

# Council Tax Collection Good Practice

Prepared by the Operational Research Unit  
for the Local Government Finance division of ODPM



Office of the  
Deputy Prime Minister  

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Creating sustainable communities



GOVERNMENT OPERATIONAL RESEARCH SERVICE

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# 1. Management Summary

## 1.1. Introduction

- 1.1.1. This is a report on Council Tax collection. The aim is to look at ways of sharing good practice amongst practitioners, in order to help to promote continuous improvement in service delivery and collection. It covered three areas: good practice ideas and methods of sharing them, the possibility of having a national benchmark and the idea of having a website for practitioners to share good practice ideas.
- 1.1.2. The study was conducted by talking to various people involved in Council Tax, including from billing authorities. A full list of interviewees is available in Annex A. The study also involved looking at other resources available. A list of available resources is in Annex B

## 1.2. Good Practice

- 1.2.1. There are many things that are considered good practice. Some of these are standard good practice that will always help collection (such as good links with benefits teams, and a prompt benefit processing service). Other practices work for some types of authority but not others (see section 3.3.2). However, practitioners need to be cautious about accepting all new 'good practice', as following suggested methods without proper consideration could have a detrimental effect rather than an improvement in services or collection.
- 1.2.2. There are several sources of good practice. The main source is the Audit Commission's management handbook from 1995. This is becoming dated, but most of the contents are still relevant (see section 3.2.3), and it forms the basis of many other good practice checklists – such as those developed by the Greater Manchester Revenues and Benefits Forum (GMRBF) and London Benchmarking Group (LBG). There are other sources of good practice, some available nationally (mainly through organisations such as the IRRV), and some shared at local levels. There are many other areas of sources of good practice that can be used, ranging from marketing guides (by BACS regarding Direct Debit) to Government documents (Guide to CharterMark applications).
- 1.2.3. One of the best sources of good practice is revenue staff from different Local Authorities. There are local groups that work together to share good practice. These include the GMRBF, the London Revenues Group (LRG) and many others.

## 1.3. Benchmarking

- 1.3.1. There are currently several benchmarking schemes in operation. The GMRBF, LBG, Lancashire Benchmarking Club and others all have benchmarking schemes. CIPFA host several benchmarking clubs, including one on Council Tax collection.
- 1.3.2. A national benchmark available free to all would be beneficial. There are particular benefits of using a benchmark similar to the one used by the GMRBF or LBG. The main benefits are that it is a simple, effective way for authorities to self-assess their collection methods, and that it looks at the processes a council uses rather than the results, meaning different types of authorities are comparable.

- 1.3.3. There are several benefits of placing a benchmarking tool on a website (see section 5.4.6). These include quick reply times, ease of data collection, ease of comparison with other selected authorities, and the facility for an authority to find out quickly which other authorities use a particular method, so they can contact that authority for advice.
- 1.3.4. There would need to be some thought given to considering who would be responsible for updating it. The best option would be for a group of revenue managers from different authorities to do it, possibly under the co-ordination of a group like the IRRV. Some suggestions for possible authority groups are in section 5.4.4.

## 1.4. Website

- 1.4.1. Practitioners have suggested that a Council Tax collection good practice website would be very useful, and several benefits of a website have been highlighted in section 4.2.
- 1.4.2. There are several things to consider for a website for Council Tax collection good practice (section 4.3). The main issue to consider is that it is likely to require a lot of input from the host or owner, not just in setting it up, but in keeping it relevant, and checking the content to make sure contributions were sensible, correct and legal. A suitable gatekeeper(s) would need to be enlisted for this.

## 1.5. Recommendations

- 1.5.1. During this study a number of suggestions and recommendations were made, with ideas that could help to facilitate improvements in Council Tax collection rates. Those which were considered most effective are listed below:
  - The use of standard bill formats and other standard literature that can be used by all Local Authorities.
  - Consider introducing late payment fees (although there are reservations on this).
  - Considering making the ODPM Council Tax newsletter more pro-active.
  - Consider producing guidance on data protection.
  - Modelling and analysis of the effectiveness of different collection methods.
  - Consider changes to legislation to help collection. This could include considering:
    - better data sharing with the Inland Revenue
    - introduction of direct deductions from benefits other than jobseekers allowance and income support
    - introduction of direct deductions from pensions
    - penalties for failure to provide AEO information rather than prosecution (although some have reservations with this)
    - third party debt orders
    - relaxing the rules on back-dating benefits claims for residents in arrears
  - Setting up a single national benchmarking scheme similar to the one used by the GMRBF or LBG, where the answers required are ‘comply’ or ‘don’t comply’.

- Setting up a website to share good practice ideas. This would need to include:
  - a section on each of the main collection methods and issues, giving advice as to their use and effectiveness
  - a national benchmark (suggested above) that users can fill in online, compare results with other authorities and make suggestions for future changes
  - space for council staff to suggest ideas of good practice they use or have encountered
  - a discussion forum for revenue staff, including a questions and answer section
  - a section for technical or legal questions for ODPM
  - a section where revenue staff can put forward new ideas for changes in legislation that could help collection
  - a good links section, particularly to legislation, and also to organisations that offer products and services that can promote best practice

## 2. Introduction

### 2.1. Council Tax collection: the current position

- 2.1.1. Council Tax is a tax levied on all eligible domestic properties. The amount of tax levied is dependent on the Council Tax band that the property falls into and the amount of tax to be raised by the Billing (Local) Authority. The monies raised through Council Tax contribute to a Local Authority's income. The full rate of tax is liable to be paid unless the property, owner or occupier is eligible for a reduction or exemption. The main reasons for reductions include empty property discounts, single person discounts, benefits for residents on lower incomes (where income includes wages, income support and pensions), and exemptions for students.
- 2.1.2. The proportion of Council Tax due that was collected by Local Authorities (the collection rate) in England and Wales varied from 79.5% to 99.6% in the 2002/3 financial year. In 2001/2 approximately £540 million out of £13.6Bn (4%) was not collected in Council Tax throughout England (Valuebill website<sup>1</sup>). Due to the large size of the Council Tax being collected, even a small increase in the collection rate can raise a large amount of extra money. For example, an increase in national collection rates of just 0.5% would bring in an extra £68M.

### 2.2. Background to the study

#### 2.2.1. Aims and objectives

- 2.2.1.1. The aim of this study was for the Operational Research Unit (ORU) to collate sources and information on good practice for activities that contribute to Council Tax collection. In addition, the project evaluated options for placing this material on a website, available to all Local Authorities.
- 2.2.1.2. The review was being carried out on behalf of the Local Government Finance Division (LGF) of the Office of the Deputy Prime Minister (ODPM).
- 2.2.1.3. One benefit of having a website to display this information is that it can be a living document. This report does not aim to produce a definitive and final list of all good practice sources, but only those covered by the scope and timing of our study.

#### 2.2.2. Scope of project

- 2.2.2.1. The Operational Research Unit (ORU) was asked by LGF to look at good practice available for collecting Council Tax, and how this can be shared.
- 2.2.2.2. The project spanned several areas. These included:
  - Collating ideas of good practice
  - Looking at the possibility of putting this information on a website
  - Reviewing the Greater Manchester benchmarking tool, with the view to making it available nationally.
- 2.2.2.3. The project did not specifically look at business rates (NNDR), but some of the ideas may be applicable to both Council Tax and NNDR.
- 2.2.2.4. This study included only English authorities. Authorities in Scotland and Wales were excluded, although some of the results should be applicable, subject to local conditions.

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### **2.2.3. Methodology**

- 2.2.3.1. The best source of good practice is practitioners, who are working on collecting Council Tax every day. For this reason, the main activity undertaken in our study was to talk to staff in relevant organisations. These included the revenues managers from several different authorities, representatives from revenues groups (for example, the London Revenues Group), and staff from other relevant organisations including the Institute of Revenues, Ratings and Valuations (IRRV), the Chartered Institute of Public Finance and accountancy (CIPFA), the Local Government Association (LGA) and the Audit Commission. A full list of interviewees is available in Annex A. Most of the people we interviewed are involved in Council Tax on a daily basis, therefore have been relied upon for expertise; ORU have not double-checked everything that was reported.
- 2.2.3.2. During the project we came across the Public Sector Benchmarking Service. This service agreed to get in touch with certain contacts within Local Authorities. It sent details of our project to 19 of its “local government contacts, with an interest in Council Tax collection”. To those that replied, we sent a questionnaire to fill in. A copy of the questionnaire is attached in Annex E.
- 2.2.3.3. One of the interviewees was an inspector from the Audit Commission. He agreed to provide a few examples of good practice he has seen during his inspections. These examples are used throughout the report, and a full copy of his examples is in Annex F. ODPM might want to disseminate this sort of information through a Council Tax website or the Council Tax information letter. It has also been suggested that the audit commission should ask auditors to highlight good practice identified in local government audits into a good practice checklist.
- 2.2.3.4. The study also involved looking at other resources available. A list of available resources is in Annex B, and also in section 3.2.
- 2.2.3.5. A full list of acronyms used in this report can be found in Annex C.

### **2.2.4. The Operational Research Unit**

- 2.2.4.1. ORU is an internal consultancy unit, based in the Department for Transport (DfT), that is available to carry out project based work for all of the former Department for Transport, Local Government and Regions (DTLR) – both ODPM and DfT.

## 3. Good Practice

### 3.1. Introduction

- 3.1.1. Annex D gives details of general collection practices available to collectors in Local Authorities (LAs). However, some methods of collection that work in one area may not work in another. See section 3.3.2. One of the aims of this study was to look at the sources of information on good practice.

### 3.2. Sources of good practice

- 3.2.1. There are several sources of information available to revenue managers to help them collect Council Tax. The main resource and starting point for collectors should be the 1995 Audit Commission management handbook guide. This covers in detail several areas of Council Tax collection, including:

- Keeping records up-to-date
- Council Tax benefit
- Customer care
- Costs
- Exploiting IT
- Managing CT (Council Tax) collection
- Preparing for reorganisation

- 3.2.2. Not all of the sections will be of interest to all councils at all times. The sections are all self contained. The guide has a checklist at the back of each chapter for revenue managers to check whether or not they do things that the guide suggests are good practice.

- 3.2.3. The guide is 8-9 years old, and some revenue managers say it is out of date. For example, the guide quotes cost-per-household figures that authorities should aim for. The actual values of these are no longer valid. But legislation relating to Council Tax has changed little since it was introduced, and most of the principles remain the same. In the example of the cost, the audit commission suggests councils should ask themselves questions such as 'Do we know our administrative costs?', and 'Are our administrative costs too high?'. These can still be considered good practice. See also section D1.5 (in Annex D).

- 3.2.4. There are many other sources of good practice. These include:

- IRRV panel – members can send emails to the IRRV panel asking technical or legal questions, and the panel will reply
- IRRV publications – IRRV produce various guide books and publications. For CT and CTB (Council Tax benefits) these include general guides, law and practice guides, practitioners notes, and publications on case law. For a full list, see the IRRV website (IRRV website<sup>1</sup>). ODPM were surprised to hear that the Council Tax Law And Practice guide was not mentioned more strongly by practitioners during the course of the study, as it is considered a very useful resource for collection.
- CIPFA Guide to the Council Tax (see IPF website<sup>1</sup>)
- IPF and IRRV website forums
- LACEF (Local Authority Civil Enforcement Forum) – for bailiff issues (see LACEF website<sup>1</sup>)
- Various user groups, such as for Academy (a software package used to facilitate Council Tax collection)



- How to do Benchmarking – A practitioners guide (see IAG website<sup>1</sup>)
- Managing cash flow in local government (Audit Commission 1989)
- Valuebill project (see Valuebill website<sup>2</sup>)
- There are many other areas of sources of good practice that can be used, ranging from marketing guides (by BACS regarding Direct Debit) to Government documents (Guide to CharterMark applications).
- Other councils websites
- Other websites (see B4 in Annex B for a list of useful websites).

