

What actions /policy changes have been applied by the council to improve collection rates of council tax / business rates since 2000 and what date did they come into affect from

For the period 2000 to date, the only significant change in the actions or policies governing the collection rates of Council Tax and Business Rates (NNDR) by North East Lincolnshire Council was the approval and adoption by Cabinet on the 6th July 2009 of the Debt Recovery Strategy. The Strategy brings together the policies and procedures for the management of all council debts, to ensure consistency and co-ordination. A copy of the Debt Recovery Strategy is provided for your information.

The Council transferred to a new ICT system in June 2002, and had limited ability to issue recovery notices during 2002/03 and 2003/04. In April 2004 the Council employed a new Head of Service who implemented a 12 month programme of recovery activity.

The number of notices sent

The number of Council Tax and NNDR Recovery Notices sent in the financial years 2000/01 to 2008/09 is included in the attached spreadsheet.

Please be aware that the figures for Council Tax for the financial years 2003/04 to 2007/08 (to date) were supplied to you on 22nd February 2008.

1. How many are sent within April, before the end of the month.

The number of Council Tax and NNDR Recovery Notices sent in the month of April in the financial years 2000/01 to 2008/09 is included in the attached spreadsheet.

For your information, the notices would relate to debts for previous financial years. The cycle of 12 monthly notice runs did not commence until 2004/05.

The number of summons sent

The number of Council Tax and NNDR summons sent for the financial years 2000/01 to 2008/09 is included in the attached spreadsheet.

Please be aware that the figures for Council Tax for the financial years 2003/04 to 2007/08 (to date) were supplied to you on 22nd February 2008.

1. How many are sent within the first 14 weeks

The number of Council Tax and NNDR summons sent in the first 14 weeks of each of the financial years 2000/01 to 2008/09 is included in the attached spreadsheet.

2. What conditions/consideration are used to decide weather to go to this stage.

North East Lincolnshire Council work in accordance with the Local Government Finance Acts 1992 (as amended) and 1988 (as amended).

3. Who is responsible to the public for the management of this figure and the funds it generates

Chief Finance Officer

4. the figure is quite regular from 2003, has there been any reviews to see who (what sector of the public) is affected by this. IE (do we make sure that this figure does not include many working poor)

No separate reviews have been undertaken to identify who is affected by this, the policy is applied consistently to all.

Number of Liability Orders sent

The number of Council Tax and NNDR liability orders sent for the financial years 2000/01 to 2008/09 is included in the attached spreadsheet.

Please be aware that the figures for Council Tax for the financial years 2003/04 to 2007/08 (to date) were supplied to you on 22nd February 2008.

1. How many of this number are already paying previous council tax under agreement or arrangement

We have estimated that the time needed to cross reference the Council Tax accounts with an agreement or arrangement in place to identify the number of liability orders falling into the classification you specified would exceed the appropriate limit of £450 (18 hours work).

2. What conditions/consideration are used to decide weather to go to this stage.

North East Lincolnshire Council work in accordance with the Local Government Finance Acts 1992 (as amended) and 1988 (as amended).

3. Who is responsible to the public for the management of this figure and the funds it generates

Chief Finance Officer

4. the figure is quite regular from 2003, has there been any reviews to see who (what sector of the public) is affected by this. IE (do we make sure that this figure does not include many working poor)

No separate reviews have been undertaken to identify who is affected by this, the policy is applied consistently to all.

5. How many of these liability orders end up being the same amount due from the public at the end of the year. (i.e. how many get reduced due to changes in circumstance)

We have estimated that the time needed to check the Council Tax accounts where a liability order has been raised to identify the number of liability orders falling into the classification you specified would exceed the appropriate limit of £450 (18 hours work).

6. Is someone that's been served a liability order still a successful collection, (re collection rate)

Yes, if a payment is received within the same financial year as the debt was raised

Profit Generated from liability orders

1. Can I have a complete input and output for this account with relative dates, for each year from 2000 because I am trying to find out the following

The summary of input and outputs for the Collection Fund for the financial years 2000/01 to 2008/09 was as follows:

