request from the liable party this can be increased to 12 instalments (if sufficient time remains within the relevant financial year).

## **Weekly Payment**

Weekly payments can be made towards a Statutory Instalment regarding it is in advance i.e the amount due has been settled by the instalment due date, but this payment method is only if there are no arrears on the account.

The Council will actively encourage payment by Direct Debit but also accepts other payment methods including web payments through the Council's portal, bank standing order, bank giro transfer, telephone banking, Debit and Credit card, personal/bankers' cheque, & Bar Code payments at a recognised outlet ie Post Office. Other methods of payment will be investigated in line with changes in technology.

## **Non-Statutory Payment Arrangements**

### **Payment by agreement**

Any variation to the Statutory Instalment Scheme must be supported by good reason. These will be individually considered and a decision given in writing. The decision will be recorded on the computer database and the account amended accordingly.

### **Other Payments**

All other payments which do not meet the Statutory Instalments or those set out above will be deemed as being in default and be subject to recovery proceedings within the legislative requirements and can proceed to the recovery stage of the enforcement process.

## **Pre Reminder/Final Notice Texts**

To assist customers in the prevention of receiving Statutory Reminder Notices, the Council may, where and when possible, issue a text message advising the customer of their arrears and requesting payment to be made.

## **Reminder and Final Notices**

The Council will make use of the three types of pre-summons action available to it.

- (i) Statutory Reminder Notice for the first non-payment.
- (ii) Statutory Reminder Notice for the second non-payment.
- (iii) Final Notice should a third non-payment take place.

None of the above notices will be issued unless 14 days have elapsed since the instalment became due.

The timing and numbers of such computer runs to produce the said documents are determined by the Council.

## **Summonses**

The Council will determine the annual Summons and Liability Order costs in accordance with the regulations.

The Council will not issue a Summons in accordance with regulation unless the appropriate Reminder/Final notice has been issued and full payment as requested not received.

The Council will not withdraw a Summons in order to allow the statutory payment scheme to be recommenced, however a special arrangement may be entered into on the understanding that a Liability Order will still be applied for along with associated costs to secure the outstanding sum.

The Council will make a request to the Clerk to the Justices to arrange a regular court date each month.

Certain payments can take 7 days to reach an account; customers are therefore advised not to use these methods when paying time sensitive notices.

## **Liability Orders**

The Council will ensure that where no arrangement has been received and agreed two notices are sent to the customer after the issue of a Liability Order, one being the notice of the granting of such an order and the other being an Information Request as a further opportunity to ascertain a payment arrangement.

The contents of such notices are determined by the regulations.

The customer may still be able to secure a payment arrangement upon the completion and return of the Information Request.

## **Payment Arrangements**

**Any payment arrangement which the Council agrees should not exceed beyond the current financial year or a duration of longer than six months, unless exceptional circumstances are given i.e. change/loss of job or reduced income etc.**

A notification of the payment arrangement will be issued in writing including confirmation of the recovery process should payment not be received as agreed. Any amendments to a payment arrangement will be confirmed in writing.

To enable customers to make a payment arrangement taking into consideration their full income and expenditure a budget form has been supplied at *Appendix 1* below, this will also assist a full holistic understanding of the indebtedness of all creditors. In some circumstances the Council will request this form to be completed along with supporting documents for verification.

Should a dispute arise with regard a payment arrangement, the Council will only adhere to what has been confirmed in writing.

Payment arrangements are reviewed on a regular basis and if found to be in default will be cancelled and further enforcement action can be taken without prior notice being given in accordance with the original notice confirming the arrangement.

## **Pre Enforcement Texts**

To assist customers in the prevention of receiving enforcement action the Council may, where and when possible, issue a text message advising the customer of their debt and provide a final opportunity to secure an arrangement.

If no payment arrangement is reached or adhered to one or more of the following will be tried.

## **Attachment of Earnings**

The Council will issue such orders as and when necessary and will not withdraw them unless payment in full has been received.

## **Deductions from Benefit**

The Council will issue such orders as and when necessary.

## **Deductions of Members Allowances**

The Council will issue such orders as and when necessary.

## **Enforcement Agent**

The Council will instruct an Enforcement Agent Company to collect on the appropriate Liability Orders only after the expiry of 21 days from the date the Liability Order was granted.