3.2.5. One of the best sources of good practice is other practitioners.

### **3.3. What is good practice?**

- 3.3.1. Good practice for Council Tax collection is effective and efficient collection of Council Tax monies, using the methods determined by legislation and regulation.
- 3.3.2. There are some methods of collection that work in some areas, but would not be effective in others. For example, if the LA has a very high direct debit take-up then they may not want to offer many payment dates for it (as it costs money and staff processing time for each payment date), but other authorities may want to give as many options as possible to encourage residents to sign up for DD. Another example is that in some deprived authorities many residents choose to pay in cash. These authorities may want to have several pay points open throughout its borough in order to give residents as much option to pay as possible, whereas in other authorities that have most residents paying by direct debit, pay points may be considered an expensive waste of resources. In wealthy areas with a low DD take-up the council may offer discounts for paying by DD. However, in more deprived areas this is sometimes felt to be discriminatory, as many residents either do not have a bank account, or their income is not regular enough to guarantee direct debit payments.

### **3.4. Best Value Performance Indicator (BVPI)**

#### **3.4.1. Introduction**

- 3.4.1.1. There is currently a BVPI measure to see how much money an authority will get in-year. This is the only target applying to Council Tax collection. Some think that changes could be made to make the BVPI both fairer, and make it more effective in improving collection.
- 3.4.1.2. Some authorities would like to have deprivation taken into account to make the BVPI fairer. A new BVPI measure such as this, would take the percentage of Council Tax collected in-year, and adjust for the deprivation of the local population. The main problem with this is that it would be very difficult to calculate. An alternative approach might be to compare the collection rates of authorities of similar deprivation levels. This is already being done by some authorities, but would need to be applied to all authorities to be an effective indicator.
- 3.4.1.3. Another frequently expressed comment on the BVPI was that only having an in-year collection measure hinders collection of money that is not from the current year. If the authority is in a deprived area, they might say that they collect the same amount for that year, but it takes longer as the residents find it harder to pay. Therefore, they suggest having a measure that takes account of the total proportion collected for a year, not just the in-year rate. However, the speed and cost of recovery are both also important. Therefore it may be beneficial to

have both measures. As well as an in-year measure, there could be a measure to say what proportion of outstanding previous years' debt an authority collects in a year, or total collected for a year within say 3-5 years, or it could be related to the total amount outstanding (for example, total outstanding debt per resident).

- 3.4.1.4. This suggestion is important, as at the moment there is little recognition for collecting old debts. Focussing too much on in-year rates can cause authorities to take in-year solutions, not long-term solutions. Sometimes a short investment is needed to boost long-term collection rates, but authorities may be unwilling to do it if it means a reduction in the in-year rates. A particular example of this is IT systems. Several authorities have said that when a council changes their IT system, there will be a significant drop in collection rates for a year (mainly due to the data conversion problem). A council should be willing to make an investment in IT, or other things, if they expect it to make the collection rate worse for one year, then better for following years.
- 3.4.1.5. The current measure does not persuade councils to try to find errors in their data (see section D3.5.7).

### **3.4.2. Problem with measuring the BVPI**

- 3.4.2.1. Several people (including the IRRV) have said that one problem with the current BVPI measure is that it is not audited well enough. An authority can get a better collection rate by altering their cash allocation processes. There are several ways councils can improve their figures only by changing their accounting process. These include:
- Writing off debt that is considered un-collectable
  - Writing off debt from residents that have deceased
  - Writing off debt from bankrupt residents
  - Billing residents that have moved late in the year (January to March) in the new financial year, adding the money to the new year
  - If an authority receives some money from a resident with debts spanning several years, authorities can allocate it all to the latest year
  - If bandings appear in April, some authorities will not go back to previous year to apply the money, even if relates to a move in January-March
  - Councils will avoid searching for errors late in the year (see D3.5.7)
- 3.4.2.2. These should either be guarded against, or made standard practice, so all councils are measured to the same standard.
- 3.4.2.3. It has been suggested that the collection measure should be calculated on the debt before write-offs. Therefore, debt that is written off would be classed as losses on collection, and would not be a way of reducing the debt. There could be a down-side, that if authorities are effectively penalised for writing off debt, they could be less willing to write off the debt of a resident they are almost certain will not be able to pay.
- 3.4.2.4. Auditors have been described as “generalist accountants”, and do not always know what to look for. They also are only given limited time to carry out their audits.
- 3.4.2.5. It has been suggested that good performers should be very clearly audited. If they really are a good performer, whatever methods they

use to collect money should be shared. If they are manipulating their accounts, this should be exposed.

### **3.5. Good practice suggestions from practitioners**

#### **3.5.1. Standard bill**

- 3.5.1.1. Some have suggested that there should be a standard bill for Council Tax (as there is for benefits). This could be put on a good practice website (see section 4.2.12). Alternatively, the IRRV could help form a standard bill by either having one of their annual awards for 'bill of the year' or by running a competition for the best bill. The winner could be shared amongst all authorities that want to use it.
- 3.5.1.2. Another benefit of a standard letter is that it could be Crystal Marked only once, rather than 300 times (by each different authority). At the moment, every time an authority makes a slight change to any of their standard bills, letters or forms, they need to have them resubmitted for Crystal Marking (at a fee), whereas if there were standard literature shared amongst councils it could save time and money.
- 3.5.1.3. One consideration with having standard literature is that some authorities could find they need software changes to be able to use it. There is a fear that some software companies would charge very large development costs in order to change the bill format. For this reason it has been suggested that there should be some consultation with software suppliers before a standard bill was produced. Alternatively, a suggested ideal bill could be produced rather than a standard, compulsory bill, then consultation with software suppliers could follow afterwards.

#### **3.5.2. Audit Guide 1995**

- 3.5.2.1. The IRRV have said that they would support the Audit Commission revising and updating their collection management handbook from 1995. However, most of the other people spoken to during this study have suggested that they do not regularly read it, most (if they have read it at all) only having read it when it first came out, or when they first started as a revenue collector. One key problem they identified is that it is too long. They suggested that if it was re-issued as a shorter summary then it would get used more frequently. However, the guide covers several areas in some detail, which would be lost in a summary.
- 3.5.2.2. ORU suggest that a website for good practice be set up (see section 4). If this were done, the Audit Commission handbook could be made available on the website to make it accessible to revenue collectors in a different format.
- 3.5.2.3. The Audit Guide only gives the picture from the authorities collection point of view. It does not give any details of customer service, for example offering different payment dates. To some extent customer service has become more important than collection, which can affect the amount collected. Others have mentioned that with careful management, customer care initiatives should really only ever compliment collection strategies, and stressed the importance of resolving any such apparent conflicts.

#### **3.5.2.4. Changes since the Audit Guide / since CT was introduced**

- 3.5.2.4.1. There have not been many legislative changes since the Audit Commission's handbook was produced (see section 3.2.3).

However, some of the changes that have occurred are in this section.

- 3.5.2.4.2. Two major initiatives that are causing changes are joined up government and electronic-government. Joined up government is mainly about different departments working together, for example sending out CT bills with something completely unrelated in the same envelope. E-government concerns providing more services online. This includes using the Internet to take Council Tax payments.
- 3.5.2.4.3. The use of committals has greatly decreased since 1995, partly due to committals as being seen as a failure, and partly due to lack of court commitment (see section D2.4.3).
- 3.5.2.4.4. Although there have been advances in computing power, this does not affect the relevance of the Audit Commission's handbook
- 3.5.2.4.5. Tax credits have a complex link with Council Tax. The IRRV have suggested that this is where the Audit guide is 'not out of date exactly, just not relevant'.

### **3.5.3. Data Protection**

- 3.5.3.1. Many council staff would like changes in the data protection rules. For example, one said they worked on several different areas of council business (such as housing benefit and Council Tax), so they have access to several systems on their one computer, but they are not allowed by data protection to look at one and use it for the other. For example, if Council Tax has not been paid on a council property, they are not allowed to look at the housing record on the same computer to see who it is let out to.
- 3.5.3.2. Authorities used to be able to share information with electricity companies for example, but data protection has affected this. This has particularly hindered authorities finding out who lives in a certain property.
- 3.5.3.3. Another issue relating to data protection and data access is Inland Revenue (IR) records. Council staff would like to be able to get details from the IR on where residents work, so that they can use AEOs earlier and more often. Some have suggested that if they were allowed access to IR records, there would be very little use of bailiffs, and collection rates would be higher. However, the IR has apparently stated that they are not willing to provide this information. It has also been pointed out that they do not hold details on workers' addresses, so even if the IR was willing to provide the information, there might be a problem working out which person on the IR records is the one that they want.
- 3.5.3.4. There is some confusion amongst councils over exactly what the data protection act allows them to do. This has made some councils err on the side of caution, which can hinder collection.
- 3.5.3.5. One example of this relates to the data a council can hold on a resident. Some think they are not allowed to hold date of birth details, or national insurance details. The result of this is that if a resident moves from one house to another within the area, there is no unique identifier for them as a person's name is not unique. There have been cases of some residents that have not paid moving from one flat to a neighbouring one in the same block of flats. Unless the same member of staff deals with both the resident moving out and the resident moving into the new flat, there is no way to trace that it is the same resident. However, holding national insurance numbers (or the 'near-

unique' combination of date of birth and name) for the purposes of collecting Council Tax is not ruled out by the legislation. Using this information would help find the resident if they had moved without paying a bill.

3.5.3.6. However, there are often good reasons for the restriction of data use, and any changes would require consultation and legislation. The Department for Constitutional Affairs (DCA) have produced a report on public sector data sharing (DCA website<sup>1</sup>). In it the Lord Chancellor has said, "Our view is that there is no inherent incompatibility between the increasingly ambitious scope of public authority service delivery and the legal and administrative conditions that have to be met in order to share data to help achieve that goal".

3.5.3.7. To help clarify some of these issues it has been suggested that some advice on how data protection affects Council Tax be produced. This could be placed on a good practice website (see section 4)

#### **3.5.4. Attachment to other benefits**

3.5.4.1. Some authorities have said they would like to be able to attach to other benefits (at the moment they can only attach to job seekers allowance and income support). For example, they have cited incapacity benefit as one they would like to attach to. However, there are justifiable worries that the poorest residents will have their only form of income taken away. This is particularly true for incapacity benefit as residents with disabilities may have higher expenditure (such as wheelchairs and other accessibility equipment). However, residents on lower income can get Council Tax benefit to pay their tax for them, so this would only affect residents with either high other income, or large savings. The possibility of attaching to other benefits could be considered, as long as the council makes sure they check the resident is not due CTB.

#### **3.5.5. Attachment to Pensions**

3.5.5.1. There are many pensioners that get some level of Council Tax benefit, but not a full exemption. One authority highlighted these as a particular area of difficulty, where the pensioners often refused to pay the reduced Council Tax. The authority would find it very helpful to collection if they could attach Council Tax to pensions. Other groups of residents that do not pay can have the tax taken straight from their income (either attachment to earnings or attachment to benefits), but pensioners cannot have their Council Tax attached to their income – i.e. their pension. As with attachments to other benefits (above), before a council did this, they should be made to check that the resident is claiming all the Council Tax benefit they are due.

