



Kerron Cross
Via email
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Finance & Corporate Services
Direct Line – 020 7525
Fax – 020 3014 8598
accessinfo@southwark.gov.uk

27th March 2015

Dear Mr Cross

Re: Your request for information: Ref No. 493822

I am writing further to your request for information dated 3rd February 2015 to advise you that we have now completed our search for the information you requested. You requested:

Does the Council employ bailiffs/debt recovery companies to recover outstanding Council Tax debts from residents?

Some Council Tax debts are referred to enforcement agents for collection, however they are not employed by the council. Enforcement agent fees are recovered directly from the debtor.

At what level of arrears is action by bailiffs/debt recovery companies triggered – i.e. at what stage are they called in by the Council to recover Council Tax debts and at what financial level?

We can confirm that this information is held but is exempt from release under section 31(1)(d) of the Freedom of Information Act because disclosure would, or would be likely to prejudice the collection of Council Tax.

We are required to assess whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The following factors are in favour of disclosure:

- (i) Ensuring that Southwark Council is exercising its functions appropriately and proportionately.
- (ii) Ensuring that enforcement agents are engaged at an appropriate level, considering that additional fees are incurred.

We consider that Southwark Council already demonstrates its effectiveness in the collection of Council Tax by publishing the collection rates as well as the recovery of Council Tax arrears at:

http://www.southwark.gov.uk/downloads/download/3561/welfare_reform_in_southwark.

We also monitor the effectiveness of enforcement agents from collection figures. We monitor and review the level of arrears at which enforcement agent action is triggered to ensure that this is appropriate for the collection of Council Tax whilst also taking the fees into consideration. We assess cases prior to referral to ensure that the appropriate recovery action is taken. It is often the case that an account is only referred to an enforcement agent when no other form of recovery action is suitable.

The following factors are in favour of withholding the information:

- (i) Southwark Council has a duty to collect Council Tax and it is essential that effective deterrents against evasion are maintained for this purpose.
- (ii) Without an effective deterrent to Council Tax evasion, evasion would invariably increase. This would be to the detriment of the honest majority of people who pay their Council Tax and to the overall amount of revenue to the council and central government for essential services.
- (iii) An increase in Council Tax evasion would lead to an increase in recovery costs.

We consider that releasing the information would lead to customers evading Council Tax to that specific level (amount) in the knowledge that they will not have their debt referred for action from an enforcement agent. It may be the case that the council has no other suitable method of recovery and this would lead to a decrease in revenue collected. There is therefore a greater public interest in ensuring the effective collection of Council Tax than in disclosing the information requested.

What procedures are in place regarding timescales/processes for calling in bailiffs/debt recovery companies to take action for outstanding debts?

Once a liability order is obtained a letter is issued to the customer advising them of the liability order and the methods of recovery now available to the Council. The letter includes a financial statement form and a request for further information which the customer is required to complete. The Council will assess the account and the information available and attempt to pursue the debt in the most appropriate and effective manner. If we are unable to make a suitable arrangement with the customer and are unable to apply for an attachment of earnings or benefit them we may refer to the case to an enforcement agent for collection.

What procedures are in place to consider complaints against bailiffs/debt recovery companies acting on behalf of the Council?

Under section 21 of the Act, we are not required to provide information in response to a request if it is already reasonably accessible to you.

The information you requested is available within the public domain. The council's complaints procedure for the Revenues and Benefits service is published at http://www.southwark.gov.uk/info/200028/council_tax/176/council_tax_and_benefits_complaints and further advice from central government is available at <https://www.gov.uk/your-rights-bailiffs/how-to-complain-about-a-bailiff>. The trade association for enforcement agents is CIVEA and further advice is available on their website at <http://www.civea.co.uk/complaints.htm>.

How many occasions over the last 12 months did the Council call in bailiffs/debt recovery companies to collect outstanding debts? On how many of these occasions was the outstanding debt recovered?

As at 1 January 2015:

3616 cases were referred to an enforcement agent during the financial year, of which 181 were paid in full.

What is the median Council Tax debt amount owed when action by bailiffs/debt recovery companies has been taken in the past 12 months?

£1,055.70

Are there set charges made by bailiffs/debt recovery companies, or does the amount charged vary – can you outline what these charges are in each instance?

This information is available within the public domain and therefore exempt under s21 of the Act. Please refer to <http://www.civea.co.uk/bailiff-enforcement-agent-charges-fees.htm>.

What is the Council's position on charging people in full receipt of benefit – is there a minimum charge in place?

This information is available within the public domain and therefore exempt under s21 of the Act. Please refer to http://www.southwark.gov.uk/info/200459/benefits_are_changing/2953/council_tax_benefit.

Does the Council have hardship scheme/s in place to assist people who have difficulty paying Council Tax – particularly those in full receipt of benefit – if so, please can you outline the details of these detailing levels of support, eligibility and level of take up?

This information is available within the public domain and therefore exempt under s21 of the Act. Please refer to

http://www.southwark.gov.uk/info/100001/advice_and_benefits/3555/hardship_fund.

A detailed analysis for the current financial year is published at

http://www.southwark.gov.uk/downloads/download/3561/welfare_reform_in_southwark.

How many evictions has the Council ordered in the last 12 months based on non-payment of Council Tax?

None.

What was the Council's collection rate for Council Tax owed by Council Tax Support claimants in the last three financial years, set out year by year?

The collection rate for Council Tax Reduction claimants in 2013/14 was 75%. The current collection rate for Council Tax Reduction claimants in 2014/15 is 68% - we will have a final figure for the full financial year after 31 March 2015.

We do not hold this information prior to 1 April 2013 as the Council Tax Reduction Scheme was only introduced from this date. We did not record collection rates for Council Tax Benefit customers separately.

This information is being provided as a statutory obligation under the Freedom of Information Act 2000. Please note that under the Privacy and Electronic Communications (EC Directive) Regulations 2003 Southwark Council ask not to receive unsolicited marketing communications.

You are free to use the information provided for your own purposes, including any non-commercial research you are doing and for the purposes of news reporting. Any other re-use, for example commercial publication, requires the permission of the copyright holder. You may apply for permission to re-use this information by submitting a request to accessinfo@southwark.gov.uk; you can find details on these arrangements at <http://www.southwark.gov.uk/YourCouncil/Copyright>. Detailed advice about the Reuse of Public Sector Information Regulations (PSI) 2005 is available from the Office of Public Sector Information at: <http://www.opsi.gov.uk/advice/index.htm>

The remainder of the information that falls within the terms of your request is exempt from the rights of access under the Act. The exemption which applies to this information is section 21 of the Freedom of Information Act.

If you are unhappy with the service you have received in relation to your request and wish to make an appeal for a review of our decision, please write to the:

Corporate Freedom of Information Manager
Financial & Information Governance Team (2nd Floor)
PO BOX 64529
London
SE1P 5LX
Email: accessinfo@southwark.gov.uk

If you are not content with the outcome your appeal, you may apply directly to the Information Commissioner for a decision. Generally, the Information Commissioner cannot make a decision unless you have first exhausted our internal appeal procedure and you should contact him within 2 months of the outcome of your internal appeal.

Further information on the Freedom of Information Act is available through the Information Commissioner at the:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF
Telephone: 0303 123 1113
Internet: www.ico.org.uk

Yours sincerely,

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