The Council will only use a Company whose Enforcement Officers are certificated by the County Court and have a proven record of collection on this type of work. All work will be subject to an agreement between the Council and the Enforcement Agent Company. The Enforcement Agent Company must work to a Code of Practice of an appropriate governing body as well as that of the Local Authority, they will also hold a current membership with the Enforcement Conduct Board.

## **Committal Proceedings**

Will be used, if in consultation with the Clerk to the Justices, it is deemed appropriate.

## **Insolvency**

**The Council may consider commencing Insolvency Proceedings whenever the statutory minimum debt for starting such action is reached, and there is a likelihood that the debt and costs will be paid by the customer or any subsequently appointed Receiver.**

## **Charging Orders**

In some circumstances the Council will seek to place a Charging Order on the property of defaulters, and if appropriate seek the sale of the property by an order of the Court.

## **Other Avenues of Collection**

**The Council will keep under review any other methods of collection which may come under discussion from Government.**

## **Cancellation of Proceedings/Costs**

**A Summons/Liability Order Cost will not be withdrawn unless any of the following has taken place:**

- A Benefit award is made that removes the liability.
- An amendment is made to the account that removes the liability.
- An error takes place in the billing process.
- Cash misallocation
- Instruction by a Manager
- Exceptional circumstances, such as where a customer's human rights and, or a breach of natural justice will, or has taken place.

A Liability Order will not be withdrawn from the Enforcement Agent unless any of the above clauses have been met.

### **Reduction of Costs**

Revenue Officers can (if a summons is issued for a debt under £60) reduce the summons costs to £10, only if immediate payment of the debt and reduced costs is made by the customer as soon as they receive the summons.

Revenue Officers can (if a Liability Order is issued for a debt under £97) reduce the total costs payable to £20, only if immediate payment of the debt and reduced costs is made by the customer as soon as they receive the notification that the Liability Order has been granted.

### **Absconders**

**The Council will attempt to trace all absconding customers.**

### **Write Off/ON**

**Debt will only be considered for write-Off if it falls within the categories set out in the Council's Financial Procedure Rules.**

Debt can and will be written back on if circumstances change and the debt becomes collectable.

## **Council Tax Vulnerable Persons Guidance**

The Council will take into consideration, if known, an individual's circumstance where it appears they may be vulnerable. When identified, action may be suspended or withdrawn at any stage of the collection and enforcement process, if appropriate.

This policy defines the circumstances in which the Council will consider a person to be vulnerable. This will not preclude the Council from taking action but will ensure that the circumstances of the person have been considered prior to or during the recovery process.

There is no national standard or legal definition of vulnerability, but we may consider citizens potentially vulnerable if they fall into one of the following:

- Are elderly, frail or confused (where it is apparent that this could affect judgement).
- Have a serious illness
- Have a terminal illness
- Are pregnant, or have recently given birth
- Have suffered a recent bereavement.
- Have recently become unemployed or have severe financial difficulties causing hardship
- Have difficulty in understanding, speaking or reading English.
- Suffering from severe hardship.
- A person who has a physical or sensory impairment, learning disability or mental health problem\*.

\*Mental Health being defined as and quoted from The Royal College of Psychiatrists and the Money Advice Trust – Debt collection and mental health: ten steps to improve recovery (November 2010)

A mental health problem is where negative changes occur in a person's thinking, emotional state and behaviour, and where these disrupt a person's ability to work, carry on their normal personal relationships, and function in everyday society. Some mental health problems can be so severe that they are viewed as diagnosable mental illness" such as:

- Depression
- Anxiety
- Panic disorder
- Obsessive compulsive disorder
- Bipolar disorder
- Schizophrenia

Not all people in these groups will be vulnerable, and there may be other circumstances in which we will treat a citizen as vulnerable.

Where we decide that vulnerability is not long-term or permanent, we will review a citizen's financial, personal and household circumstances as appropriate.

## **Our principles**

We look at each case on its own merits.

We adapt our debt recovery procedure to minimise any hardship or distress while helping vulnerable citizens address their financial responsibilities.