#### **3.5.6. Attachment before liability order**

3.5.6.1. It has been suggested that it would help to be able to put in place an attachment of earnings order instead of a liability order (with the resident's permission). This would either be offered at the initial stage – instead of paying at a cash office for example, the council could take the money straight from a resident's wages. Alternatively, it could be offered as the resident is about to be given a liability order for non-payment – they are threatened with a liability order (which will mean they have an extra fine to pay), or they can set up an AEO. This second method is not as likely to be successful, as councils already offer to put residents onto direct debit instead of issuing them a liability order (see also section D1.4).

### **3.5.7. Third party debt order**

- 3.5.7.1. There was some confusion as to an authority's ability to take money from residents' bank accounts, and if they could whether or not it would be beneficial (see section D3.6). This is an area that could be investigated further.

### **3.5.8. Bailiffs**

- 3.5.8.1. There should be more attention given to external bailiffs and other private companies used, section D4.2.5.

### **3.5.9. Late payment fees**

- 3.5.9.1. Some revenue collectors felt that residents would accept that those that do not pay on time should be charged more. There should be a late payment charge, preferably interest charged on the amount due. Some residents see the summons cost as a late payment penalty, but there is a problem with this – the summons cost is a fixed charge for the cost of a service (court time), rather than a penalty for not paying. This means that the charge is the same for those with a £50 debt as those with a £3,000 debt. A late payment penalty as a percentage of the debt (equivalent to interest being charged) would mean that the person with the larger debt has a larger penalty. There is currently no incentive to pay on time.
- 3.5.9.2. Other practitioners have expressed concerns over the idea of late payment fees. They feel that they would be difficult to collect, and would detract from collecting the actual Council Tax. Others expressed concern that by increasing the resident's debt, the council would be making it even harder for them to pay, and the knock-on effect might be an increase in arrears, or more write-offs. However, the late payment fee could be as a replacement to the summons cost, and be used to pay the summons cost. Alternatively, the court could issue variable summons costs, depending on the size of the debt in question.

### **3.5.10. Newsletter**

- 3.5.10.1. There were some comments made about newsletters. Both DWP and ODPM issue a newsletter, but there are many differences between them. DWP issue a monthly newsletter on benefits and give guidance on things that are changing. An extract from the Editorial of the first DWP newsletter gives an insight into the differences. "I have been thinking ... about how we [DWP] might improve our communications with you [LAs]". It goes on: "The main focus of this newsletter is the future. I'm keen to give you as much information as we can about future developments so you know what's going on and have more time to plan." (DWP newsletter website). DWP issue their newsletters with an aim of giving advance notice of changes. Their newsletter has been described as being pro-active, containing more than the factual information, and containing details of how changes will affect authorities (such as likely impacts on staffing for new policies). They also have Q&A sections.
- 3.5.10.2. ODPM issue a slightly more formal Council Tax Information Letter, giving only the facts of changes in legislation. It has been described as slightly more reactive, usually issued after a change, rather than giving advance details. The request was for ODPM to produce theirs more pro-actively, in the style of DWP.

### **3.5.11. Back-dating benefits claims**

- 3.5.11.1. One contributor suggested relaxing the rules on back-dating Council Tax benefits claims. They commented that in some arrears cases the resident should have been entitled to benefit but never made a claim. This would have to apply only to residents in arrears, as councils would not want to open themselves up to having to repay money.

### **3.5.12. Computer systems**

- 3.5.12.1. DWP issues advice on the specification of benefits computer systems. It has been suggested that there should be some general advice on Council Tax computer systems. For example, councils are still collecting money dating back to 1993, so a computer system would need to allow for this.

### **3.5.13. Modelling effectiveness of collection methods**

- 3.5.13.1. Someone suggested that collection rates could be modelled against collection method, to see which appears to work best. This would be fairly complicated, as each authority uses several different methods. Additionally, authorities that focus on a certain method put a lot of their available resources into that method, sometimes at the expense of other areas. However, it could give a good indication that one method is particularly successful.
- 3.5.13.2. A good time to model the effect of collection methods would be when a council adopts a new approach. For example, when an authority starts prosecuting residents that do not supply information for AEO's, they could measure what the effect is on collection, and how many residents are moved onto that method from something else.

## 4. Website Options

### 4.1. Introduction

- 4.1.1. There has been a suggestion that a website would be a good way of sharing good practice. This section highlights some of the benefits, options and considerations in setting up a website.
- 4.1.2. While this section highlights some of the things that might make a website useful, and section 3 and Annex D highlight some of the good practice that could go on to it, the Operational Research Unit is not best placed to design or maintain the website.
- 4.1.3. There should be consultation with various revenue collectors of different levels (such as overall manager, team leaders, phone staff, etc) within Local Authorities to make sure that it best fitted what they want. A fundamental role in maintaining a website would be a good practice gatekeeper (see below).

### 4.2. Benefits of a website

- 4.2.1. The benefits of having a website include being able to easily share good practice amongst practitioners. With e-government initiatives, most LA staff have the Internet on their desktop computers. For these staff, having the information they want would relatively easy to get to.
- 4.2.2. Another key benefit of a website is that it can be kept up-to-date. It can be as recent as the owner wants to make it and as the information that is available.
- 4.2.3. A website can also be tailored to individuals more easily. For example, there can be certain sections tailored to certain groups or needs, such as a section for bailiffs, a section on how to go about prosecuting for not supplying AEO information, another with guidance on the layout of bills, and more.
- 4.2.4. A website can be more informal, if required. This means that people may be more relaxed about using it. The website would still have to be well designed and detailed, with many sections, but it could be made easier to for people to log on and browse round when they had a few spare minutes. This is often easier than searching a cabinet and getting out a guidance book. It can also be more inviting.
- 4.2.5. Another benefit is the ability for practitioners to make contributions. This can be in two ways. Firstly, they can write a short piece on good practice they have recently been involved in, and secondly it allows practitioners to ask questions and others to suggest possible solutions.
- 4.2.6. Revenue collectors have said they would also like to be able to ask questions of ODPM on legal issues. For example, if they are unsure about how a particular piece of legislation affected Council Tax they could place a question on the website and it would be emailed to someone in ODPM to think about and reply.
- 4.2.7. Everyone we spoke to agreed that having a website would be very beneficial. However, some were then slightly less encouraging when asked what would make them use a website and how often they thought they would contribute to it. The main issues were to have easy access – quick to find what you are looking for – and to have it relevant and up-to-date.
- 4.2.8. A benefit of a website is that it might help identify new strategies. For example, bankruptcies have become a more favoured option recently. A website would be able to share options such as these quickly amongst revenue staff.



- 4.2.9. The audit guide, for example, takes the average and standard procedures. It is a general guide, so deals with the more straightforward issues. Revenue collectors need something that provides information beyond the normal methods. A website could have areas where revenue staff suggest ideas, even if they do not know how well they will work, or if it is not recognised good practice. A paper guide such as the Audit Commission handbook has to have methods that are known to work, whereas a website could be more innovative.
- 4.2.10. A website would be a good way for changes to be notified to many people. For example, changes to the bailiff laws have been imminent for some time. Details of this and how it will impact on LAs could be put on a website, possibly with an email sent to members containing a link to it. There could also be a discussion forum space where practitioners could discuss how they think the changes will affect them – it could have an impact that some had envisaged where some had not.
- 4.2.11. A website would be able to send email alerts to members when there is a new initiative or addition to the site that is in an area members have specified as of particular interest. However, as stated in section 4.3.11, the email burden should be kept to a minimum.
- 4.2.12. A benefit of a website is that it could contain some stationery or literature that was considered good practice. There is currently a vast range of bills sent out which are presented in a variety of formats. The Audit Commission has highlighted this as an issue (examples of where one authority has performed both well and badly in this area can be found on paragraphs 34 and 43 of Audit Commission website<sup>2</sup>). The quality of standard bills has been highlighted as an issue (see section 3.5.1), and the website could contain a standard bill approved by the Plain English campaign. LACEF already do this for bailiff letters. This is important for Council Tax, but also affects business rates in a different way. Many businesses have premises in more than one authority's area, so they will receive bills in several different formats. If they were standard, it could help them. This is less of an issue for Council Tax, as it is only the small proportion of residents with several properties that cross authorities' borders that will be affected.
- 4.2.13. Section 5.4.6 mentions the benefits of having a tie-in between benchmarking and a website.

### **4.3. Things to consider and general suggestions**

- 4.3.1. One problem with the sort of website described above is that users often expect the host to do all the work and give most of the contributions. A good practice website for sharing information would be most beneficial if the users regularly contribute to it.
- 4.3.2. Members of the London Revenues Group (who email each other questions they have), and LACEF have both found that it is the same people that will reply. The site would have to encourage people to reply, but should also try to encourage contributions from as many authorities as possible.
- 4.3.3. A website would have to be available to all local authorities to be most useful. Therefore costs to access and use the website should not be prohibitive. In particular, if it was only open to those willing to pay, authorities that perform badly might choose not to, in order to put the money into collection activity to improve their collection rate. These are the types of authority that should be targeted with the website, not excluded from it. Making the website free to all authorities by funding it centrally to use would remove this problem.
- 4.3.4. The website should have its own address rather than being part of a bigger site. For example, the URL could be [www.counciltaxcollection.gov.uk](http://www.counciltaxcollection.gov.uk) rather

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than [www.odpm.gov.uk/counciltaxcollection](http://www.odpm.gov.uk/counciltaxcollection) or [www.irrv.org.uk/counciltaxcollection](http://www.irrv.org.uk/counciltaxcollection).

- 4.3.5. It is important that the website is not an open website, and it should not allow the public access. Sometimes good practice should not be shared with residents or private companies. For example, it is good practice to offer as many payment options as possible. However, in order to boost cheaper and more effective methods of collection (such as direct debit), the full range of options should only be offered to people that have missed early payments, or have phoned up to say they may have difficulty paying. Some residents will try to 'play the system', and if they are offered all payment options from the beginning, they will choose the one that is easier for them, or one that they think they are most likely to get away with not paying if they default. Additionally, private companies must not be allowed to see confidential information from authorities.
- 4.3.6. A website should have a discussion group, as many of those spoken to suggested it would be useful, and it would be a good way of getting revenue staff to contribute. It has been suggested that this is the thing that is likely to keep people coming back to it regularly.
- 4.3.7. There needs to be some prompt to persuade people to look at a website. For example, there could be a quarterly newsletter emailed to members saying what had been added to the site since the last email.
- 4.3.8. A service where users can pose questions and other practitioners reply would be useful. The LACEF website has a good discussion group, and people regularly give comments to it. But it is very specific (about bailiffs only), and a more general discussion group may not be as well used. Themed discussion groups may be the way forward for a general Council Tax collection website.
- 4.3.9. The LACEF site sends round emails when there has been a question posed, and an email giving a list of all the replies people have sent in. This is very useful for members. A problem with this is that LACEF have said they find that the number of local authority staff that do not have individual email addresses is surprisingly high, given the drive for e-government. If this is the case, it could dampen the effect of email alerts, and there may need to be other forms of regular contact to encourage people to contribute.
- 4.3.10. The London Revenues Group also email each other with questions, but some members find that the email burden is too high. Additionally, in the past, each person usually used to reply to the whole list (the LRG now insist members only reply to originator, but this is a pitfall to be wary of for any large-scale communication by email). Too many emails can make members of any service pay less attention to all the emails, meaning they may miss some that are particularly important or useful. Any Council Tax website should make sure that it does not flood members with messages. There are a few things to help with this. Users should be able to choose to receive questions and information on certain topics only, questions should be sent with members blind copied (to avoid multiple auto-replies), and all questions should be sent to either the site host or the person that posed the question, then they collate all answers and circulate in one go.
- 4.3.11. There would have to be thought as to how often emails are sent to members. As suggested above (section 4.3.10), members could feel overloaded with emails that were not specifically relevant to them, which could mean they ignore them and miss emails that would be helpful – for example highlighting a new and successful collection idea.
- 4.3.12. A counter on the site would be useful, particularly if it can distinguish between pages. This would highlight what council staff are looking at, so suggest what is of interest and should be expanded. Some of the websites

CIPFA host have very detailed visitor statistics. However, it has been suggested that this be hidden, so members cannot see it. This is particularly important when the site is new, as if the counter is lower than the first few (hundred) visitors expect, they could think that the site is not used much and so cannot be of much help. However, it could be that many people do not know about the site or have not had time to visit it thus far, rather than a reflection on the content.

