

LOCAL TAXATION DEBT RECOVERY POLICY

July 2008

Final Version (27/08/08)

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Introduction

This policy sets out to identify the legislation and outline the procedures to be followed for the decision, notification and recovery of council tax and national non domestic rates in accordance with the regulations and recognised best practice and to ensure that the processes for the recovery of council tax and national non domestic rates are equitable and consistent. This will ensure: -

- full compliance with the regulations and recognised best practice in the decision, notification and recovery of local taxation
- full respect for customer rights
- that proper written rules and procedures operate
- that sound quality control check mechanisms operate
- that procedures and controls meet audit requirements
- that the recovery of local taxation is maximised

Additionally, the service: -

- will ensure that proper internal checks and quality control mechanisms are in place to ensure the correct application of this policy
- will regularly review this policy

Objective

To obtain the best possible cash flow with minimum arrears by following the good practice points set out below and where possible to avoid ultimate recovery processes within a policy of **being firm but fair**.

Background

There is a legal duty on the Council and its officers to collect all local taxation owed to the council. For this to be achieved recovery systems must be efficient, effective and economic as it is recognised that delays in collection, non recovery or high administrative costs will mean the council having to deliver services with less resource and place a greater burden of taxation on those who pay their local taxes without intervention from the council.

However, the council has to appreciate that the ability to pay local taxes on time and in full is difficult for many, particularly in Rhondda Cynon Taf. The county borough has high levels of unemployment, sickness and single parent families. Therefore, all local taxation officers must be mindful of these factors in collecting local taxes.

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In developing its recovery procedures the council has decided that its procedures should retain flexibility in order to prevent: -

1. Unnecessary hardship
2. A blanket approach being taken to collect local taxes

Local taxes should be collected within the accounting period and before the next amount becomes due wherever possible, to try and avoid further hardship and delays in collecting subsequent local taxes. This will also assist in preventing the debtor owing multiple debts to the council (and other organisations) leading to increased ability of the debtor to manage all debts.

All recovery staff are trained to deal with the public or their representatives providing clear advice on recovery matters, money advice and general advice on benefits. Recovery staff are also committed to providing training and support to the council's customer accounts team, its customer contact centre agents and the One4All Centre staff.

The Council has limited powers for writing off Council Tax and National Non Domestic Rates, which are legally due and payable. A decision not to recover local tax will be properly evidenced for audit purposes. Any decision to write-off local tax must be in accordance with the Council's Financial Procedure Rules and scheme of officer delegation. In particular any decision not to recover local tax in excess of £2,000 must be authorised firstly, by the Group Director Corporate Services or Divisional Director of Finance and ultimately, Cabinet.

The Magistrates Court has the power to remit (write off) all or part of a debt in respect of Council Tax and National Non Domestic Rate if the council has made an application for commitment to prison and a full means enquiry has been conducted.

Statutory Responsibilities

Statutory regulations specify how the Council must deal with the collection of local taxation. Each case must follow the correct procedure and each case must be assessed on its merits. The rules for identifying and deciding upon the recovery of local taxes are contained in:

- The Local Government Finance Act 1992
- The Council Tax (Administration and Enforcement) Regulations 1992
- The Council Tax (Deductions from Income Support) Regulations 1993
- The Local Government Finance Act 1988
- The Non Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989.
- The Insolvency Act 1986
- The Local Government Act 1972

Good Practice: -

- All documentation is easy to understand and is explicit in what has to be paid and by when and includes the legal restraints that both the council and the taxpayer are subject to
- All documentation clearly informs the debtor of the consequence of non-payment and gives the debtor the opportunity to contact the council if they are experiencing difficulty in making payment or they need advice and guidance on what to do next
- Follow up unpaid amounts early to avoid the build up of arrears in order to prevent the debtor having to manage large debts
- At all stages make sure that payers are aware of benefits or discounts to which they are entitled or which may be available to them
- Encourage people with payment problems to come forward early to discuss their individual circumstances
- To be flexible and agree reasonable payment arrangements at all stages of the collection and recovery process, having regard to individual circumstances
- Regular review and monitoring of special payment arrangements
- Make use of the most appropriate recovery option, subject to legal restraints, by using a flexible approach to the recovery of monies due to the Council
- Ensure operating frameworks, service level agreements and codes of practice reflect the aims of the council, adopt the council's social responsibility to its residents and are enforced and reviewed on a regular basis

Agreement of payment arrangements

All payment arrangements should be made in line with the agreed guidelines set out in the Council's Customer Services Tier Document.