	Costs Raised on Accounts	Costs Paid to Court	Net Costs	Court Costs and Summons Runs
2000 / 2001	£360,390.00	£6,927.20	£353,462.80	Costs to Court Per Liability Summonsed £0.70 5 Summons Runs
2001 / 2002	£446,595.00	£8,612.80	£437,982.20	Costs to Court Per Liability Summonsed £0.70 5 Summons Runs
2002 / 2003	£297,945.00	£4,654.30	£293,290.70	Costs to Court Per Liability Summonsed £0.70 3 Summons Runs
2003 / 2004	£490,160.00	£7,858.90	£482,301.10	Costs to Court Per Liability Summonsed £0.70 5 Summons Runs
2004 / 2005	£736,160.00	£10,400.60	£725,759.40	Costs to Court Per Liability Summonsed £0.70 12 Summons Runs
2005 / 2006	£647,200.00	£12,443.60	£634,756.40	Costs to Court Per Liability Summonsed £0.70 12 Summons Runs
2006 / 2007	£667,796.00	£38,373.00	£629,423.00	Costs To Court Per Liability Summonsed £3.00 12 Summons Runs
2007 / 2008	£656,872.00	£35,766.00	£621,106.00	Costs To Court Per Liability Summonsed £3.00 12 Summons Runs
2008 / 2009	£754,265.00	£29,781.00	£724,484.00	Costs To Court Per Liability Summonsed £3.00 12 Summons Runs

Please be aware that the figures for Council Tax and NNDR for the financial years 2000/01 to 2007/08 (to date) were supplied to you on the 27th February 2008.

We have estimated that to provide a complete breakdown of all the inputs and outs for the account for financial years requested would exceed the appropriate limit of £450 (18 hours work).

1. How much of this figure get paid to bailiffs or in respect of bailiffs action and can it be broken down into reasons (i.e. corrected mistakes in relation to who's liable, none collectables, incorrect accounts, benefit changes)

As previously confirmed to you in our response of 29th February 2008, none of this figure is paid to the bailiffs.

2. How much of this figure is used to pay council staff and what staff does it pay

As previously supplied to you in our response of 22nd February 2008

'The monies collected are offset against the recovery of Council Tax. This includes the technological systems in place, employment of staff and procedures and legislation followed to attain a high return of Council Tax payments'.

3. Who decides on the break up and payments of this money

The Council maintains a Collection Fund. This account reflects the statutory requirement to maintain a separate fund which shows the transactions of the Council in relation to non-domestic rates and the Council Tax, and illustrates the way in which these have been distributed to preceptors (Police and Fire) and the Council.

The Council's share of the Collection Fund is shown as income from taxation in the budget and accounts. This income is part of the general funding of the Council's budget requirement and is not attributable to any specific spending.

4. What reviews have been done on this figure and what were there findings. (probably no reviews)

The Collection Fund is included within the Council's Statement of Accounts and is subject to annual audit by the Audit Commission.

5. Who would be responsible for keeping an eye on this figure for the public.

The Council's Chief Financial Officer (Section 151 Officer) is responsible for the proper administration of the Council's financial affairs.

6. How much is used to pay local solicitors and can that be broken down by solicitor.

The payments made to local solicitors for the financial years 2004/05 to 2008/09 was as follows:

PAYMENTS TO SOLICITORS	YEAR					
SOLICITOR	2004/5	2005/6	2006/7	2007/8	2008/9	Grand Total
BEETENSON & GIBBON					£450.00	£450.00
BRIDGE MCFARLAND				£345.00	£3,528.40	£3,873.40
STEPHEN EDE COOK & ASHTON	£1,651.00	£7,410.20	£5,800.95	£269.00		£15,131.15
WILKIN & CHAPMAN	£3,230.10	£35,631.84	£32,831.83	£33,884.20	£33,725.00	£139,302.97
Grand Total	£4,881.10	£43,042.04	£38,632.78	£34,498.20	£37,703.40	£158,757.52

Please be aware that the figures do not reflect any refunds received and they also include payments to Solicitors for Charging Orders as well.

We are unable to determine costs back to 2000 as different cost codes and practices were used and we are unable to retrieve the information needed. We have estimated that the time needed to check the Council Tax accounts to identify payments made to solicitors would exceed the appropriate limit of £450 (18 hours work).

Cases sent to bailiffs

The number of cases sent to bailiffs for the financial years 2003/04 to 2008/09 was as follows:

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	All Years
Council Tax	None	6,753	4,382	4,426	5,345	6,269	27,175
NNDR	None	293	327	354	358	373	1,705

We do not hold information on the number of bankruptcy actions started for the financial years prior to 2003/04

Please be aware that the figures for Council Tax for the financial years 2004/05 to 2007/08 (to date) were supplied to you on 22nd February 2008.

1. How many of these cases are sent to the bailiff for current year that the council tax is due for

As cases sent to bailiffs can include debts for more than one financial year we have estimated that the time needed to check the Council Tax accounts to identify the number falling into the classification you specified would exceed the appropriate limit of £450 (18 hours work).

2. How many of the cases sent to the bailiffs end up being corrected afterwards by the council ()

We have estimated that the time needed to check the Council Tax accounts to identify the number falling into the classification you specified would exceed the appropriate limit of £450 (18 hours work).

3. Who in our council is responsible for reviewing the efficiency of these action (i.e. who is responsible to the public)

Income & Collection Manager, please refer to the Service Level Agreement previously provided to you for further details.