4.3.13. Some revenue collectors have said that they would like a section on the website where they can suggest things for government to do. For example, if there are changes in the law that would have a big impact on collection, or certain guidance that would help staff with collection, then they would like to be able to suggest that ODPM, DWP or DCA look into it. One example that people have made for government to consider is that a fixed penalty for not supplying AEO information might work more effectively than a criminal prosecution. The website could become a driver for change if a large number of authorities felt strongly on an issue.

4.3.14. Other suggestions that could help make the website useful include:

- Job adverts
- A good links section, particularly to legislation, and also to organisations that offer products and services that can promote best practice
- Stated cases, and their outcomes
- A directory of revenue collectors names and telephone numbers from each authority
- A space where authorities can suggest their top ten tips for improving collection
- A competition for good practice ideas to encourage people to put ideas forward
- A section highlighting recent changes (particularly in the law)
- Comprehensive guidance on what data protection laws do and do not allow (see section 3.5.3.7)
- More obscure areas need to be covered (most 'standard good practice' is known by most practitioners – the unusual ideas need promoting)
- The London Benchmarking Group has produced a good practice checklist for those developing revenues websites. Some of the issues it raises could be applicable to a general Council Tax website. The checklist is hosted on the Ealing website (see LBG website<sup>1</sup>).

#### **4.4. Options available**

4.4.1. Both the IRRV and CIPFA have said they are willing to host a website containing Council Tax collection good practice. Costs would depend on the exact specification required, and the work required to maintain and update the site. Deciding on a contractor for the website would be subject to tendering and procurement processes.

4.4.2. CIPFA have more experience in designing websites than IRRV. Their site has also been described by some revenue managers as slightly more user-friendly. CIPFA gave a small demonstration of a similar website they had built. This had a public access area to give a bit of detail about the site, and an extensive members area. The site could produce statistics on the number of times each person had visited, which pages were more popular, the contributions each person had made and even how long each spent. However, this information is not made available to the members. CIPFA also said that their most popular sites (both in terms of the number of people

visiting the site and the number of contributions they get) are the ones where the site host engages more frequently. CIPFA have a large number of contacts to help promote the site, and they write to every authority each year to ask for the data to go into their statistics publication. They could at the same time put in something about the new site to promote it.

- 4.4.3. Another option would be to set up an independent website. LACEF gave some hints as to how they set up their site, and would be willing to provide more if an independent website was set up. A problem of this is that it may be too simple. It would be very difficult and time-consuming to keep up to date, and the complexity might be more than independent website hosts would take.

## 4.5. Availability of a website

- 4.5.1. There are three options for the availability of a website:

- to make the website completely free for all authority staff,
- to charge a fee for the website,
- or to have a common area free but to charge for additional features.

- 4.5.2. It would be important to have as many authorities contributing to the website, and to share the information as widely amongst revenue staff as possible. Expecting revenues staff to contribute to the contents of a site and pay for its use could reduce take-up of the site. Therefore, most of the information, any benchmarking scheme (see section 5.4.3.6) and forum would have to be free to council staff involved in Council Tax collection. Other parts, such as case law, could be available to subscribers only. One comment made about the IRRV site is that some parts, including case law, are not available without paying, and this has meant some staff have not been able to use the service. One authority commented: "Accessing case law is a problem for a lot of authorities. If access was freely available through the site then a wealth of information could be instantly shared to the benefit of everyone. At the moment it can only be obtained for a charge and updates have to be constantly paid for. A Website that allowed authorities to enter a subject matter and view all the case law ever made about it would be a superb tool."

## 4.6. Update Procedure

- 4.6.1. The update procedure for a website would depend on who hosted the website. For example, if either CIPFA or IRRV hosted it, they would need to be heavily involved in updating it. This should form part of the initial project proposal between ODPM and the website host. However, there does need to be significant ODPM contribution. Two sections above (4.2.6 and 4.3.13) both suggest ways that the website could be more useful with some ODPM input – by answering questions and by considering suggestions for changes in government legislation.
- 4.6.2. As mentioned earlier, other practitioners are one of the best sources of good practice information. Therefore, practitioner contribution is vital, and practitioners would be partly responsible for keeping the information up to date. This ties in with section 4.3.1 above.
- 4.6.3. Section 4.3.1 also points out that many website users expect the site host (or site sponsor) to be responsible for the currency of information on the website. Users might expect ODPM to add new articles to the site, or to highlight issues that have changed, giving explanations as to how they may affect revenue collectors (such as changes to bailiff or data protection laws).
- 4.6.4. There would need to be some extra input from the host, or from some professional body to act as a gatekeeper. Contributions would need to be checked against regulations and legislation before they could be published.

Some contributors may suggest methods which would not be beneficial. There can also be some views held by local authority staff that are not totally correct, and these should not be disseminated before being corrected. However, the gatekeeping should not be too strict on new or innovative ideas. If there is a new idea, it will not necessarily be known to work if it has not been used for long, so a gatekeeper should be prepared to put new ideas to the test. See section 4.2.9.

- 4.6.5. The use of the website is likely to have peaks and troughs throughout the year, dictated by the billing cycle (section D1.2). It could be updated with new articles to change with the cycle. For example, advice on what to include in a bill could be published in January or February; advice about how to prosecute residents that do not supply information for an AEO could be added to the site in May or June. Any regular updating of the website should ideally be done by February each year, as most collectors are likely to review the site to help with a new year's collection from March onwards. However, most updates by the site host or sponsor are likely to be ongoing, as and when there is a change to an aspect of collection. Any benchmarking tool on the website would have to be updated by the end of March each year, for use for the next financial year.

## 5. Benchmarking

### 5.1. Introduction

- 5.1.1. “Over recent years, public sector organisations across the world have gradually been turning to benchmarking their public services. In the UK public sector, benchmarking has been acknowledged as a powerful tool for improving and bringing about the sort of step changes needed to deliver modern public services”. (PSBS website<sup>1</sup>).
- 5.1.2. According to the Public Sector Benchmarking Service, there are numerous definitions of benchmarking, but essentially it involves learning, sharing information and adopting good practices to bring about step changes in performance. So, at its simplest, benchmarking means: Improving ourselves by learning from others (PSBS website<sup>2</sup>).
- 5.1.3. The PSBS goes on to say what benchmarking should not be. This includes: competitor analysis, comparison of league tables, a quick fix, done once for all time, copying, catching up, spying or espionage, and industrial tourism. Further details can be found on their website. Elsewhere on the site, the PSBS gives a list of pitfalls of benchmarking, success factors and details of how to make the most of benchmarking (PSBS website<sup>3</sup>). Some of the pitfalls highlighted include focusing entirely on comparisons of performance rather than the processes and activities that enable the achievement of good practice, expecting that benchmarking will be quick or easy, expecting to find benchmarking partners comparable in all respects, and data sensitivity issues. In the section on data sensitivity, it gives a link to an example of a suggested code of conduct for benchmarking. In order to keep the trust of all parties, this is a key component to setting up benchmarking services.
- 5.1.4. The Inter Authorities Group has produced a book entitled "How to do Benchmarking – A practitioners guide" (IAG website<sup>1</sup>).

### 5.2. Benefits of a benchmarking scheme

- 5.2.1. Benchmarking of Council Tax collection (possibly in conjunction with either NNDR collection, or benefits administration, or both) would be beneficial. Benchmark teams do currently exist, but not all Local Authorities are involved. A benefit of a new benchmark would be that all authorities around the country could be involved (for free). As more authorities are involved, the credibility of the benchmark will increase.
- 5.2.2. The paragraph below from the library of local performance indicators gives a good explanation of why performance management can be useful. “Performance measurement helps authorities run and improve services. If you do not know how good or bad you are you cannot identify the scope for improvement. The authorities that make good use of performance measurement have resolved a number of organisational issues. In particular, they have established performance management as a key day-to-day management activity. But while some authorities are making good progress in using both national and local performance indicators to drive improvement, others have encountered difficulties and concentrated on merely collecting performance information rather than acting on it. These authorities could benefit by learning from those that are doing well to ensure that they move from mere compliance to driving improvement” (LLPI website).
- 5.2.3. The library of local performance indicators website also suggests that “Benchmarking can be an effective way of helping organisations to deliver better services by comparing performance and learning from other organisations” (LLPI website).

- 5.2.4. It is hard to target authorities that need help, or for authorities themselves to target certain areas that need improving, if the only thing that is known about the authority is its collection rate. In order to get help in a specific area of collection, an authority needs to know what it does in that area.
- 5.2.5. One of the main benefits of benchmarking is that the revenue manager (or person filling it in) has to evaluate his or her authority's processes and procedures. The process of reviewing can be more beneficial than the next stage of comparison. Benchmarking also means that revenue managers are kept up to date with new changes and initiatives, as they will appear on the benchmark questionnaire (if the update procedure is effective).

### **5.3. Options currently available**

- 5.3.1. There are benchmarking groups currently available, such as CIPFA benchmarking teams. CIPFA had a total of 125 authorities in its Council Tax benchmarking clubs in 2003.
- 5.3.2. CIPFA collect statistics on different topics. Revenue managers can make comparisons to other, similar authorities using these statistics. However, only about two thirds of authorities filled it in for 2002/3, and benchmarking using these figures would involve more than just making a direct comparison, as there needs to be a discussion about how the results were achieved.
- 5.3.3. Local groups have their own forms of benchmarking. These include the London Benchmarking Group, Greater Manchester Revenues and Benefits Forum, Cheshire Revenue Practitioners Group, and the Lancashire and Cheshire Benchmarking Club. There are other local groups in different parts of the country that we were not made aware of.

### **5.4. Creating a nationally available benchmarking tool**

#### **5.4.1. Introduction**

- 5.4.1.1. As described above in section 5.2, there are many benefits of a benchmarking service. A national benchmark would help bring these benefits to all Local Authorities. It would help make sure all authorities were following good practice – both in collection methods and customer service initiatives.
- 5.4.1.2. If there was a national benchmarking scheme it could either be standard across all authorities or there could be several different groups, each with their own benchmarking questionnaire.
- 5.4.1.3. If there was to be only one questionnaire, one option would be to adapt an existing benchmark for national use. A possible example would start from the benchmark used by the Greater Manchester Revenues and Benefits Forum (GMRBF). They have said that they would be happy to share the one they have already designed.
- 5.4.1.4. One drawback of having a single benchmark is that different areas might want different things from their benchmark. For example, the GMRBF were slightly worried that the benchmark could evolve in a different way to how they want (see section 5.4.4.3). Some authorities might want different questions.
- 5.4.1.5. If there were several benchmarking questions then authorities could be divided either geographically, or by the type of authority. This means the questions could be more specific to the type of authority.
- 5.4.1.6. However, we believe that the benefits of having one benchmarking questionnaire outweigh the drawback of localised changes. The GMRBF benchmark is about processes that are common to all types of authority, and not about the local population (see section 5.4.3.2).