1. Arrangements will arise from an approach by a person as a result of: -
 - a. *Voluntary, unprompted approach from a person experiencing financial difficulty or*
 - b. *Prompted by action from the Council arising through non-payment or the debtor responding to reminders or other recovery action.*
2. The principles to be followed when making arrangements: -
 - a. *Arrangements can be entered into at all stages of the debt (both before and after legal proceedings have been commenced)*
 - b. *Must be flexible to meet individual circumstances. Where information has been given (either where volunteered or by request) the arrangement should take full account of this information and the overall debt position.*
 - c. *Once legal action has been instigated and costs and fees incurred, action will not be withdrawn or costs cancelled, although limited cost negotiation may take place in appropriate cases in order to secure payment in full.*
 - d. *For council tax and national non-domestic rates, arrangements made after the issue of a summons will be secured by the issue of a liability order.*
 - e. *Under normal circumstances, amounts due should be cleared within the original payment period.*
3. In cases where hardship or good reason can be shown, consideration can be given to extending the payment period as follows: -
 - a. *Where possible clearing amounts due before the end of the financial year (before another amount becomes due) or*
 - b. *In extreme hardship cases or very late arrangements in the year, to be cleared during the following financial year, but full account must be taken of further amounts that may become due in that year.*
 - c. *Where a debtor has a history of broken arrangements, they should be asked to make a lump sum payment before any further arrangement is entered into.*
4. All arrangements for payment are confirmed to the debtor either by an amended bill or by letter

Recovery Schedule

The recovery schedule for Council Tax and National Non Domestic Rates is prepared for the full financial year and is intended to set out a clear timetable of activity from the issue of the reminder notice through to the liability order court date. The schedule will set out the following stages:

- Read Only Date – batch production of potential accounts for recovery action. Full checks will take place using the guidelines in Appendix 1
- Live Date – batch production of recovery documents
- Posting Date – posting of all recovery documents by 2nd class post from the council offices

The recovery schedule will include key dates for the following recovery processes:

- Reminder Notice
- Final Notice
- Summons
- Court Date

In constructing the recovery schedule consideration is given to the following:

- Legal time constraints for the issue of recovery documents
- Tolerance for later payments of statutory instalments
- Customer Services workloads
- Business Support workloads
- Systems availability and parameters within the core applications
- Her Majesty's Court Service (HMCS) work schedule and business requirements
- End of Year requirements

Pre Summons Action

Reminders and/or final notices will be issued where a statutory instalment has not been paid or where a special payment arrangement is not maintained. Reminder/final notices are issued when there is at least one instalment outstanding and this will normally be at least 14 days after an instalment has become due. The notice gives the debtor 7 days in which to bring the account up to date and if the debtor fails to do so a further 7 days to pay the full amount.

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All notices will clearly set out the amounts due and the consequences of failure to comply with the notice. The council will also ensure that all notices:

- Offer the debtor the opportunity to contact the council to discuss their account and payment
- Advise of payment options available to the debtor

Summons for non-payment of council tax or rates

If payment is not received in accordance with the reminder/final notice a summons is issued for the whole amount due for the remainder of the period plus costs incurred by the council. The debtor is again encouraged to contact the Council and make full payment to avoid court action and the additional costs involved in obtaining a liability order from the magistrates court.

If a satisfactory payment arrangement is made after the issue of a summons a liability order with additional costs will be obtained but no further action will be taken providing the arrangement is maintained. All arrangements (for council tax) at this stage must be supported by financial details of the debtor, including:

- Names and address of the employer of the liable person (s)
- Payroll number or employee reference of the liable person (s)
- National Insurance number of the liable person (s)
- Any other financial information that is relevant to the individual

The arrangement will be recorded on the debtors' individual account and will be monitored weekly to ensure that payments are made in accordance with the terms of the arrangement. Any default will result in the issue of a reminder notice and subsequent defaults will trigger a second reminder notice and eventually a default notice, informing the debtor that their payment arrangement has been cancelled and other recovery action will be taken without further notice.

On application for a liability order the debtor is not required to be present in court but does have the right to defend the action in person if they wish. The Council will personally interview any debtor who appears at the magistrates' court to determine the most appropriate course of action at that time. If the debtor is not satisfied with the outcome of those discussions and wants to put their case to the magistrates, the Council will advise the court and the debtor will be given the opportunity to make representation to the Magistrates.

