

West Wiltshire District Council

Cabinet

29 September 2004

Council Tax and Non-Domestic Rates Collection

1. Purpose

The Cabinet is requested to consider the current position in relation to old outstanding Council Tax and Non-Domestic Rates and the use of external bailiff services to assist the Council in collecting that.

2. Background

Current position: The ODPM collects and publishes collection rates for Council Tax and Non Domestic rates each year. West Wiltshire District Council currently falls short of collecting Council Tax and Non-Domestic rates at the level the other Wiltshire Authorities achieve, and is below the national average for Shire Authorities. Details attached at Appendix A.

West Wiltshire District Council has improved collection of the annual amount due, by ensuring prompt action from reminder to liability order and by proactive visiting by the internal bailiffs to agree payment plans to clear debts. However, where agreed payment plans are not successful, enforcing collection currently stalls, as we cannot show the courts that all possible avenues have been explored. It is thought that this has now become common knowledge among the charge payers in the area and has lead to our customers being relaxed in their attitude to paying.

Code of conduct and Practice: WWDC in-house bailiffs work within an established and effective code of conduct and practice. It is recommended that any partnership service functions within the same code. A copy of the full code is on the members work area of the web and a summary is attached at Appendix B.

Billing and recovery timetable, objectives and Customer Care statement: WWDC officers also work within the statutory timeframes for billing and recovery. A copy of the timetable is attached at Appendix C. To help the debtor and in seeking to prevent the recovery action from escalating to the next stage, every opportunity to enter into a repayment arrangement is explored. The potential use of partnership bailiffs will further encourage agreement and adherence to repayment plans.

Benchmarking: Salisbury District Council entered into an external bailiff partnership in 2000 and report that up to 31 March 2004 £1,157,524 has been successfully recovered through the partnership arrangement.

Several years ago Kennet District Council entered into an external bailiff partnership and has verbally confirmed that its partnership arrangement has resulted in significant debts being recovered and a culture of must pay becoming established.

North Wiltshire has confirmed that it has used external bailiffs for 10 years and on average 45 percent of referred debt is recovered. North Wiltshire has also confirmed that the internal resources are better utilised for obtaining attachments and dealing with the more sensitive cases than would be possible without a partnership arrangement.

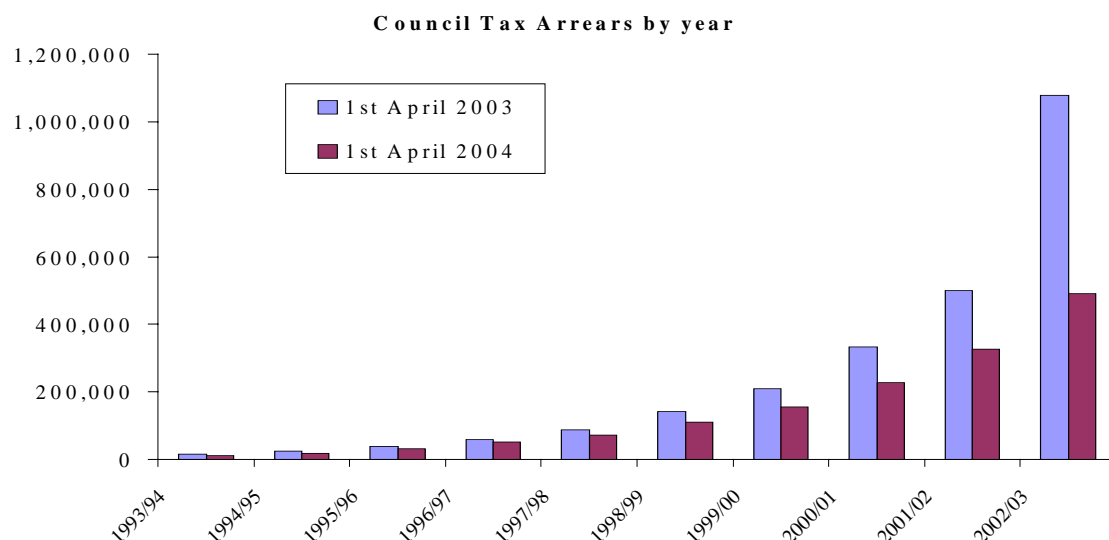
3. Key issues

Effect: Following discussion with the other Wiltshire Authorities it is clear that the additional revenue collected is achieved by the use of external bailiff services. The use of the external bailiff service commences at the point the enforcement action by the in-house team at West Wiltshire District Council stalls.