- 5.4.1.7. Having looked through all the GMRBF benchmark questions, we feel there are only around 18 out of 213 that are not standard to all authorities. Out of these, several relate only to authorities with external bailiffs, several to those with internal bailiffs, four assume allowing credit card payment is beneficial (which some authorities disagree with), and the remainder relate to having satellite offices throughout the area, which some would consider as expensive, and not good practice.
- 5.4.1.8. If there was a single benchmark and some questions were not agreed as good practice for all, there could be a 'to do' list of good practice and a 'to consider' list of good initiatives (see section 5.4.5.10).
- 5.4.1.9. A national benchmark means that there are more authorities to compare with.

#### **5.4.2. Introduction to the GMRBF**

- 5.4.2.1. The GMRBF was formed in 1989 with the purpose of learning from, and supporting each other as the poll tax was introduced. They have had their Council Tax benchmark since 1997/8.
- 5.4.2.2. The GMRBF benchmarking questionnaire currently consists of 213 questions. They are all questions that need a yes/no answer (or statements that need a comply/do not comply answer), and can be readily completed by the revenues manager. The questions are all weighted on a scale of 1 to 3, with 1 as "Should be doing it", 2 as "Standard Good Practice" and 3 as "Over and Above Standard Good Practice". The weightings are pre-defined, so the manager just enters either 1 for yes or 0 for no, and the sheet calculates all their weightings automatically. With the weightings, the total score adds to 458. The complete benchmark is given in Annex G.
- 5.4.2.3. The London Benchmarking Group also has a benchmark. This is similar to the GMRBF benchmark, but not identical. It is longer with 282 questions rather than 213, and contains extra sections on Tax Setting and Preparation, as well as breaking down the Billing section into Main Billing and Daily Billing. The LBG have also decided not to use weightings. They have said that their full benchmark will soon appear on their website (LBG website<sup>1</sup>), or alternatively it is available by contacting Steve Wells via the email address on this page.

#### **5.4.3. Benefits of the GMRBF benchmark**

- 5.4.3.1. As mentioned in section 5.2.5, one of the benefits of benchmarking is self-evaluation. This is particularly true of the GMRBF benchmark: it is very simple – all the questions have yes/no answers, which means the manager can think about each question and ask themselves 'do we do this?'. Where the authority does not do it, they can think about whether it would be useful to do it. If they think it might be, they can see which authorities do it, and talk to them about how they do it and the benefits and problems.
- 5.4.3.2. One of the biggest benefits of the GMRBF benchmark is that it can be applied to all types of authority. All the questions are about the processes that the authority goes through to get the money, and not about the end result. This means that authorities with different collection rates and different levels of local deprivation can be compare themselves. The processes are mostly standard, whether the authority has a large rural area, is in the middle of a city, or falls somewhere in between.
- 5.4.3.3. A few questions also allow the manager to think about the extent to which they do the good practice. For example, "The Authority will



inform the Valuation Office of any relevant changes within 10 working days" (question 1.1) allows the manager to think about whether they only just meet this, or if they are a lot lower than 10 days. Similarly, those authorities that do not inform the Valuation Office in 10 days can consider whether they only just miss the target, or if they are a long way from it.

- 5.4.3.4. Another benefit of this benchmark is its simplicity and ease of completion. The GMRBF suggest that it takes only an hour to complete (compared to most of a week for some statistical returns). The easier it is to fill in, the more likely it is to be used. Also, the ease of analysing the results makes it more useful.
- 5.4.3.5. Having a simple benchmark also means that there is greater agreement. For example, if question 3.3 asked "How many direct debit instalment dates does the authority offer?" rather than "Does the authority offer at least three dates?", there could be disagreement as to what the best result would be. It could be argued that to have 28 instalment dates would be best, however, others argue that the fewer there are offered the better, as long as you some choice is given (see section 3.3.2). As it is, the revenue managers can decide what works best in their area.
- 5.4.3.6. The benefit of making the GMRBF benchmark available nationally rather than using anything else is that the GMRBF has been used for several years in various forms. CIPFA do offer a similar service, but they charge for their service. If the idea is to get as many authorities to participate as possible, it has to be a free service.
- 5.4.3.7. A benefit of benchmarking is that authorities can measure themselves against good practice regardless of their collection rates. Completing the benchmark enables the revenue manager to evaluate his or her authority's processes and performance, and can inform plans for changes and improvements.
- 5.4.3.8. GMRBF have found the benchmark helps set out a plan for more senior staff. They can say that they comply with a certain proportion of good practice. They know what initiatives they are not doing, so they can plan to do them (if they feel they would be beneficial in that authority).
- 5.4.3.9. This benchmark would also be good for authorities with high collection rates. These authorities can consider if there were ways of raising collection rates still further, and it would also mean the authority has to review their customer service practices, as they may have high collection at the expense of poor or over aggressive service to the taxpayer.
- 5.4.3.10. Best Value inspections (run by the Audit Commission) thought that the GMRBF benchmark was a good idea, but that the Audit Commission needed to give it some weight.

#### **5.4.4. Update procedure**

- 5.4.4.1. One major consideration is who would keep the benchmark's questions up to date. We have been given several suggestions:
  - The IRRV
  - A select group of LA staff, one from each area around the country (such as each Government Office Region, or one from each of the 14 sectors)

- A select group of LA staff, two or three from each type of area (London Borough, metropolitan, unitary and district councils, to include city, town, rural and coastal authorities; at least one authority from Wales; and authorities from differing deprivation levels)
  - A select group of LA staff that had been proven to be good at collecting, such as winners of IRRV revenue awards.
- 5.4.4.2. However, there would be some considerations. One comment made was that it would have to be updated by current practitioners, who are involved in the day-to-day operations, and know about the most recent changes and how they affect collection. This would mean that organisations such as the IRRV or ODPM should not be solely responsible for updating it. This is important, as there are questions as to what good practice is (see section 3.3.2). Some measures may seem good from the outside, but actual practitioners will know they do not work. One example of this is that evening and Saturday opening hours or phone line hours may seem a good idea, but many practitioners know this service is not used except at certain times, such as for the two days after bills are sent out. Residents that have a regular 9-5 job are more likely to pay by regular means (such as direct debit), and so will not need to phone up. They are also less likely to be on benefits, so they will not have benefit-related queries.
- 5.4.4.3. GMRBF were slightly worried that some of the questions may be taken off because the person reviewing them does not know why they are there. All the questions were added for a reason. GMRBF have also said that they would be unhappy if they were not involved in the update at all – they have spent time tailoring it. If it was updated by someone else it may go in a slightly different direction, and so not fulfil all the purposes that GMRBF have for it.
- 5.4.4.4. It has been suggested that in order to update the questions, the IRRV could facilitate an annual one-day workshop for several revenue managers to review the national benchmark questions. There would have to be some discussion on who the revenue managers were. Three possibilities are given in section 5.4.4.1.
- 5.4.4.5. GMRBF find there is a dilemma in updating the benchmark – if they change it then it may get harder and so cannot show continuous improvement. For example, if an LA gets 75% in one year and 75% the following year, they may have made great improvements, but the new 75% may be of a harder set of questions. Although the main purpose of the benchmark is not to have year on year comparisons, this can be an added benefit. Additionally, in many councils the more senior staff expect the revenues section to improve their performance each year. They may see the overall result on the benchmark being equal or lower to the previous year, and not think about why.

#### **5.4.5. Things to consider**

- 5.4.5.1. One problem with a benchmark that only asks yes/no questions is that all authorities could do it but that does not necessarily mean they are applying good practice. For example, all authorities use direct debit. However, there is a great difference between councils in the proportion of residents that use direct debit. Sometimes this will be to do with local conditions – the proportion of residents that have a bank account for example – but some councils do not push or promote it as much as others. For example, from 240 Local Authorities (a sample of only two-thirds of LA's) DD take-up ranged from 15% to 70% (CIPFA statistics). Chiltern (not included in these statistics) claim to have a DD rate of

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83%. This means Chiltern collect a higher proportion from DD than Lambeth collects overall.

- 5.4.5.2. Another thing to consider is that the GMRBF benchmark has evolved with the group. When all of the authorities within the group comply with a question, it can be taken off in the next update. This means that if the benchmark was used by authorities outside the group they may want to look at all the questions that have ever been on the benchmark in case there were some that are relevant to that authority.
- 5.4.5.3. There needs to be a big enough take-up for a national benchmark in order for it to be most useful and maximise its potential, but there needs to be buy-in from revenue managers. Making participation compulsory may lose some of this buy-in. However, having it voluntary may reduce take-up, which would mean that others would see it is not widely used and not use it themselves. It needs many Authorities to get involved, then other Authorities would see the benefit and also get involved.
- 5.4.5.4. There would need to be some form of auditing of the benchmark. As soon as an authority suspects another of not filling it in correctly, they will not trust the benchmark and it would lose its effectiveness. Auditing would either pick out the second authority for not being honest, or it would reassure the first that it was correct. The GMRBF suggested that the Audit Commission could incorporate it into their Comprehensive Performance Assessment.
- 5.4.5.5. If the benchmark was available nationally, there may be a need to carry out some national analysis, for which someone would need to be responsible. Individual authorities may themselves want to spend longer looking at the national picture, to see how many other authorities score on a certain question that they did not score on. At the moment there are only 12 authorities, so the analysis is easy for the group to do.
- 5.4.5.6. One problem with all benchmarking is that authorities are not necessarily comparative, particularly with regards to local deprivation. The GMRBF benchmark is particularly able to cope with this, as most of the questions are general – about collection methods rather than about the numbers involved (it does not measure things such as cost, amount raised, or proportion on direct debit).
- 5.4.5.7. Someone suggested that benchmarking can be expensive, time consuming and quickly becomes out of date. These problems would need to be addressed. A free national version of the GMRBF benchmark questionnaire would solve two of these – it would not be expensive to individual authorities, and it is not time consuming to complete. The update procedure each year (section 5.4.4) would have to be both effective, and seen to be effective to overcome the third problem.
- 5.4.5.8. The benchmark should allow for feedback as people fill it in. As the revenue manager answers each question there could be a space for the manager to give feedback on the question. For example, the manager could say “that question is not valid for all authorities, and so should be dropped”, or “that is a particularly unusual but beneficial initiative, and so should be given a stronger weighting”. At the end there could also be space for the manager to add any new questions, or suggest topics that weren’t covered. Both of these could then feed back into the update procedure for the following year (see section 5.4.4).

- 5.4.5.9. Having the benchmark on a website would also mean that there could be space allowed for the person filling it in to say why they answered 'no' to a particular question. For example, they could say that they answered no to questions 3.8, 3.10, 3.12 and 3.14 (all relating to accepting credit card payments), as for that council it may be their policy not to allow credit card payments, to avoid people getting into debt to pay their tax. (Aside: other councils feel they would rather give more options, and also it may be considered better to have a credit card bill, than to owe money to a loan shark. It is a balance the council has to make a decision on, partly based on local circumstances). Other reasons might be why the council did not do the initiative for that year, for example if they changed IT systems, and during the changeover year the IT would not allow them to do it; or for question 1.1 the authority might say that they informed the valuation office of all changes within 10 days in most cases, but a few took 11 days.
- 5.4.5.10. Some (not part of the GMRBF) have suggested that the benchmark could have a 'to do' list of good practice, and a 'to consider' list of initiatives that may work in one area, but not another.