We recognise that some ways to recover debt are not appropriate in such cases, so we will

- Flag/note their account to show they may be vulnerable
- review their personal circumstances before taking any further debt recovery action, and place a suppression on existing action where appropriate
- notify the Councils enforcement agents (bailiffs) to withhold action
- consider a customer's total indebtedness to the Council when considering repayment arrangements
- seek direct deductions from benefit where possible
- help citizens to claim council tax support and any relevant exemptions and or discounts
- direct citizens to other sources of debt advice, such as Citizens Advice, Peabody or another independent free advice service
- work with advice agencies to agree repayment schedules that are affordable and recognise a customer's priority debts

We also

- require our enforcement agents to make a referral to their welfare team or return the accounts of citizens if their potential vulnerability comes to their attention first
- meet with advice agencies to discuss practical ways assist vulnerable customers.

## **Helping us to help you**

If you think you may be vulnerable, let us know as soon as possible.

We will place a hold on enforcement action while we consider your case, and to provide you time to seek debt advice.

We are happy to discuss your account with someone else such as a financial adviser, case worker, friend or relative on your behalf if you give your consent. If we advise you to seek advice from someone else, make sure you do so.

We may ask you for a doctor's letter, a financial statement or other information so we can see the nature/extent of your vulnerability.

If you are contacted by an enforcement agent, tell them immediately that you are vulnerable.

Please let us know if your situation changes, for instance;

- you start employment whether PAYE or self-employed, or if you cease to be in employment

- someone moves in/out of your home that affects your council tax bill
- there is a change in your health
- you cannot pay the amount agreed

For help with money advice and debt management:

Web: <https://www.citizensadvice.org.uk/> Telephone: 0800 144 8848

Web: <https://adviser.moneyhelper.org.uk/en> Telephone: 0800 138 7777

Web: <https://www.nationaldebtline.org/> Telephone: 0808 808 4000

Web: <https://www.peabody.org.uk/> Telephone: 0800 288 8883

## National Non-Domestic Rates

### Statutory Instalments

The Council will advise all local ratepayers of their statutory right to pay by the number of instalments prescribed in the legislation whether it is the annual bill or a subsequent adjustment notice.

#### Weekly Payment

Weekly payments can be made towards a Statutory Instalment regarding it is in advance i.e the amount due has been settled by the instalment due date, but this payment method is only if there are no arrears on the account.

The Council will actively encourage payment by Direct Debit but also accepts other payment methods including web payments through the Council's portal, bank standing order, bank giro transfer, telephone banking, Debit and Credit card, personal/bankers' cheque, & Bar Code payments at a recognised outlet ie Post Office. Other methods of payment will be investigated in line with changes in technology.

### Non-Statutory Payment Arrangements

#### Payment by agreement

Any variation to the Statutory Instalment Scheme must be supported by good reason. These will be individually considered and a decision given in writing. The decision will be recorded on the computer database and the account amended accordingly.

#### Other Payments

All other payments which do not meet the Statutory Instalments or those set out above will be deemed as being in default and be subject to recovery proceedings within the legislative requirements and can proceed to the recovery stage of the enforcement process.

### Reminder and Final Notices

The Council will make use of the three types of pre-summons action available to it.

(i) Statutory Reminder Notice for the first non-payment.

(ii) Statutory Reminder Notice for the second non-payment.

(iii) Final Notice should a third non-payment take place.

None of the above notices will be issued unless 14 days have elapsed since the instalment became due.

The timing and numbers of such computer runs to produce the said documents are determined by the Council.

## **Summonses**

The Council will determine the annual Summons and Liability Order costs in accordance with the regulations.

The Council will not issue a Summons in accordance with regulation unless the appropriate Reminder/Final notice has been issued and full payment as requested not received.

The Council will not withdraw a Summons in order to allow the statutory payment scheme to be recommenced, however a special arrangement may be entered into on the understanding that a Liability Order will still be applied for along with associated costs to secure the outstanding sum.

The Council will make a request to the Clerk to the Justices to arrange a regular court date each month.

Certain payments can take 7 days to reach an account, so customers are advised not to use this method when paying time sensitive notices.

## **Liability Orders**

The Council will ensure that a notice is sent to the customer after the issue of a Liability Order informing them of the granting of such an order (unless it feels that such a warning may hamper the collection of the debt).

The contents of the notice is determined by the regulations.