4. What reviews have been done in relation to the amount of cases sent and the impact on the public.

An annual review is undertaken of the number of cases sent to the bailiffs as part of the overall review of service delivery.

5. How many cases get returned by the bailiffs each year and for what general reasons

We have estimated that the time needed to identify and check all cases returned by the bailiffs and as specified in your request would exceed the appropriate limit of £450 (18 hours work).

The main reasons for returning a case are:

- Unable to gain legal access to property
- Poor goods
- Customer gone away

6 What are the conditions that you give to the bailiffs in relation to there interactions with the public in relation to collecting (i.e. vulnerable people)

These conditions are detailed in the Service Level Agreement previously supplied to you.

7. What review have been done into the effectiveness of this method of collection and what dates were they done.

No review has taken place into the effectiveness of this specified method of collection. This collection method is best industry practice for the recovery of debts, where we do not hold information on the customer to undertake other collection methods.

8. What consideration has been done by the council in relation to the profits generated by the bailiffs in relation to collecting council tax/nndr and what were there outcomes

None.

9 How many of the cases that are sent to the bailiffs for people that are not in receipt of benefit, end up with the people claiming benefits for that or subsequent years

We have estimated that the time needed to cross reference the Council Tax accounts with benefit claims to identify the number of people falling into the classification you specified would exceed the appropriate limit of £450 (18 hours work).

10 How many cases get sent to the courts/bailiff for people in receipt of benefits for that year.

We have estimated that the time needed to cross reference the Council Tax accounts with benefit claims to identify the number of people falling into the classification you specified would exceed the appropriate limit of £450 (18 hours work).

11. How much is incorrectly paid to bailiffs by the public each year.

This information is not held by North East Lincolnshire Council.

Other actions taken

1. Bankruptcy threatened

We have estimated that the time needed to check the Council Tax accounts and identify were a bankruptcy was threatened would exceed the appropriate limit of £450 (18 hours work).

2. Bankruptcy action started

The number of bankruptcy actions started in each of the financial years requested, are:

	2004/05	2005/06	2006/07	2007/2008	2008/2009	All Years
Bankruptcy	11	71	37	15	13	147

We do not hold information on the number of bankruptcy actions started for the financial years prior to 2004/05

3. Bankruptcy action completed

Can you please clarify what you mean by the term 'Bankruptcy action completed'?

4. What is the total costs for each of the above actions, (If costable)

The current costs for each of the above actions are

The Costs for Bankruptcy are set out like so:

Official Receivers Deposit	£400.00
Court Fee	£190.00
Affidavit	£7.00
Process Server's Fee for service of Statutory Demand	£65.00

Process Server's Fee for service of Petition (approx) £65.00

These costs are paid back to the council by the Bankruptee if the court gives a costs order.

5. How many attachment of earnings do we achieve each year

We have estimated that the time needed to check the Council Tax accounts were an attachment of earnings has been attempted and achieved would exceed the appropriate limit of £450 (18 hours work).

6. Please list all further actions taken between liability orders and bankruptcy

The further actions available to the Council between liability orders and bankruptcy are

- Attachment to benefit
- Attachment to earnings
- Bailiffs
- Charging Order
- Committal

7. Please list any reviews that you have done on the above figures and point to the outcome

An overall annual review of service delivery would consider this and link to future decision making on policy and service delivery.

8 What is the total costs for each of the above actions, (If costable)

The cost of each of the above actions for each of the financial years are:

Committal Costs:

Committal Summons	£240.00 (was only £70.00 up to 13 th July 2009)
Warrant with Bail	£105.00 (was £55.00 up to 13 th July 2009)
Warrant without Bail	£105.00 (was £70.00 up to 13 th July 2009)

Charging Order Costs:

Solicitors costs	£69.50 or £75.50 depending on amount of the debt
Application for the charging order	£100.00
Land Registry Fee to register charge	£50.00
Official Copies	£4.00
Fixed costs of	£110.00

The collection rates of Council Tax.

The Council Tax collection rates for the financial years 2000/01 to 2008/09 was as follows:

	Council Tax %		NNDR %
2000/01	93.50		97.10
2001/02	94.90		98.02
2002/03	93.03		98.22
2003/04	95.20		99.30
2004/05	97.10		99.30
2005/06	97.84		99.74
2006/07	97.71		99.43
2007/08	97.56		99.80
2008/09	97.53		91.82

Please be aware that these figures for the financial years 2000/01 to 2006/07 were supplied to you on 27th June 2008.

Can you explain how you achieve such a high published collection rate and how the above figures are reflected in the published rate

Good practice in the delivery of services.

Can you explain what the consequence of a low published collection rate would have on the staff, senior management and cabinet of the council?

A review of practice and procedures would be undertaken.