The Magistrates' powers are limited at this stage. If the debt is due and outstanding and the council can demonstrate that legal processes have been followed, the court will generally issue a liability order. However, it must be stated that there are valid defences against the issue of

a liability order and there may be some instances where all parties agree that an adjournment of the case for further investigation or discussion would be appropriate.

At the liability order hearing the court cannot take the debtors personal or financial circumstances into account. This position is made clear in notifications issued and should be reiterated by council staff to those debtors who attend court.

Summons & Liability Order Costs

In producing and issuing the summons and through attending the Magistrates' Court to make the application for the liability order, the Council incurs additional costs. These costs will be reviewed annually.

The costs are charged at two stages:

- Issue of the summons
- Application for the liability order

The costs structure is intended to:

- Reflect the additional work, duties and resources needed to ensure that all local taxation debts owed to the council are recovered
- Encourage early payment of the council tax and business rates to avoid the additional costs that will be incurred on the application for the liability order
- Include the costs payable to HMCS for the awarding of the liability orders

Recovery Processes

Notice of liability order and request for financial information

Once a liability order has been obtained from the court the debtor is informed of this within 2 working days. Where a payment arrangement has not already been made a request for information form (for council tax debts) is sent requiring the debtor to give details of income and employment status as outlined in Regulation 36 of the Council Tax (Administration and Enforcement) Regulations 1992. The debtor is legally required to complete and return the form and should always be encouraged to do so. Where a person fails to return the financial information the Council may issue a reminder to the person and should this not lead to the return of the financial information the Council can apply to the Magistrate's Court for the imposition of a financial penalty on the debtor.

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Included with the notice of liability order will be a schedule of fees associated with distress and bailiff action.

Bailiff Action

The council employs two bailiff companies to collect unpaid council tax and national non-domestic rates. The bailiff companies operate in accordance with the council's code of practice, which is reviewed annually and monitored quarterly. A full copy of the code of practice is available and provides full details of the councils working relationship with the bailiffs.

Attachment of Earnings Orders (AEO)

Under Regulation 37 Council Tax (Administration and Enforcement) Regulations 1992 the council may make an attachment of earnings to secure payment. Details of the council taxpayers employer(s) will be held on personal accounts and these will be used where this course of action is appropriate. Whenever an AEO is set, the employer will receive a copy of the order and a booklet outlining the guidelines to be followed by the employer. Similarly, the employee will also receive a copy of the order and the booklet. Under the regulations, the employer is entitled to deduct £1 for every deduction that is made.

Where an AEO is set, this will remain in force until full payment of the arrears are made, whether this is through the deductions from earnings or through a direct payment to the council by the council taxpayer. An AEO will not be cancelled unless:

- The council taxpayer can demonstrate that the AEO is causing them severe financial hardship
- Has been issued in error by the Council
- An acceptable alternative payment option is agreed between the Council and the council taxpayer

The Council can set a maximum of 2 AEO's at any one time. If there are more than 2 unpaid liability orders for a council taxpayer, the Council can decide to 'roll up' the whole debt into 2 AEO's so as to maximise recovery and to provide a global solution to collecting any unpaid council tax due under the liability orders, avoiding additional costs for the council taxpayer. If this is done, the Council will make this clear by making reference to this on individual accounts.

AEO's will be monitored for payment on a regular basis and the Council will:

- Contact employers where deductions are not being made and passed to the Council
- Contact employers where the council taxpayer has paid the Council directly and an AEO is in force
- Advise employers and employees of any changes in the legislation that will affect the administration of the scheme

Deductions from Income Support/Job Seekers Allowance

The Council Tax (Deductions from Income Support) Regulations 1993 allow the Council to apply to the Department of Works and Pensions (DWP) for deductions to be made from a person's income support or job seekers allowance providing that a liability order has been obtained from the Magistrates Court.

The level of deductions is prescribed in legislation and only one deduction may be made at any one time. Whenever deductions are set the Council will serve a copy of the order on the DWP and on the council taxpayer.