## **Payment Arrangements**

**After the issue of a summons the Council may enter a payment arrangement with the customer for not more than 6 months, unless exceptional circumstances are given.**

A notification of the payment arrangement will be issued in writing including confirmation of the recovery process should payment not be received as agreed. Any amendments to a payment arrangement will be confirmed in writing.

Should a dispute arise with regard a payment arrangement, the Council will only adhere to what has been confirmed in writing.

If no payment arrangement is reached one or more of the following will be tried.

## **Enforcement Agent**

The Council will instruct its Enforcement Agent Company to collect on the appropriate Liability Orders only after the expiry of 10 days from the posting of such notices, unless the Council feels that such a delay may result in collection of the debt not being achieved.

The Council will only use a Company whose Enforcement Agents are certificated by the County Court and have a proven record of collection on this type of work. All work will be subject to an agreement between the Council and the Enforcement Agent Company. The Enforcement Agent Company must work to a Code of Practice of an appropriate governing body as well as that of the Local Authority, they will also hold a current membership with the Enforcement Conduct Board.

## **Committal Proceedings**

Will be used, if in consultation with the Clerk to the Justices it is deemed appropriate.

## **Insolvency**

**The Council will consider commencing Insolvency Proceedings whenever the statutory minimum debt for starting such action is reached, and there is a likelihood that the debt and costs will be paid by the customer or any subsequently appointed Receiver.**

## **Charging Orders**

In some circumstances the Council will seek to place a Charging Order (only if the debt is subject to a County Court Judgment) on the property of defaulters, and if appropriate seek the sale of the property by an order of the Court.

## **Other Avenues of Collection**

**The Council will keep under review any other methods of collection which may come under discussion from Government.**

## **Cancellation of proceedings/costs**

**A Summons/Liability Order/Costs will not be withdrawn unless any of the following has taken place.**

- An amendment is made to the account that removes the debt.
- An error takes place in the billing process.
- Cash misallocation
- Instruction by a Manager
- Exceptional circumstances where a customer's human rights and or a breach of natural justice will or has taken place.

A Liability Order will not be withdrawn from the Enforcement Agent (Bailiff) unless any of the above clauses have been met.

## **Absconders**

**The Council will attempt to trace all absconding customers.**

## **Write Off/ON**

**Debt will only be considered for write-Off if it falls within the categories set out in the Council's Financial Procedure Rules.**

Debt can and will be written back on if circumstances change and the debt become collectable

# **National Non-Domestic Rate Vulnerable Person Guidance**

In the event of a sole trader or individual being liable for National Non-Domestic Rates.

The Council will take into consideration, if known, an individual's circumstance where it appears they may be vulnerable. When identified, action may be suspended or withdrawn at any stage of the collection and enforcement process, if appropriate.

This policy defines the circumstances in which the Council will consider a person to be vulnerable. This will not preclude the Council from taking action but will ensure that the circumstances of the person have been considered prior to or during the recovery process.

There is no national standard or legal definition of vulnerability, but we may consider citizens potentially vulnerable if they fall into one of the following:

- Are elderly, frail or confused (where it is apparent that this could affect judgement).
- Have a serious illness
- Have a terminal illness
- Are pregnant, or have recently given birth
- Have suffered a recent bereavement.
- Have recently become unemployed or have severe financial difficulties causing hardship
- Have difficulty in understanding, speaking or reading English.
- Suffering from severe hardship.
- A person who has a physical or sensory impairment, learning disability or mental health problem\*.

\*Mental Health being defined as and quoted from The Royal College of Psychiatrists and the Money Advice Trust – Debt collection and mental health: ten steps to improve recovery (November 2010).

A mental health problem is where negative changes occur in a person's thinking, emotional state and behaviour, and where these disrupt a person's ability to work, carry on their normal personal relationships, and function in everyday society. Some mental health problems can be so severe that they are viewed as diagnosable mental illness" such as:

- Depression
- Anxiety
- Panic disorder
- Obsessive compulsive disorder
- Bipolar disorder
- Schizophrenia

Not all people in these groups will be vulnerable, and there may be other circumstances in which we will treat a citizen as vulnerable.

Where we decide that vulnerability is not long-term or permanent, we will review a citizen's financial, personal and household circumstances as appropriate.

## **Our principles**

We look at each case on its own merits.

