

Council Tax

What you need to know if a Liability Order has been issued against you



This leaflet contains details on the collection of Council Tax following the issue of a Liability Order

Collection of Council Tax

- It's the Council's duty to collect all instalments as they become due.
- The Council's recovery policy has been drawn up in compliance with current regulations but we try to be responsive to individual circumstances.
- Recovery Policy for Council Tax is agreed in advance and ensures that all taxpayers are treated fairly and objectively.
- All complaints are dealt with in 10 working days and depending on the nature of the complaint, recovery action may be suspended.

Kingston Magistrates Court have issued a Liability Order against you because you have not complied in full with the Summons previously issued. This gives the Council the power to recover the unpaid Council Tax in a number of ways. You must take action now if you cannot pay in full within the next 14 days.

If you are in paid employment you MUST complete and return the enclosed form. If you do not provide this information you may be prosecuted. This information will be used to decide whether an Attachment of Earnings should be set up. If you would prefer to make an arrangement with the Council, you should confirm this in writing and attach this to the completed form. An arrangement to pay will be based on the same level as attachment of earnings or a mutually acceptable arrangement.

If you are not in paid employment you must complete the form with details of your benefit, income and expenditure. This will allow the Council to either set up an attachment of benefits (deductions from certain benefit) or agree a mutually acceptable arrangement.

If you fail to return the attached form within 14 days the Council will consider taking Bankruptcy proceedings against you or the Liability Order will be passed to the Council's Bailiff. Whichever course of action is taken, this will commence without further notice. You will also incur additional charges. Once the Liability Order is passed to the Bailiffs, no further arrangement can be made with the Council.

Recovery Process

Now that a Liability Order has been obtained, the Council will consider further action:

1. Attachment to earnings or benefit.
2. Bankruptcy proceedings where the total debt to the Council exceeds £750.
3. Bailiff action.
4. Charging orders where the debt exceeds £1000.
5. Sale Orders
6. Committal to prison (following return from the Bailiff.)

Attachment to Earnings

Should the Council set up an attachment to your earnings, the percentage deducted is dependent on the salary level and ranges from 3% for monthly earnings below £550 to 17% for monthly earnings exceeding £1420, with an additional 50% for earnings exceeding £2020.

Attachment to Benefits

Deductions are made at a level set by regulations.

Bankruptcy

Should the Council proceed with Bankruptcy, you could:

1. Lose all major assets; even if your home has no equity in it at present, the property will still be sold when it does attain a value;
2. You will normally lose the use of your bank and building society accounts;
3. Access to future credit will be affected;
4. Your employers may not be prepared to allow you to continue in your present job;

You must co-operate with the person appointed to administer the bankruptcy. Failure to do so will be contempt of court.

Bailiff Action

The bailiffs act on behalf of the Council to recover a debt, either by an arrangement **or** by removing goods, (distress) and selling them at auction. They do follow a code of practice agreed by the Council as follows (please turn over):

If you have difficulty reading this document because of a disability or because English is not your first language, we can help you. Please call 020 8547 5000 or ask someone to call on your behalf.

Bailiff Code of Practice

The Council has entered into an agreement with Equita Ltd and CCS Enforcement Services and the Council has agreed the following standards with those bailiffs:

1. The Bailiff may call between 6.00am and 9.00pm Monday to Saturday.
2. The Bailiff will carry identify cards at all times, together with authorisation from the Royal Borough of Kingston.
3. The Bailiff will be smartly dressed, act politely and discreetly.
4. Arrangements are at the discretion of the bailiffs but no arrangement will go beyond six months without the consent of the Council.
5. Correspondence (to the Bailiffs) where a written reply is required will be dealt with within five working days.
6. They will make an initial visit to the taxpayer within 15 working days of the receipt of the Liability Order.
7. They will not distraint upon goods belonging to children or remove any protected goods, eg beds, tools of the trade etc.
8. The Bailiff will operate within the code of practice of The Enforcement Services Agency of England and Wales.
9. They will leave a signed copy of any goods where walking possession* has been taken with the taxpayer and will provide a breakdown of fees where requested. (*At the bailiff's discretion they may agree not to remove any goods listed by the bailiff where an agreement for payment is reached.)
10. They will issue a receipt for all monies received.
11. A full list of payment methods is available from the Bailiff.
12. Equita telephone centre is open between 8.00am and 8.00pm Monday to Friday and between 8.00am and 1.00pm Saturday.
13. A full copy of the Code of Practice is available on request or from website.

Costs of Bailiff Action

- A. For making a visit to premises with a view to levying distress* but where no levy is made.
(i) Where the visit is the first or only such visit: **£24.50**
(ii) Where the visit is the second such visit: **£18.00**
- B. For levying distress: (*Removing and selling of goods.)
The lesser of
(i) The amount of the costs and fees reasonably incurred; or (ii) The relevant amount calculated under the current regulations.
- C. For the first or only attendance with a vehicle with a view to the removal of goods (where goods are not removed):
Reasonable costs and fees incurred.
- D. For the removal of and storage of goods for the purposes of sale:
Reasonable costs and fees incurred.
- E. For the possession of goods as described in regulations:
(i) For close possession (a bailiff stays with goods until paid) **£15.00 per day close possession**
(ii) For walking possession **£12.00 per session**
- F. For estimating the value of an item distrained, at the request in writing of the debtor:
Reasonable fees and expenses of the broker appraising
- G. For other expenses of, and commission on, a sale by auction
(i) Where the sale is held on the auctioneer's premises:
The auctioneer's commission fee and out-of-pocket expenses (but not exceeding in aggregate 15% of the sum realised), together with reasonable costs and fees incurred in respect of advertising.
(ii) Where the sale is held on the debtor's premises:
The auctioneer's commission fee (but not exceeding 7.5% of the sum realised), together with auctioneer's out-of-pocket expenses and reasonable costs and fees incurred in respect of advertising.
- H. Where no sale takes place by reason of payment or tender in circumstances referred to in regulations:
£24.50 or actual costs up to 5% of Liability Order

Committal to Prison

Should the Council proceed with committal, you will have to attend court to explain to the Magistrates why they should not commit you to prison for a period of up to 90 days for non-payment of Council Tax. They will examine your finances at the time the original Liability Order was granted and compare that with your current finances. Should they find wilful refusal or culpable neglect, they may impose a suspended prison sentence pending payments or an immediate prison sentence. If you do not attend court as required a Warrant for your arrest will be obtained.

Charging Orders / Sale Orders

The Council may place a charging order / sale order on the property, and when the property is sold, the Council will receive the amount direct from the sale prior to any other disbursements.

The Council has no power to write off your Council Tax liability on the grounds of financial hardship – You may claim Council Tax Benefit but recovery action will continue pending the outcome of your claim.

For further advice please telephone the Council Tax section on the telephone numbers given on the enclosed letter. For **independent** advice on debt problems:

Citizens Advice Bureau

www.adviceguide.org.uk

Neville House

55 Eden Street

Kingston upon Thames

Surrey KT1 1BW

0870 126 4019

Consumer Credit Counselling

www.cccs.co.uk

0800 138 1111

National Debtline

www.nationaldebtline.co.uk

0800 804 4000