Where deductions are set, they will remain in force until full payment of the arrears are made, whether this is through the deductions from income support or through a direct payment to the Council by the council taxpayer. Deductions will not be cancelled unless:

- The council taxpayer can demonstrate that the deductions are causing them severe financial hardship
- The order been issued in error by the Council
- An acceptable alternative payment option is agreed between the Council and the council taxpayer

Deductions from income support will be monitored for payment on a regular basis and the Council will:

- Contact DWP where deductions are not being made and passed to the Council
- Contact DWP where the council taxpayer has paid the Council directly and deductions are in force
- Advise DWP and the council taxpayer of any changes in the legislation that will affect the administration of the scheme

If deductions cannot be made (perhaps there are already deductions in place for other priority debts) the Council will inform the council taxpayer and encourage the debtor to contact the Council and make alternative arrangements to pay the council tax at a similar rate to the prescribed rate of deduction, where appropriate.

Attachment of Councillors' Allowances'

Where a debtor is an elected member of the Council or relevant major precepting authority, an order may be made to secure payment from allowances paid to the member. The sum to be deducted will be 40% of the allowances payable to the debtor.

Where an attachment to allowances is set the Council will serve a copy of the order on the elected member and the order will remain in force until the arrears are paid in full.

Insolvency

The provisions of the Insolvency Act 1986 do not make any stipulation as to the obtaining of a liability order before initiating insolvency proceedings. However, where an individual or a company owes debts in excess of £750 the council can take this form of recovery to coerce payment. A statutory demand must be served giving the debtor 21 days in which to pay the arrears.

Where insolvency is considered appropriate the Council will engage with the Council's legal team and a market leader in insolvency to ensure that all legal formalities are conducted and that consideration is given to the circumstances of each case.

Commitment to Prison

This stage can only be instigated where the liability order has been subject to the distraint process and this has proven ineffective resulting in the bailiff returning a certificate of 'nil effects' (Nulla Bona) or attempts to distraint were frustrated by the debtor, either through lack of contact or by refusing the bailiff entry to their premises.

When a liability order is returned to the Council in any of these circumstances the Council will write to the debtor and encourage payment of the arrears through full and immediate payment, a suitable payment arrangement or by making deductions from earnings, benefits or allowances. If this is successful and payment is either made or agreed, the Council will not initiate committal proceedings at that time.

If no contact is made and no alternative method of recovering the arrears is made known to the Council, a justice of the peace or justices clerk may issue a summons requiring a person to appear before the court for the purpose of a means inquiry to be made in the defendants presence and to decide whether the failure to pay is due to wilful refusal or culpable neglect.

The summons and a covering letter will be hand delivered to the debtor by a council visiting officer. If on the third attempt of making service, the officer is unable to personally serve the documents, they will leave the documents in a sealed envelope, addressed to the debtor, at their last known place of residence. The visiting officer will complete a certificate of service detailing the visits they have made and this will be presented to the magistrates at the hearing. This will satisfy the clerk to the magistrates recommendation of good service.

Where a person does not appear in response to the summons the Council will make an application for a warrant of arrest without bail, including additional costs. The Council will inform the debtor that the warrant has been issued and will invite them to contact the recovery team and make arrangements to surrender themselves to the court or make full payment of the amount. The Council may decide (without appearing at the court) to accept payment over a fixed period or initiate deductions from earnings, benefits or allowances if reasonable and appropriate. These cases will be reviewed and if the conditions of the arrangement are not maintained or deductions end (for whatever reason) the Council

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can release the warrant for execution. If the warrant is paid before it can be executed the Council will inform the clerk to the magistrates and the case will be marked withdrawn.

If the debtor does not make contact with the recovery team within 7 days the warrant of arrest will be released to the Council's bailiff who will execute it and escort the debtor to the nearest court.

Where a debtor attends the court either in response to the summons or through the execution of the warrant of arrest, the Council's court officers will interview the debtor in a private interview room at the court and will determine the most suitable course of action having:

- Discussed the matter with the debtor to identify if full payment can be made or an acceptable alternative method of recovery can be used
- Conducted and recorded a full means inquiry, making inquiries into the income and expenditure of the debtor and their household
- Discussed the case with the debtors legal representative

The Council's court officers will use their experience and knowledge at the court and will decide on which cases should be heard before the magistrates. However, in the following circumstances the cases will be either adjourned to a later date (in agreement with the clerk to the magistrates) or withdrawn from the court list:

- Offer of full payment before the proposed adjourned hearing
- An offer of payment to clear the arrears within a reasonable time period*, supported by full employment details and a means inquiry
- Where employment details are gained and an Attachment to Earnings can be set which will clear the arrears within a reasonable time period*
- Where deductions can be made from the debtors income support/job seekers allowance which will clear the arrears within a reasonable time period*
- Where there is doubt over the certainty of the debt and/or the liability and an agreed outcome is decided between the debtor, the Council court officer and the court, before the adjourned hearing
- Where the personal circumstances of the debtor are such that it would be in the best interests of all concerned to handle the matter outside of the court

The court officer will present all other cases to the magistrates for the purpose of a means inquiry and will support the Council's application by providing the following evidence:

- Certificate of nil effects
- Copies of liability orders

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- Copies of all relevant documentation issued to the debtor to try and coerce payment
- Copy of a signed certificate of service
- A full case history, outlining details of the liability, recovery action taken prior to the hearing and the steps both the Council and the debtor have taken to try and resolve the matter without the intervention of the magistrate's court
- A signed copy of a full means inquiry

If the magistrates find wilful refusal or culpable neglect on the part of the debtor they can decide to:

- To issue a warrant of committal forthwith in which case the debtor would go straight to prison
- To issue a warrant of committal and suspend it on terms of payment which is set at a sum that the court considers reasonable taking into account the evidence heard
- To dismiss the case
- To remit all or part of the debt

The Magistrates also have the power to remit the debt when wilful refusal or culpable neglect is not found. If they do not fix a term of imprisonment the case can be brought back to court on the grounds that the circumstances of the debtor have changed.

The court officer will always behave in a professional and courteous manner to the court, its officials and the debtor whilst conducting their duties in the court arena. The Council will respect the decision of the court and where appropriate will challenge a decision through the formal appeals process.

Following the court hearing the Council will:

- Write to confirm the outcome of the court hearing to all debtors concerned and update the personal account of the debtor
- Will personally serve notices of adjournment to the debtor unless the adjourned date was agreed in the presence of the clerk to the court or the magistrates, in which case the notice will be served in the ordinary course of the post
- Will monitor progress of adjourned cases to ensure that the agreed course of action is taken
- Will monitor suspended payment orders made by the court and where these are not maintained the Council will bring this to the attention of the court for the purpose of a further hearing
- Accept full payment of any reduced amount of council tax and costs due under the order of commitment where the debtor has been committed to prison by the magistrates and serves only part of the sentence
- Write off any council tax and costs due under the order of commitment where the debtor has been committed to prison by the magistrates and serves the term of the sentence as no further recovery action would be suitable for the recovery of the debt

Further Hearing

Where a debtor fails to pay as ordered by the court the Council will remind the debtor of the terms of the suspended order and of the consequences of failing to bring the order up to date. There will be no variation of the order unless the debtor appears before the magistrates and that decision is made by the court on evidence of a relevant change in the debtors personal circumstances identified through a full means inquiry.

Where there is continued default, a justice of the peace or justices clerk may issue a notice requiring a person to appear before the court for the debtor to show good cause why the terms of the order have not been maintained. The notice and a covering letter will be hand delivered to the debtor by a Council visiting officer. If on the third attempt of making service, the officer is unable to personally serve the documents, they will leave the documents in a sealed envelope, addressed to the debtor, at their last known place of residence. The visiting officer will complete a certificate of service detailing the visits they have made and this will be presented to the magistrates at the hearing.

Where a person does not appear in response to the notice the Council will make an application for a warrant of arrest without bail, including additional costs. The Council will inform the debtor that the warrant has been issued and will invite them to contact the recovery team and make arrangements to surrender themselves to the court or make full payment of the amount.

If the debtor does not make contact with the recovery team within 7 days the warrant of arrest will be released to the Council's bailiff who will execute it and escort the debtor to the nearest court.

Where a debtor attends the court either in response to the summons or through the execution of the warrant of arrest, the Council's court officers will interview the debtor in a private interview room at the court and will determine the most suitable course of action having:

- Discussed the matter with the debtor to identify if full payment can be made or an acceptable alternative method of recovery can be used
- Conducted and recorded a full means inquiry, making inquiries into the income and expenditure of the debtor and their household
- Discussed the case with the debtors legal representative

The Council's court officer will take all cases before the magistrates unless payment in full is made. The court officer will present a summary of the first hearing to the magistrates and the action that has been taken since that date by both the debtor and the Council. The court officer will also present:

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- A signed certificate of service and
- A signed copy of a full means inquiry

Any action taken following the court hearing will follow the principles laid down earlier in this policy for commitment to prison.