We adapt our debt recovery procedure to minimise any hardship or distress while helping vulnerable citizens address their financial responsibilities.

We recognise that some ways to recover debt are not appropriate in such cases, so we will

- Flag/note their account to show they may be vulnerable
- review their personal circumstances before taking any further debt recovery action, and place a suppression on existing action where appropriate
- notify the Councils enforcement agents (bailiffs) to withhold action
- consider a customer's total indebtedness to the Council when considering repayment arrangements
- seek direct deductions from benefit where possible
- help citizens to claim council tax support and any relevant exemptions and or discounts

- direct citizens to other sources of debt advice, such as Citizens Advice, Peabody or another independent free advice service
- work with advice agencies to agree repayment schedules that are affordable and recognise a customer's priority debts

We also

- require our enforcement agents to make a referral to their welfare team or return the accounts of citizens if their potential vulnerability comes to their attention first
- meet with advice agencies to discuss practical ways assist vulnerable customers.

### **Helping us to help you**

If you think you may be vulnerable, let us know as soon as possible.

We will place a hold on enforcement action while we consider your case, and to provide you time to seek debt advice.

We are happy to discuss your account with someone else such as a financial adviser, case worker, friend or relative on your behalf if you give your consent. If we advise you to seek advice from someone else, make sure you do so.

We may ask you for a doctor's letter, a financial statement or other information so we can see the nature/extent of your vulnerability.

If you are contacted by an enforcement agent, tell them immediately that you are vulnerable.

Please let us know if your situation changes, for instance;

- you start employment whether PAYE or self-employed, or if you leave employment
- someone moves in/out of your home affects your council tax bill
- there is a change in your health
- you cannot pay the amount agreed

For help with money advice and debt management:

Web: <https://www.citizensadvice.org.uk/> Telephone: 0800 144 8848

Web: <https://adviser.moneyhelper.org.uk/en> Telephone: 0800 138 7777

Web: <https://www.nationaldebtline.org/> Telephone: 0808 808 4000

Web: <https://www.peabody.org.uk/> Telephone: 0800 288 8883

## PERSONAL BUDGET FORM

Benefit / Council Tax Ref:	HB:	CTAX:
Name(s):	1	2
Address		
Household Composition:	Adults	Children
Email		
Phone Number(s)		
We are unable to consider an arrangement offer without a contact telephone number		
Employer's details	Name 1	
	Name 2	

Income (weekly/monthly) - Please State	Expenses (weekly / monthly) - Please State
Wages / Salary	Rent Payable
£	£
Wages / Salary - partner	Mortgage Payable
£	£
Income Support / JSA / ESA	Council Tax
£	£
Child Benefit	Contents Insurance
£	£
Disabled Benefits	Gas
£	£
State Pension	Electricity
£	£
Private Pension	Water Rates
£	£
Universal Credit	Housekeeping / Food
£	£
Non-Dependant Contribution	TV Licence
£	£
Other Income (please specify)	Sky / Netflix
£	£
	Loan Repayments
£	£
<b>Total</b>	Public Transport
£	£
	Car - Petrol
	£
	Car - Repairs / MOT
	£
	Car - Insurance
	£
	Catalogue
	£
	School / Work Meals
	£
	Clothing
	£
	Telephone - Landline
	£
	Telephone - Mobile
	£
	Tobacco
	£
	Other - Please Specify
	£
	<b>Total</b>
	£

FOR INFORMATION ONLY		
Priority Debts	Balance	Arrangement
Rent Arrears	£	£
Mortgage Arrears	£	£
Water Rates	£	£
Council Tax	£	£
Gas	£	£
Electricity	£	£
Court Fines	£	£
Tax Credit Arrears	£	£
Other - Specify	£	£
<b>Priority Debts Total (A)</b>	£	£
Non Priority Debts	Balance	Arrangement
Credit Cards	£	£
Overdraft	£	£
Unsecured Loans	£	£
Catalogue	£	£
Other - Specify	£	£
	£	£
<b>Non Priority Debts Total (B)</b>	£	£
<b>Total Debts (A + B)</b>	£	£

<b>Total Income</b>	£
<b>Total Expenses</b>	£
<b>Payment Offer</b>	£
<b>Weekly / Monthly</b>	
<b>Signed</b>	
<b>Signed</b>	
<b>Date</b>	