#### **5.4.6. Tie-in with a website**

- 5.4.6.1. If the GMRBF benchmark was taken forward nationally, it could be put on a website. Those authorities that filled it in would then be able to see other authorities results as well. This would mean users could fill it in online and immediately get their result, with a comparison of either all other LAs, or other LAs that they have selected and consider to be similar. For example, someone from Tower Hamlets might fill it in and want to compare how all other London Boroughs perform. Additionally, if they answered 'no' to a particular question but were interested in finding out more about that activity and how it works in practice, they could see a list of all LAs that marked 'yes' to it. They could then contact someone in that LA to ask for advice and guidance.
- 5.4.6.2. Another benefit of having the benchmark on a website is that the feedback (see section 5.4.5.8) would be easy to handle. It would be able to store all the responses in a database and hold it until it was needed in the next year's update.
- 5.4.6.3. Having people fill it in on a website would help to collate responses. All authorities would enter it directly into the same location – there would be no need for someone to collate the responses and add them all to a single spreadsheet or database. It would also record accurately which authorities had replied and which had not, allowing the overseer to send out a reminder to all these authorities prompting them to fill it in, if they wanted to.
- 5.4.6.4. A website would also help authorities compare themselves to others. It could enable the authority to highlight one different authority, or a group of authorities, and it could instantly filter these for easy viewing. Alternatively, the manager from one authority could select a question, and all other authorities that had filled in that question could be highlighted. This would enable the manager to contact someone from one of those authorities to find out how they do that initiative.
- 5.4.6.5. Using the website as a vehicle for the benchmarking tool would be efficient and costs effective, and would maximise the potential that the website provides for collecting data easily and electronically. Therefore it is not recommended that a paper-based or spreadsheet-based benchmark is adopted, but that a website is used from the first.

## 6. Conclusions

### 6.1. Good practice

- 6.1.1. There are many things that are considered good practice. Some of these are standard good practice that will always help collection (such as good links with benefits teams, and a prompt benefit processing service). Other practices work for some types of authority and not others (see section 3.3.2).
- 6.1.2. There are several sources of good practice. The main source is the Audit Commission's management handbook from 1995. This is becoming dated, but most of the contents are still relevant (see section 3.2.3).
- 6.1.3. There are other sources of good practice, some available nationally (mainly through organisations such as the IRRV), and some shared at local levels.
- 6.1.4. There are local groups that work together to share good practice. These include the GMRBF, the London Revenues Group and many others.
- 6.1.5. One of the best sources of good practice is revenue staff from different Local Authorities.
- 6.1.6. There are several themes to good practice. These include:
  - payment options available
  - timeliness of the process (section D2.3.1)
  - links to benefits (section D3.2)
  - accuracy of information (section D3.4)
  - organisational set-up (section D3.3)
  - method of collection chosen (section D2.3.3)
- 6.1.7. A lot of the success of various measures is down to the commitment by the council to carry them out, and local issues (such as benefits backlogs).
- 6.1.8. Several suggestions that could help improve collection were made. These are covered in full in section 3.5, and some are covered in the recommendations below (section 6.4).

### 6.2. Benchmarking

- 6.2.1. There are currently several benchmarking schemes in operation. The GMRBF, London Benchmarking Group, Lancashire Benchmarking Club and others all have benchmarking schemes. CIPFA host several benchmarking clubs, including one on Council Tax collection.
- 6.2.2. A national benchmark available free to all would be beneficial. There are particular benefits of using a benchmark similar to the one used by the GMRBF. The main benefits are that it is simple, effective way for authorities to self-assess their collection methods, and that it looks at the processes a council uses rather than the results, meaning different types of authorities are comparable.
- 6.2.3. Drawbacks of a national benchmarking scheme include the risk of low participation levels, costs to ODPM and the need for auditing.
- 6.2.4. Some might consider that the benchmark ORU has suggested has the drawback that it does not include any cost comparison. However, if the benchmark is to help with collection only, costs do not need to be incorporated. The IRRV and others have said that costs should not be a factor in recovery. There should be consideration of the costs, but unless the cost of adopting a collection method is higher than the money that would be raised, it should not stop the council doing so.

- 6.2.5. Another approach would be a localised benchmarking tool. This has the disadvantage of being less effective though; if the national benchmark questions are about processes and not results, and only require a comply / don't comply answer, different types of authority are comparable.
- 6.2.6. There are several benefits of placing a benchmarking tool on a website (see section 5.4.6). These include quick reply times, ease of data collection, ease of comparison with other selected authorities, and the facility for an authority to find out quickly which other authorities use a particular method, so they can contact that authority for advice.
- 6.2.7. There would need to be some thought given to considering who would be responsible for updating it. The best option would be for a group of revenue managers from different authorities to do it, possibly under the co-ordination of a group like the IRRV. Some suggestions for possible authority groups are in section 5.4.4.

### **6.3. Website**

- 6.3.1. Practitioners have suggested that a Council Tax collection good practice website would be very useful, and several benefits of a website have been highlighted in section 4.2.
- 6.3.2. The options for a website would include either the IRRV or CIPFA hosting a website. Some have suggested that CIPFA, with more experience of website design, may create a slightly more user-friendly websites (section 4.4).
- 6.3.3. There are several things to consider for a website for Council Tax collection good practice (section 4.3). The main issue to consider is that it is likely to require a lot of input from the host or owner, not just in setting it up, but in keeping it relevant.
- 6.3.4. To take this stage further, a specification should be provided to CIPFA and IRRV for them to provide a more detailed website proposal, including cost, timing and website content.

### **6.4. Recommendations**

- 6.4.1. During this study a number of suggestions and recommendations were made, with ideas that could help to facilitate improvements in Council Tax collection rates. Those which were considered most effective are listed below:
  - The use of standard bill formats and other standard literature that can be used by all Local Authorities.
  - Consider introducing late payment fees (although there are reservations on this).
  - Considering making the ODPM Council Tax newsletter more pro-active.
  - Consider producing guidance on data protection.
  - Modelling and analysis of the effectiveness of different collection methods.
  - Consider changes to legislation to help collection. This could include considering:
    - Better data sharing with the Inland Revenue
    - Introduction of direct deductions from benefits other than jobseekers allowance and income support
    - Introduction of direct deductions from pensions
    - Penalties for failure to provide AEO information rather than prosecution (although some have reservations with this)

- Third party debt orders
- Relaxing the rules on back-dating benefits claims for residents in arrears
- Setting up a single national benchmarking scheme similar to the one used by the GMRBF or LBG, where the answers required are ‘comply’ or ‘don’t comply’.
- Setting up a website to share good practice ideas. This would need to include:
  - a section on each of the main collection methods and issues, giving advice as to their use and effectiveness
  - a national benchmark (suggested above) that users can fill in online, compare results with other authorities and make suggestions for future changes
  - space for council staff to suggest ideas of good practice they use or have encountered
  - a discussion forum for revenue staff, including a questions and answer section
  - a section for technical or legal questions for ODPM
  - a section where revenue staff can put forward new ideas for changes in legislation that could help collection
  - a good links section, particularly to legislation, and also to organisations that offer products and services that can promote best practice







## **Council Tax Collection Good Practice Annexes**

Prepared by the Operational Research Unit  
for the Local Government Finance division of ODPM



Office of the  
Deputy Prime Minister  

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Creating sustainable communities



GOVERNMENT OPERATIONAL RESEARCH SERVICE

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## Annex A – List of interviewees

A1 The table below shows a list of people interviewed during the course of the project.

<b>Name</b>	<b>Organisation</b>	<b>Date interviewed</b>	<b>Interview method</b>
David Maddison	Local Government Association (LGA)	15/12/2003	In person
Paul McDermott and Roger Jones	Tower Hamlets London Borough	15/12/2003	In person
David Magor	Institute of Revenues, Ratings and Valuations (IRRV)	23/12/2003	In person
Barrie Minney	Brighton and Hove Council internal bailiff team	14/01/2004	In person
David Smith (Wigan), Alan Cartwright (Wigan), Penny Mitchell (Wigan), David Chapman (Bury), Linda Cooper (Bolton) and John Rowlands (Bolton)	All are members of the Greater Manchester Revenues and Benefits Forum	21/01/2004	In person
David Hughes (Redbridge), Steve Wells (Ealing) and Lee Phanco (Barking and Dagenham)	All are members of the London Revenues Group	03/02/2004	In person
David Lunn, Richard Charters and Ed Bowen	Chiltern District Council revenues team	10/02/2004	In person
David Cattermoul, Nicola Morton, Julian Mund and Tim Ramsdale	Institute of Public Finance (part of CIPFA)	18/02/2004	In person
Tim Savill	Audit Commission	20/02/2004 07/03/2004	Telephone Letter
Geoff Waterton	Enfield LB	26/02/2004	Questionnaire / PSBS
Alex Thompson	Congleton BC	03/03/2004	Questionnaire
Sandra Whelan	Enfield	04/03/2004	Questionnaire
Michael Murphy	Croydon Council	09/03/2004	Questionnaire
Andrew Burton	Bassetlaw DC	11/03/2004	Questionnaire