Charging Orders

Providing the magistrates court has made a liability order in relation to unpaid council tax or rates and the amount outstanding in respect of the order, or the combined total of the orders, is at least a £1,000, the authority can make an application to the county court for an order imposing, on any interest held by the debtor beneficially in the relevant designated dwelling, a charge for securing the due amount.

In deciding to take this course of action the Council will:

- Take steps so as to be certain that the debtor is the liable person and the council tax or rates is payable
- Get confirmation from the land registry of ownership of the property or prove ownership by some other method where the property is not registered
- Prepare and submit all paperwork for the land registry in a timely manner
- Serve the notice of the hearing by first class post to the debtor. This will be supported by a certificate of service and will be presented to the district judge at the hearing, in accordance with county court procedures.

Where a charging order is placed on the property by the court, the Council will not actively pursue the debt using alternative methods of recovery, although it will accept either part or full payment of the order from the debtor and may visit the debtor to coerce payment or discuss the debt.

The Council will monitor outstanding charging orders and where appropriate enforce the sale of a property to recover monies due. This will be done in conjunction with the Council's legal team.

Where a charging order is paid in full the Council will notify the land registry to ensure that the charge is removed from the register.

Write Offs

All proven, recoverable local taxation debts (which are considered appropriate for write off) will be agreed and authorised and follow the Council's write-off policy. All proven, recoverable debts, which are considered for write off will be submitted for approval in accordance with the Council's financial rules and procedures (as contained in the constitution).

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Write-offs would normally be considered appropriate only where one or more of the following arises: -

- The debtor has absconded
- The debt is not cost effective to pursue
- There is insufficient evidence to pursue the debt
- The claimant is deceased and there are no funds in the estate (supported by a notification returned from the executors)
- The claimant is declared bankrupt (supported by a letter from the Official Receiver confirming the date the debtor was made bankrupt and proof that the Council are not a priority debt and that it will not be repaid)
- The debtor is in liquidation or receivership
- An Individual Voluntary Arrangement (IVA) has been made which restricts the Council's ability to recover the debt

Although a decision may be made to write off a debt, the Council will reserve the right to recover any debt, which has previously been written off, should it be possible and cost effective to collect it in future.

Quality Control Systems

The Council will ensure that sound and comprehensive mechanisms are in place to check this policy is adhered to, to respond to customer complaints and to provide effective feedback of issues raised and that all issues raised are resolved.

Regular quality control and monitoring mechanisms would be undertaken within the section.

** Reasonable period of time is considered to be 3 years by various court decisions in relation to council tax matters (R v Ealing Justices Ex Parte Cloves (1991) and R v Newcastle upon Tyne Justices Ex Parte Devine (1998)*

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Appendix 1

SUMMONS PRE-LIST/WARNINGS & ERRORS				
Error/Warning Message	Summary	Need to check	Inhibits Recovery	Reason for checking account
Recovery Balance Reduced	Overdue amount has been reduced since the final notice was issued - this could be through part payment or award of CTB, discount etc	Yes	No	Arrangement made but not set up on account
Below minimum amount	Overdue amount is below the system parameters set for the recovery run	No	Yes	[REDACTED]
Paid up to date - not processed	Not paid the full amount of the final but they have paid what would have been due under the instalment plan	No	Yes	
Mail Outstanding	Mail to be dealt with on account	No	Yes	
BENC	Benefit discrepancy to be cleared	No	Yes	
Personal diary codes	Diary code set by officer not yet passed	No	Yes	
Diary Codes (** two stars)	System diary code set to indicate future event	No	Yes	
Diary Codes (* one star)	System diary code set to indicate future event	Yes	No	To ensure appropriate action is being taken
Amount in profile error	Debit entered on account and causes an error line	Yes	Yes	To correct profile - e.g unpaid DD, returned cheque
Account in immediately due	Part of the balance is at an earlier stage of recovery	Yes	No	To ensure debt is able to be progressed or to report to Business Support
Credit on another notice	Overpaid council tax on another notice for same account	Yes	No	Transfer credit

In brief, any notice that has a 2 star warning/error will not have a summons issued, whereas a 1 star warning/error will not inhibit recovery. However, an element of checking needs to happen to ensure that accurate summons are issued and to identify system issued that prevent recovery action from progressing.