

MID SUFFOLK DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: MCa/19/33
FROM: Cabinet Member for Finance	DATE OF MEETING: 6 January 2020
OFFICER: Andrew Wilcock (SRP Operations Manager)	KEY DECISION REF NO. CAB171

COUNCIL TAX – CITIZENS ADVICE COLLECTION PROTOCOL

1. PURPOSE OF REPORT

- 1.1 The Citizen Advice and Local Government Association have produced a good practice protocol for the collection of Council Tax arrears. This report proposes that the Council adopt this protocol.

2. OPTIONS CONSIDERED

- 2.1 To adopt the Citizen Advice protocol.
- 2.2 To not adopt the Citizen Advice protocol and wait for the Government reforms.

3. RECOMMENDATION

- 3.1 To approve the adoption of the Citizen Advice Council Tax Protocol detailed at Appendix (a).

REASON FOR DECISION

The protocol reflects best practice at a local level and is intended to facilitate regular liaison with the Council, its Enforcement Agents and Citizens Advice on practices and policy concerning Council Tax collection.

In setting down clear procedures and keeping these regularly under review, all parties to the protocol can ensure that arrears are dealt with appropriately whilst complaints are handled efficiently.

4. KEY INFORMATION

- 4.1 One of the core objectives of the Shared Revenues Partnership (SRP) is to maximise the collection of Council Tax while ensuring the processes in place are fair and ethical. To deliver on this objective SRP has been reviewing the enforcement processes in place to ensure they are fit for the future.

- 4.2 This is at a time when: -

- The level of Council Tax outstanding in England at the 31st March 2019 was £3.2 billion. This is an increase of £213 million over the figure for 2017/18 (Local Government Finance statistical release 26th June 2019)

- Charities are warning that these arrears now rival credit card debts as their biggest concern.
- There are also stories in the press about charities warnings that 'heavy-handed-collection tactics are putting severe pressure on those already in financial difficulty.

4.3 At a national level the Government has responded by pledging to improve the way Council Tax debt is recovered. This included:

- Making the Council Tax collection systems fairer and more efficient
- Issuing new guidance to improve how Councils recover unpaid Council Tax and end aggressive enforcement tactics
- Working with charities, debt advice organisations and Councils on new guidance

It stated reforms could include

- Ensuring affordability assessments are central to Council Tax collection processes, individual circumstances are taken into account and people are given appropriate time to pay off arrears
- Improving the links between Councils and the debt advice sector
- Developing and supporting fairer debt intervention methods

4.4 Citizens Advice (CA) and the Local Government Association (LGA) are also encouraging Councils in England to adopt the CA Council Tax protocol to improve Council Tax collection.

4.5 The CA Council Tax good practice protocol makes a number of suggestions on how local partnerships could be strengthened and residents better supported. It has been developed through partnership work between national bodies representing advice agencies, local government and enforcement agencies throughout England and Wales.

4.6 CA reported that growing numbers of people are turning to them for help with Council Tax issues. Figures from the national charity show that Council Tax debt has risen by a third in the last 3 years.

4.7 The CA good practice protocol aims to help Councils in England improve the experience for residents in arrears whilst collecting what is owed.

4.8 In light of this SRP has been engaging with CA to review the processes in place for collection and benchmark these against the standards set out in the protocol. The starting point is a review of the current documentation in place.

4.9 By working closely together, the Council, it's enforcement agents and CA can improve collection processes, with more early intervention to assist residents struggling with their Council Tax payments, help prevent further charges, alleviate stress and reduce both collection costs and demand on public services in the districts.

4.10 The next step would be for the Council to formally adopt the CA Council Tax protocol.

5. LINKS TO THE CORPORATE PLAN

5.1 Community capacity building and engagement and enabled and efficient organisation.

6. FINANCIAL IMPLICATIONS

6.1 There are no direct implications but failing to collect income can reduce the resources available to meet spending plans.

7. LEGAL IMPLICATIONS

7.1 There is no statutory requirement for the Council to adopt the protocol for the collection of Council Tax arrears.

8. RISK MANAGEMENT

8.1 There are no risks associated with adopting the protocol as the current processes in place are in line with those recommended in the protocol.

9. CONSULTATIONS

9.1 Consultation has taken place with Babergh and Mid Suffolk Citizen Advice.

10. EQUALITY ANALYSIS

10.1 A full Equality Impact Assessment (EIA) is not required as it is not envisaged that the proposals will result in an adverse outcome for any group of people who share a protected characteristic under the Equality Act 2010.

11. ENVIRONMENTAL IMPLICATIONS

11.1 There is no environmental implication associated with adopting the protocol for the collection of Council Tax arrears.

12. APPENDICES

Title	Location
(a) CA Council Tax Protocol	https://www.citizensadvice.org.uk/about-us/our-campaigns/all-our-current-campaigns/council-tax-protocol/