## Annex B – References and bibliography

### B1. References

- Audit Commission website<sup>1</sup> <http://www.audit-commission.gov.uk/reports/BVIR.asp?CategoryID=&ProdID=CC2E6196-2024-4d28-9437-D254A40B2966>. Kerrier District Council audit report (10 Feb 2004)
- Audit Commission website<sup>2</sup>: <http://www.audit-commission.gov.uk/reports/BVIR.asp?CategoryID=&ProdID=FF5A95ED-AEDC-4b30-8AF9-FE479CC3D442>. North Warwickshire Borough Council audit report (20 Feb 2004)
- Audit Commission website<sup>3</sup>: <http://www.audit-commission.gov.uk/reports/accessible.asp?ProdID=D714AB21-DFB2-4585-AE9F-586927385C3A> Guildford Borough Council audit report (25 Oct 2001)
- Audit Commission website<sup>4</sup>: <http://www.audit-commission.gov.uk/reports/accessible.asp?ProdID=CC2E6196-2024-4d28-9437-D254A40B2966> Kerrier District Council audit report (10 Feb 2004)
- Audit Commission website<sup>5</sup>: <http://www.audit-commission.gov.uk/reports/accessible.asp?ProdID=AB2EE5F0-A162-45DD-9009-5F9A51700F7D> Oxford City Council audit report (24 Jan 2002)
- Audit Commission website<sup>6</sup>: <http://www.audit-commission.gov.uk/reports/accessible.asp?ProdID=D14EB3B0-E516-11d6-B1E1-0060085F8572> Oxford City Council audit re-inspection report (28 Oct 2002)
- Audit Commission, (1995) “Collecting Local Taxes, A Management Handbook”.
- CIPFA statistics: Revenue collection statistics 2001-02 Actuals; IPF / CIPFA April 2003
- Court Service website:  
[http://www.courtservice.gov.uk/you\\_courts/civil/enforcement/thirdparty/intro.htm](http://www.courtservice.gov.uk/you_courts/civil/enforcement/thirdparty/intro.htm)
- DCA website<sup>1</sup>: <http://www.dca.gov.uk/foi/sharing/toolkit/lawguide.pdf>
- DWP Housing Benefit Direct newsletter First edition:  
<http://www.dwp.gov.uk/housingbenefit/news/newsletter/hbdissue1.pdf>
- IAG website<sup>1</sup>: <http://www.iag.org.uk/publications.asp>
- IPF website<sup>1</sup>: <http://www.ipf.co.uk/finance/tis/products/counciltax.htm>
- IRRV website<sup>1</sup>: <http://www.irrv.org.uk/pubs/index.asp?text=7>
- LACEF website<sup>1</sup>: <http://www.lacef.org.uk>
- LLPI website: <http://www.local-pi-library.gov.uk/goodprac.shtml>
- LBG website<sup>1</sup>: <http://www.ealing.gov.uk/hidden/bestpracticewebsites.xls>
- ODPM Council Tax newsletters: <http://www.local.odpm.gov.uk/finance/ctax/ctil.htm>
- PSBS website<sup>1</sup>: [http://www.benchmarking.gov.uk/about\\_bench/whyuseit.asp](http://www.benchmarking.gov.uk/about_bench/whyuseit.asp)
- PSBS website<sup>2</sup>: [http://www.benchmarking.gov.uk/about\\_bench/whatisit.asp](http://www.benchmarking.gov.uk/about_bench/whatisit.asp)
- PSBS website<sup>3</sup>:  
[http://www.benchmarking.gov.uk/about\\_bench/theprocess.asp#pitfalls](http://www.benchmarking.gov.uk/about_bench/theprocess.asp#pitfalls)
- UK Online website<sup>1</sup>:  
[http://www.ukonline.gov.uk/News/NewsArticle/fs/en?CONTENT\\_ID=4011181&chk=bjPyj](http://www.ukonline.gov.uk/News/NewsArticle/fs/en?CONTENT_ID=4011181&chk=bjPyj)
- Valuebill website<sup>1</sup>:  
[http://apps.newham.gov.uk/valuebill/Include2/newVbillprint%20\(v3\).pdf](http://apps.newham.gov.uk/valuebill/Include2/newVbillprint%20(v3).pdf)

## **B2. Bibliography and sources of further information**

Collecting Local Taxes, A Management Handbook; Audit Commission 1995

Improving Cash Flow Management in Local Government, Audit Commission 1986

## **B3. Useful websites**

Audit Commission website: <http://www.audit-commission.gov.uk>

Benefit Fraud Inspectorate: <http://www.bfi.gov.uk/>

CIPFA: <http://www.cipfa.org.uk>

DCA Cannot Pay Won't Pay research: <http://www.dca.gov.uk/research/2003/4-03es.htm>

Employers Organisation for Local Authorities: <http://www.lg-employers.gov.uk/>

Housing Benefit information: <http://www.hbinfo.org/>

Improvement and Development Agency website: <http://www.idea.gov.uk/>

Improvement and Development Agency knowledge website: <http://www.idea-knowledge.gov.uk/>

Information Commissioner, who oversees the Data Protection and Freedom of Information acts: <http://www.informationcommissioner.gov.uk/>

Information for local government from central government website: <http://www.info4local.gov.uk/>

Information management website: <http://www.freepint.com/>

Information, news and help service: <http://www.bizhelp24.com/>

Inter Authorities Group: <http://www.iag.org.uk/>

IPF: <http://www.ipf.co.uk>

IRRV: <http://www.irrv.org.uk/>

Library of local performance indicators website: <http://www.local-pi-library.gov.uk>

Local Authority Civil Enforcement Forum: <http://www.lacef.org.uk>

Local e-Government website: <http://www.locale-gov.gov.uk/>

Local e-Government national projects website: <http://www.locale-gov.gov.uk/page.cfm?pageID=315&Language=eng>

Local Government Association: <http://www.lga.gov.uk/>

Local Government Chronicle: <http://www.lgcnet.com>

LocTA software information page: <http://www.magnetsolutions.co.uk/whatis.htm>

London Benchmarking Group:  
<http://www.ealing.gov.uk/council/council+tax/forum.asp>

ODPM website: <http://www.odpm.gov.uk/>

Public Sector Benchmarking Service website: <http://www.benchmarking.gov.uk>

Society of IT Managers: <http://www.socitm.gov.uk/>

Valuation Tribunal Service: <http://www.valuation-tribunals.gov.uk/>

Valuebill website: [www.newham.gov.uk/valuebill](http://www.newham.gov.uk/valuebill)



## Annex C – List of acronyms

Acronym	Definition
AEO	Attachment of Earnings Order (also used in this report to include attachment of benefits order, and for councillors, attachment of members allowances order)
BC	Borough Council
CAB	Citizen's Advice Bureau
CIPFA	Chartered Institute of Public Finance and Accountancy
CT	Council Tax
CTB	Council Tax Benefit
DC	District Council
DCA	Department for Constitutional Affairs (amongst other things responsible for courts and bailiffs)
DfT	Department for Transport
DTLR	The former Department for Transport, Local Government and Regions. Now split into ODPM and DfT.
DWP	Department for Work and Pensions – responsible for benefits, including CTB.
GMRBF	Greater Manchester Revenues and Benefits Forum
HB	Housing Benefit
IPF	Institute of Public Finance – the commercial arm of CIPFA
IR	Inland Revenue
IRRV	Institute of Revenues, Ratings and Valuations
LA	Local Authority
LACEF	Local Authority Civil Enforcement Forum
LB	London Borough
LBG	London Benchmarking Group (a subset of the London Revenues Group, made up of the boroughs of Barnet, Ealing, Greenwich, Hammersmith & Fulham, Havering & Redbridge)
LGA	Local Government Association
LGF	Local Government Finance, a division of ODPM
LocTA	Locating The Absconders (software created by MAG:NET solutions)
LRG	London Revenues Group
NI	National Insurance
NNDR	National Non-Domestic Rates – business rates
ODPM	Office of the Deputy Prime Minister
ORU	Operational Research Unit
PSBS	Public Sector Benchmarking Service



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## Annex D – Council Tax collection and good practice

### 7. Main methods of collection currently used

- 7.1. The general view is that there is not one method of collection that is going to work in all cases. Residents that do not pay need to be treated on an individual basis (see also section 8.3.3). Putting a large emphasis into one method may help, but will not solve all the problems. This is why some councils that focus a lot of effort on one method of collection and get good results do not necessarily have very high collection rates – the staff do not have the time to pursue the other methods. Several revenue managers said they have limited time and resources, and cannot do as much as they would like to in all areas.
- 7.2. There is a yearly cycle to the collection of Council Tax. Bills are issued, preferably in mid-March. Payment becomes due on 1<sup>st</sup> April (unless the resident is paying by direct debit, in which case they are often offered several dates in April). Reminders are sent out to those that have not paid usually by the 14<sup>th</sup> April (although the law requires a minimum of only 7 days). Final notices are usually issued in mid May. Residents that still have not paid are issued with a court notice at the beginning of June and their case is booked with the court for a hearing. This is usually around three weeks later.
- 7.3. Recovery action starts by the authority gaining a liability order at the court hearing (see above). The council then has several options to recover the money. These options include AEOs – attachment of earnings (or of benefits, or of members allowances for councillors) orders, distress (bailiff action), bankruptcy, charging orders, sale of houses and committals.
- 7.4. However, some authorities have started to offer an alternative to liability orders. If the resident agrees to sign up for direct debit (DD) then they are not given a liability order (which saves the resident a fine). This can be effective as the resident knows they would be fined otherwise, and the council then has a direct debit mandate for that resident, which will also help with future years collection. However, the council needs to be prompt with the processing, to give themselves most time for recovery if the resident defaults on their direct debit mandate.
- 7.5. It was suggested that emphasis is placed on trying new approaches to collection, and that the old approaches get forgotten despite remaining valid and effective. As well as actual methods of collection, the audit guide was cited as a good example of something that has been forgotten as it is dated, but is still very useful.

### 8. Effectiveness of collection methods (as perceived by practitioners)

- 8.1. The methods of collection described in section 7.3 work to differing degrees, depending on several factors. The main three factors are the local population, the commitment by the authority to carry out the action threatened and the commitment of external parties (e.g. courts).

#### 8.2. Local conditions

- 8.2.1. Some methods will work well simply due to the way the local population responds. For example, in areas where most residents own their own houses, charging orders can be very effective. See also section 3.3.2 (in the main report). This is not a factor directly in the council's control, except to alter the approaches taken to the local situations.

### **8.3. Commitment by the council**

- 8.3.1. The success of collection methods also comes down to the commitment of the council to carry out the methods. If the authority threatens the resident with an action and does not follow through with the threat if the resident still refuses to pay, the authority's reputation for collection may be adversely affected. The council should promptly move through each stage of the recovery process (see section 7.2) in order to keep pressure on residents. If there is a long delay between a final notice and the liability order, and between the liability order and the threat of action and any other stage, then the resident may take the view that the council is not treating their case seriously.
- 8.3.2. There are recovery actions that the council can take that need following up. For example, if the council obtains a liability order on a resident they can ask for employment details to be able to seek an attachment of earnings order. The council has powers to take action against residents that refuse to supply this information. Some councils aggressively pursue those that do not supply information, whereas others start on different collection methods. Where councils prosecute for not supplying information there is more chance of getting an AEO set up. Once an AEO is in place, barring the resident moving jobs, the council then has the money coming in without further action. The information can also be retained for future years, if necessary.
- 8.3.3. Bailiff recovery rate is as low as 30%, and bailiff action is not usually the most effective in individual cases. Where possible, the council should start with another form of recovery, such as an AEO. However, as one authority had over 63,000 liability orders in one year (CIPFA statistics) they must use bailiffs extensively as the volume is too high to look at each case in enough detail and take other, more time consuming or expensive actions for all these cases. Council staff have also suggested using AEOs would be better if they were allowed access to Inland Revenue (IR) records (see section 3.5.3.3).
- 8.3.4. It was suggested by an organisation that represents all Local Authorities that most authorities 'tend to do the same things, but are just different in the margin'. For example, there is a scheme where the 'best' councils are awarded beacon status. Other councils' staff can go to those councils to see what they do, in order to copy it. Apparently, most come back saying they do the same. The difference can be the extent to which something is done, or the determination with which things are carried through (see sections 8.3.1 above and 9.1.1).

### **8.4. Commitment by the court and other external bodies**

- 8.4.1. The courts can take a wide variety of views on Council Tax debt collection. They can also limit the time available for councils to chase debtors through the courts. No collection regime can stand alone; all need the backup of a legal process.
- 8.4.2. Court commitment can be increased by councils building a good working relationship with court staff.
- 8.4.3. Some authorities also said that the courts are not helping by failing to pursue actions. For example, one said that fewer residents now fill in a request for information for an AEO because the courts do not follow it up. The council prosecutes for not supplying the information, but the court does not collect their fees and fines, and the resident is not forced to supply the information. Another said that courts are not as willing to carry out all the actions needed, such as imprisonment. For residents that can pay, but refuse to do so when no other action has worked, imprisonment

should be given to act as a deterrent for others not wanting to pay. It is considered a failure by the council (as the debt is written off), and should be used only as a last resort. However, it does need to be available if the case gets to that stage.

