



# Council tax

## Arrears advice



Do you need help with this leaflet?

Maybe English is not your first language, you have difficulty reading it because the print is too small, or you are not sure what it means.

Please phone **01395 517446**.

## Getting into arrears with council tax

### The Council's policy

- To collect all instalments as they become due.
- To act in accordance with current regulations while trying to be responsive to individual circumstances.
- To ensure that we treat all council tax payers fairly and consistently.

## What can I do if I have trouble paying the bill?

Contact our dedicated advice line on **01395 517448** straight away.

We can check to see if you are entitled to a reduction in your bill, for example, with council tax benefit or a single person discount. We may also be able to help you by rescheduling your instalments.

From 6 October 2008, the time limits on backdating council tax benefit have been reduced so it is important that you get in touch with us as soon as you start to have trouble paying the bill.

**Do not ignore the bill. Council tax is a priority debt!**

## Debt advice

You can also get free, independent advice from the Citizens Advice Bureau. Citizens Advice Service East Devon (CASED) serves the whole of the East Devon area. Their phone numbers are **01395 264645** for Exmouth and **01404 44213** for Honiton, Sidmouth and Axminster.

Other agencies that offer free advice are:

### The National Debtline

**0808 808 4000** or online at [www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)

### Community Legal Service Direct

**0845 3454345** or online at [www.clsdirect.org.uk](http://www.clsdirect.org.uk)

### Turn2us

**020 7396 6700** or online at [www.turn2us.org.uk](http://www.turn2us.org.uk)

## What happens if I don't pay?

If you miss an instalment we will send you a reminder notice giving you **seven days** to bring your payments up to date.

If you pay the amount on the first reminder on time, but fall behind with your instalments again, we will send you a second reminder.

Sometimes, people think this is just 'playing the reminder game'. But if you miss a payment for a third time in the financial year, or you do not pay the full amount shown on the previous reminders, within the time limit, we will send you a final notice. This means that you will have to pay the whole of the balance outstanding for the rest of the financial year. It's not worth the risk!

## Can I make an arrangement?

Yes, we will try to come to a reasonable arrangement for payment with you but we can only do that if you **contact us**.

It is your responsibility to keep to any arrangement we may make with you if you wish to avoid further recovery action and costs. We will never refuse payments and it is always better to pay something rather than nothing at all.

## What action can the Council take against me?

We can apply to the magistrates' court for a Liability Order. We will send you a Summons telling you the date the court will consider the application, and the amount we are summoning you for - this will be the full amount of unpaid council tax plus our costs (currently £35).

If you agree with the amount on the Summons, you do not have to attend court because the magistrates can issue the Liability Order in your absence. If you disagree with the amount on the Summons, contact us straight away so that we can talk about it.

Only payment **in full** will stop court action. **Please contact us before matters reach this stage.**

## Can I appeal against the charge?

Some of the circumstances in which you can challenge your liability for the charge include:

- no entry in the valuation list for the period of the liability;
- the tax has not been properly set;
- the tax has not been demanded in accordance with the statutory regulations;
- you have paid the amount demanded.

Do not wait for the court hearing to raise any of these issues. Contact us on **01395 517448** without delay so that we can talk about it. If you still wish to dispute the summons, you can attend the court to present your case.

**An outstanding appeal against your band value is not a valid defence against the granting of a Liability Order.**

## What are the recovery stages up to court action?

**First reminder notice** – for your first missed instalment.

**Second reminder notice** – for a second missed instalment (but only if you paid the first reminder in full and on time).

**Final notice** – to demand the whole balance outstanding if you miss a payment for a third time in the financial year, or if you did not pay the full amount shown on the previous reminders, within the time limit.

**Summons** – if you do not pay the final notice **in full** or you have not made an arrangement with us.



Help us to  
help you.  
Contact us!

## What happens after going to court?

Once the magistrates have granted us a Liability Order, we can demand certain information from you about your employment and earnings to help us decide the best way to recover the debt.

You are legally required to give us the information we ask for and it may help you pay the bill.

The Liability Order also gives us certain extra powers to recover the debt including:

### Attachment of earnings orders

We can order your employer to recover the amount owing direct from your wages or salary and pay it straight to us.

The amount will be a set proportion of your pay after certain other deductions (such as income tax and National Insurance). Your employer may also deduct a further £1.00 towards their costs in making the deductions for us.

### Deductions from benefit

If you get Income Support, income-based Job Seeker's Allowance, Employment and Support Allowance (ESA) or Guaranteed Pension Credit, we may be able to apply for deductions direct from your benefit. These deductions from benefit are currently £3.05 a week.

## Bailiff action

We can employ bailiffs to recover the debt – this is known as the ‘levy of distress’. If we have to use bailiffs, you will be liable to pay any additional fees. These can add up to a substantial amount if you do not deal with the situation promptly.

The bailiffs act on our behalf to recover a debt either by a repayment arrangement with you or by selling your goods at auction. They follow a code of practice agreed with us.

If you cannot pay the outstanding debt in full, the bailiff has 3 options:

1. To make a walking possession agreement with you. Your goods will not be removed so long as you keep to the terms of the agreed payment arrangement.
2. To take close possession of your goods by staying on the premises until payment is made or the goods are removed for sale.
3. To remove the goods with the intention of selling them.

## Bankruptcy and Charging Orders

### Bankruptcy

If the debt is more than £750, we can go ahead with bankruptcy proceedings. This means you could:

- lose all your major assets;
- lose the use of your bank and building society accounts;
- find that your access to credit in the future will be affected;
- be required to co-operate with the person appointed to administer the bankruptcy - you would be in contempt of court if you did not do so.

A bankruptcy order can still be made even if you refuse to acknowledge the proceedings or refuse to agree to them.

Bankruptcy deals with debts on the date on which the order is made. If you incur new debts after that date, it could result in a further bankruptcy order.

### Charging Orders

For a debt of £1000 or more, we can apply for a Charging Order. This means that if your property is sold, we will get the amount you owe direct from the sale before any other payouts are made.

Both bankruptcy proceedings and Charging Orders are undertaken in the County Court.

**The council does not need your agreement before taking any of the above courses of action.**

## Could I go to prison?


Yes. But we will only take this step if the bailiff action has been unsuccessful.

In these circumstances, the Council has no option but to issue a Summons for you to attend a committal hearing at the magistrates' court. This means that we will ask the magistrates to send you to prison. The maximum period of imprisonment is **three months**.

Before issuing a committal warrant, the magistrates must hold a means enquiry with you present. They will only issue a warrant if they are satisfied that your failure to pay is the result of 'wilful refusal' or 'culpable neglect'. This means that you have deliberately refused to pay the debt or have ignored your responsibility to take the necessary steps to pay it.

The magistrates may decide to fix a term of imprisonment and postpone the warrant on certain conditions, normally relating to the payment of the debt over a period of time.

When no warrant is issued or term of imprisonment fixed, the magistrates also have the power to remit (set aside) all, or part, of the debt.



Don't be afraid  
to contact us.  
It's never too  
late to talk!

# Contact us



## Phone:

**01395 517448** Monday to Friday  
between 8.30am and 5.00pm



## Visit us at:

**The Council Offices, Knowle, Sidmouth**  
Monday to Friday between 8.30am and 5.00pm



## Write to us:

Council Tax  
East Devon District Council  
Knowle, Sidmouth EX10 8HL



## Email us:

[revenues@eastdevon.gov.uk](mailto:revenues@eastdevon.gov.uk)

## Visit our website:

[www.eastdevon.gov.uk](http://www.eastdevon.gov.uk)