
Collection of council tax arrears good practice protocol update

One year on: collection rates maintained vulnerable protected

Launched in July 2009 the collection of council tax arrears good practice protocol is the result of a collaboration between the Local Government Association, the Welsh Local Government Association and Citizens Advice the membership organisation for more than 400 Citizens Advice Bureaux in England and Wales. Signatories include AdviceUK a support network for independent advice centres across the country.

The protocol came about because of a growing recognition that all parties involved in the recovery of council tax arrears should work together. Underlying the protocol is an assumption of partnership between advice agencies, local authorities and bailiffs. It stresses regular liaison at operational and strategic level, information exchange, strategies for dealing with vulnerable people and flexible payment options – particularly important in this time of economic challenge.

By following the step by step approach of the protocol, advice agencies, billing authorities and bailiffs have proved that healthy council tax collection rates can be maintained whilst ensuring that the most vulnerable and those in genuine financial difficulty are protected. This briefing reflects on some of the successes of the past 12 months, and looks ahead to an immediate future where more local authority areas can reap the benefits of this collaborative approach.

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Adrian Galvin

What do partners say about the approach outlined in the protocol?

“You can have a customer focus, be attentive to people’s needs and not have a fall off in (council tax) collection rates... it’s not soft, it’s customer focussed”

David Waters Head of Revenues, Bath and North East Somerset District Council.

“Once you would struggle to get bailiffs and CAB together in the same room but we have found an improving picture. I think both sides have come to realise that there are benefits because of the other’s intervention”

Andy Rose MD at Bristow and Sutor which employs 160 bailiffs covering contracts with 96 local authorities.

“The protocol was a useful reference point to find common ground and build a partnership with our local authority”

Ashfield CAB, Nottinghamshire.

Case Study: Bath and District

The period running up to summer 2009 was one of mounting frustration for debt advisers at Bath and District CAB due to a lack of effective engagement between themselves, the revenues team at Bath and North East Somerset District Council (BANES) and bailiffs contracted by the council.

“It was very disheartening, a lot of work went into producing a financial statement (on behalf of the debtor) that you knew would not be accepted,” said a CAB spokesperson. “We didn’t feel able have a sensible conversation: it was a case of take it or leave it.”

The Citizens Advice Bureau (CAB) wrote to David Waters who at the time had recently become Head of Revenue Services at BANES

enclosing a copy of the Good Practice Protocol.

A face to face meeting brought together all parties, the start of an ongoing dialogue involving bureau workers, senior revenue team managers and bosses at bailiff company Bristow and Sutor.

A year on and the CAB reports a “sea change” in its relations with the local authority revenues department and Bristow and Sutor. It’s not that all sides agree on everything, but there is a procedure for raising concerns and dealing with them. All parties have direct dial access so that they can respond quickly as issues arise and one of the major benefits reported by the bureau is way the present protocol-inspired practices have helped reduce frustrating delays and stale-mates of the past.

But how have such measures affected the local authority ability to collect council tax? There is good news here too. Over the past 12 months, collection rates for BANES have been an impressive 98.76 per cent compared with 98.96 per cent the previous year, a negligible decrease and still above the average across the South West. For David Waters the figures are evidence that a “customer focus” is not a soft option.

“For rates to have held is very creditable given the financial circumstances that we have faced. Things are working more smoothly. There is a proper working relationship and partnership between the CAB, ourselves and Bristow and Sutor. Recovery team leaders have come to the bureau and been able to talk things through and share information.

“I think it is a credit to people at Bath CAB and Bristow and Sutor that we have an open dialogue. We can cut through to what is important, get to the detail and have seen useful ideas emerging.”

For workers at Bath CAB the turnaround has made their efforts worthwhile: “Now we have good communication, flexibility and positive

conversations, we've seen a sea change in the past 12 months," said Celia Gale, Advice Services Manager at the bureau.

Ideas to emerge from the partnership approach include:

- Introduction of greater flexibility in payments available to people.
- Three contacts at the bailiff company with whom issues can be escalated, the Bureau reports that this measure alone has "significantly reduced the workload" of such cases.
- Broadening definitions of vulnerability.
- Revenue and benefits staff received training in common financial statements to gain an insight into CAB working.

Andy Rose, Managing Director at Bristow and Sutor said: "Going back in time you would struggle to get bailiffs and CAB together in the same room but we have found an improving picture. I think both sides have come to realise that there are benefits because of the other's intervention."

"Rather than lock horns and annoy CAB with the attitude that 'we don't need to speak to you, we are bailiffs', it's best to get it sorted. There is no point in just stonewalling when at the end of it all is just bad publicity."

Case Study: Northumberland

In Northumberland the protocol has helped foster a culture of information exchange between all parties including elected members. CAB in the county have briefed their local councillors on concerns over council tax collection practices and these issues have been raised at regular area committee meetings held across the county. The issue has been raised at full council level, a positive move according to Rachel Turnbull, social policy officer for the Northumberland Citizens Advice Bureaux.

"We've had problems in the past but the local authority seems very keen to move forward and the protocol has provided a focal point. We have been invited to contribute to discussions when the council awards a new contract for bailiffs later this year."

A key element involves enhancing mutual understanding between CAB advisers and council tax recovery staff; training workshops enable both parties to become familiar with the day to day realities of the other.

Graeme Barnes, Revenues and Benefits manager Northumberland County Council, said having a document such as the protocol based on industry-wide best practice can provide a foundation on which to build local working: "It gives you a focus to kick off with. From that point on it's all about communication and better feedback."

Case Study: Ashfield, Nottinghamshire

Andrew Colclough, Deputy and Supervisor at Ashfield CAB, said the bureau had previously reported bailiff activity to the local government ombudsman and referred cases to the MP at the time Geoff Hoon. The protocol helped bring all parties to the table and relations have improved to the extent that all parties worked together to draw up a new code of practice for bailiffs including items on referral for vulnerable people and complaints procedures.

"The protocol was a useful reference point to find common ground and build a partnership. Since then we've used it as the basis for a code of practice. "

As in Bath, Mr Colclough highlights the fact that closer working has not seen any negative impact in the authority's ability to collect council tax: "There has been no tangible difference in collection rates."

The point is emphasised by Denise Chapman,

Ashfield District Council Revenue Services:
“We don’t feel we are jeopardising collection rates; by following the good practice protocol we can intervene and talk to third parties and then come to a payment agreement on more reasonable terms.

“Its really been beneficial for us to have regular contact with the CAB to get to the bottom if issues, for example you might find that the client could be claiming benefits and are not.”

What still needs to be done?

Citizens Advice is looking to spread the lessons of good practice through its policy work. In the coming months we will be:

- Continuing along with other advice agency partners to work with the bailiff industry on key issues such as complaints handling.
- Pressing for a properly equipped independent regulator that will be proactive in setting and enforcing standards of conduct for the bailiff industry: such standards need to both protect the vulnerable and ensure that people in financial difficulties are able to make sustainable and affordable payments
- Calling on the Ministry of Justice to continue with plans to introduce a bailiff industry regulator and make sure that that regulator has the powers and resources and fulfil this role.
- Promoting widespread use of the Good Practice Protocol so that other local authority areas can benefit from improvements in practice.

For copies of the collection of council tax arrears good practice protocol go to:

www.citizensadvice.org.uk/council-tax-arrears

Contact: Adrian.galvin@citizensadvice.org.uk