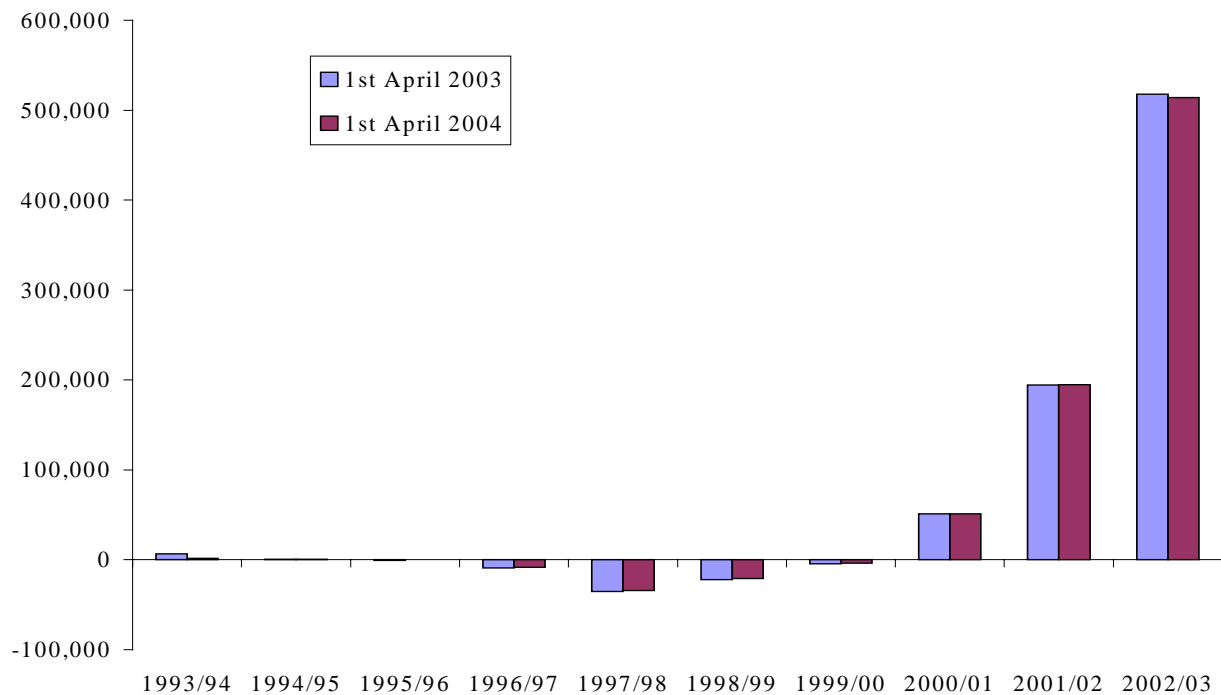
This initiative could affect every Council Tax and Non-Domestic Ratepayer. It will have a positive impact on performance in relation to the collection of debt and form a base for the Council to become reputed as serious about the collection of income.

Level of debt: West Wiltshire's' outstanding old Council Tax and Non Domestic Rates debt is increasing, despite the proactive stance to in-house recovery taken by the authority. At the end of August 2004 the Council Tax and Non Domestic Rates debts for pervious years (1993/4 - 2003/4) was £2,939,955.

The following charts show the amount of debt each year, as at 1 April, and how payments by instalments, agreed with debtors, has reduced the debt since 1 April 2003.



NNDR Arrears by year



Liability orders for £986,174 of this year's debt have been obtained and the Council is therefore seeking to collect a total combined debt, including fees and charges, as at August 2004, in excess of 3.9m.

Fees and charges: Regulations covering the fees and charges in respect of recovery action were reviewed and the legislation has been extended to capture partnership working. If the Council agreed to work with a partnership organisation the defaulter would be charged directly the same as would be charged by the Council. Details in Appendix D. The current arrangements means those fees and charges are added to the outstanding debt.

Legal implications: The EC Procurement Rules set out detailed procedures for the award of contracts whose value equals or exceeds specific thresholds. This contract is not expected to exceed the £153,376 threshold. The Council's Contracts Procedures Rules apply to contract arrangements. It is intended that a partnership approach to securing this service is adopted and the Cabinet is recommended to approve exemption from the Constitution in this case.

The Human Rights; Equalities; Environmental and Sustainability and Community Safety implications have been considered and are acceptable. The checklists have been addressed.

4. Key decisions

Statement of reason for key decision	This initiative could affect every Council Tax and Non-Domestic Ratepayer.
Options considered and rejected	Do nothing - financial not viable
Date of implementation	Earliest date - 7 th October 2004

5. List of background papers

Reports on the ODPM web site and WWDC performance information.

6. Recommendation (s)

1. The Cabinet supports the procurement of external bailiff partnership services to commence at the earliest opportunity.
2. The Cabinet approves exemption from the Contracts Procedure Rules in relation to a partnership arrangement for bailiff services.
3. The Cabinet approves the code of conduct and practice.

Plain English Guidance Given

Authors

Portfolio Holder: Cllr Roy While

Name of Officer: Shirley Sanchez

Title: Revenues and Benefits Manager

5 August 2004

List of Appendices

Appendix A - ODPM Council Tax and Non-Domestic Rates Collection results

Appendix B - Summary of the Code of conduct and Practice

Appendix C - Billing and recovery timetable, objectives and Customer Care statement

Appendix D- Bailiff Fees and Charge