- 8.4.4. Some believe that councils' relationships with the police, and councils' relationships with bailiffs are not always as productive as they could be, and this can have a negative effect on collection. Bailiffs are either employed or contracted by the council, so they should work co-operatively with the council, but this is not always the case.
- 8.4.5. There is a view that councils should try to build a link with local voluntary organisations, such as the Citizens Advice Bureau (CAB). The council should be helping people to deal with debt early, and helping those that will struggle to pay (by offering alternative payment methods or giving advice on claiming benefits). The link with the CAB is important to help CAB advise correctly, or hand out appropriate leaflets on benefits.
- 8.4.6. One authority is in consultation with the Royal National Institute for the Blind to help develop the annual Council Tax leaflet (Audit Commission website<sup>3</sup>, section 50).

## 9. Other issues relating to collection

### 9.1. Direct Debit

- 9.1.1. Direct debit is recognised to be cheaper and easier than other collection methods, and so should be encouraged by revenue collection teams. However, some councils promote and use this method more widely than others. To improve direct debit take-up rates significantly requires many years of campaigning beyond an initial take-up.
- 9.1.2. Some councils send out direct debit forms with bills, without details on many of the other methods of payment. The idea is to make direct debit the easiest option for the resident, with other payment options requiring action on the resident's part (such as standing order or payment book). This is easier to do in more affluent areas, but in some areas this may go against good practice of offering a service that is accessible to all.
- 9.1.3. Some imaginative campaigns are being run to encourage direct debit take-up. A copy of the direct debit form used by Norwich city council (developed in conjunction with Bassetlaw and other councils) is attached in Annex H.
- 9.1.4. There is a general view that councils should try to promote direct debit at every opportunity. For example, direct debit is not promoted in some councils' cash or tax offices. Staff (and even sometimes councillors) are worried that if they promote direct debit in their offices, then residents will not need them, and the front office function may eventually become redundant. However, if the office is in a more deprived area where many residents wish to or are only able to pay in cash, the office should remain open (unless there are alternatives, such as no fee offered for using a nearby post office), but direct debit should still be promoted.
- 9.1.5. A major barrier to increased direct debit take-up is that some residents do not have a bank account. This affects some areas far more than others, which means that a council's direct debit take-up rate is not necessarily a sign of its commitment to improving take-up. The government is pushing for everyone to have a bank account, and is introducing a 'Universal Bank Account'. However, this account does not allow the holder to set up direct debits.

## 9.2. Benefits

- 9.2.1. Benefits are seen as a big issue affecting collection. In one authority, over half the money due could have been claimed from CTB (CIPFA statistics). Councils do not want to focus their recovery efforts on those who cannot pay and are eligible for some level of benefit. Getting the administration of Council Tax benefit right first time is seen as a way of making vast improvements in the collection process – both in terms of the speed of collection (helping to collect more in-year), and the cost of collection. If there is a big backlog in processing benefits, people will not want to pay their Council Tax until they have received their benefit.
- 9.2.2. One of the biggest problems of CTB is that some residents are often moving off and on to benefits, particularly those that are self-employed. It can be difficult to calculate what benefits the resident is due, and billing can be affected if the resident moves onto or off benefits late in the year.
- 9.2.3. The Local Government Association suggested that councils need to have an anti poverty strategy. Benefit take-up is low, particularly for pensioners. Around four in 10 pensioners eligible for Council Tax benefit do not claim it, and less than half of home-owning pensioners are claiming the money they should get. It has been estimated that up to 1.7m pensioners are not claiming what they are due, and up to £724m goes unclaimed every year (UK Online website<sup>1</sup>). Some pensioners in particular find it difficult to pay their Council Tax, with some refusing to pay in 2003/4. If councils did more to improve take-up by pensioners then this could help make sure pensioners claim what they are due. This would eliminate some of the problem residents, meaning the council would have less to collect, and would effectively improve their collection rate.
- 9.2.4. Giving benefits to those that need them has been described as a double bonus. It means residents that might have struggled to pay no longer have to, and the council does not have to collect money from someone that would find it difficult to pay. For this reason it is good to encourage take-up of benefits.
- 9.2.5. The DWP target is for authorities to process CTB claims within 35 days. Even if an authority meets this target all the time, it means several weeks' delay before the Council Tax bill can be sent out. However, most authorities will not always meet this target, so for some residents the delay is even longer. This reduces the time that the authority has for collection to make sure they collect it in the same year it is due. It has been said several times that if a council has a large increase in its collection rate, it will almost certainly be down to making the benefits process more efficient.
- 9.2.6. The Audit Commission ran an audit of a Local Authority that takes around 56 days to process benefit claims. The Commission suggested that in this situation there are two options for residents that think they should be on benefits. They can either pay a provisional amount, or not pay anything until the correct bill is received. Most are likely to opt for the second, but this risks having a larger amount to pay in one go if their benefit is not as high as they expected. The Commission goes on to say this uncertainty puts vulnerable people under additional pressure and that it also means that Council Tax staff face additional work (Audit Commission website<sup>4</sup> paragraph 36). This time delay in making a decision is an unnecessary burden on the resident.

## 9.3. Office organisation

- 9.3.1. One authority we spoke to has separated their front and back office functions. They have a dedicated customer contact centre, where the staff

mostly work answering phones. The casework they are given to do for the quieter moments when they are not answering phones is always simple, interruptible work. The more complex casework is given to staff that are not answering phones, so that they will not be interrupted. The authority suggested this has had a large impact on the volume of work staff can get through. They suggest it has also given staff a morale boost, as their work is more specialised.

- 9.3.2. There can be significant delays when cases are transferred between departments. This is why some councils choose to have Council Tax and benefits in one team. It also means that the staff that talk to a resident about their Council Tax can advise on any possible benefits they may be entitled to.
- 9.3.3. It has been suggested that good practice should be developed to bring benefits and Council Tax sections closer together. Teams would not necessarily have to be generic, but closer working would speed up collection. It is particularly important to get Council Tax and benefits correct at the time of billing. If Council Tax bills are sent out without the correct benefits (either as they have not been calculated correctly, or not at all), then there is likely to be a long delay while this gets resolved, and the resident is billed again.
- 9.3.4. In an inspection of one authority's revenue services that was at the time classed as poor, the Audit Commission made several points about the problems of not having a close enough link between Council Tax and benefits sections (Audit Commission website<sup>5</sup> section 50). These included:
- Long benefits processing times adversely affecting collection performance rates
  - Problems co-ordinating the benefits work with local taxation, adding pressure to customer services staff
  - Customers are advised to telephone the Council Tax section if they require assistance with paying their bills. However, if they then need a benefit claim form, they are asked to phone Benefits, and this number is often engaged. The telephone hours of the two sections are different and there is no internal alternative line for staff to transfer calls to.
  - Council Tax bills and benefit notices are not sent out at the same time, which means that people receive them on different days, generating extra enquiries from customers
  - There is no formal monitoring of the post between the two sections, and it taking about two weeks to transfer post between the two sections. This means that Council Tax staff cannot advise customers if their letters have been received, even if they have been. This was described as inefficient and can cause distress and frustration to residents, especially given the financial nature of many letters. It also means residents will ring up more often, adding to the burden on Council Tax phone staff
- 9.3.5. It is also important to have staff aware of each area. For example, Council Tax staff should at least be aware of benefits issues to be able to advise residents that have not paid their Council Tax of their possible right to Council Tax benefit. Benefits staff should also be able to advise on Council Tax, for example when they are talking to a resident that has just been sent a summons for Council Tax, they give advice on this matter. The smart authorities have been described as the ones where the staff help to spot other issues outside of their direct area of work.

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## 9.4. Accuracy of information

- 9.4.1. As with benefits (in section 9.2 above), the accuracy of information is crucial. Part of this is having good administration. Authorities should update information as soon as they are informed of a change by the resident. If they have a backlog in their administration, it can delay collection, which can affect how much is collected in-year.
- 9.4.2. For this reason, some authorities make sure they update customer information at every possible stage. For example, on every phone call the Council Tax team has with a resident they will ask the resident to confirm his or her details (although if it is wrong, it may require a letter from the resident with a signature to confirm the changes).
- 9.4.3. Keeping track of people can be very difficult. In some parts of London, the population turnover is 50% per year<sup>1</sup>. Some authorities use a data matching Internet software program called LocTA (Locating The Absconders) that helps to track people down. All the authorities that use the system are able to see information on residents for all other authorities on the system. If neighbouring LAs have also signed up then it works very well.
- 9.4.4. One thing that makes LocTA less effective is data protection (see section 3.5.3). Council staff cannot search for National Insurance numbers. They have suggested that if they know the NI number they can check it, but they cannot actually search for a resident's NI number.

## 9.5. Fraud

- 9.5.1. Council Tax fraud comes in a number of forms, including deliberately claiming false benefits, claiming single person discount when it was not due, claiming Council Tax benefit but not declaring non-dependant children, or claiming some other form of reduction such as vacant property reduction.
- 9.5.2. It is good practice for councils to regularly check discounts, particularly single person discounts. Data matches can help a council see if it looks like it has the right number of discounts, for example by looking at the number of single occupancy residences from the census. Although census data is infrequently updated and residents move around, the actual proportion of houses that are single occupancy should not change dramatically and should follow trends. The Audit Commission's 1995 guide suggests that if an authority has the proportion of households receiving a single person discount differing from the census by more than a tenth, they should investigate further (page 14). This guideline could still be used in relation to the 2001 census.
- 9.5.3. It has been suggested to us that some residents will try to claim they have many people in their house to get extra housing benefit or to be re-homed quicker, but at the same time they claim single occupancy discount for Council Tax. Data matching would pick this up.
- 9.5.4. Councils can compare electoral-registration data to single person discount data to look for those fraudulently claiming a discount. However, the electoral register is not policed and so is not always correct, as people do not fill it in to avoid being called up for jury service.
- 9.5.5. Additionally, councils can compare their own single person discount rates with those of other similar authorities.

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<sup>1</sup> This example was provided by Tower Hamlets. 50% of Council Tax accounts are closed during a year, based on their billing records.

- 9.5.6. Some authorities have a Verification Framework that helps prevent benefit fraud by getting more from forms at the beginning. However, there have been some problems, including large backlogs. For example, the benefit form went from being 6 pages to being 24 pages, increasing the workload to process the forms. It also meant that it would take longer for the resident to fill it in, which could dissuade people from doing so.
- 9.5.7. Councils do not always actively look for fraud (or errors in their records). This is particularly true towards the end of the financial year. If in December a council finds that a resident has been paying a single person discount for a house with at least two residents, by the time they have been re-billed the council does not have much time to recover the excess money. They can be worried it will affect their in-year collection figures, so they may not initially actively look for the error.

## **9.6. Third party debt order**

- 9.6.1. There was some confusion as to an authority's ability to take money from residents' bank accounts. It has been mentioned that some residents that refuse to pay have large savings, and they are willing to be given a suspended two-week prison sentence in order to protect their savings. It was suggested that it would help collection if councils could take money straight from a person's bank account, as apparently authorities can do in Scotland, but not in England or Wales. However, the court service website states "A third party debt order is usually made to stop the defendant taking money out of his or her bank or building society account. The money you are owed is paid to you from the account" (Court Service website). It does not mention that this is only applicable in Scotland, but says that the third party (bank) must be in England or Wales, suggesting it is designed for creditors in England or Wales.
- 9.6.2. One authority has since given clarification to this. They have said that at the moment before a garnishee (third party debt) order can be obtained and money taken directly from a bank account the creditor has to be in possession of a County Court Judgement against the debtor. There is no other way a garnishee order can be obtained. Authorities could obtain a County Court Judgement against a debtor rather than get a Magistrates Court Liability Order but they cannot do both or try one and then another. County Court Judgements are expensive to obtain and many authorities do not often use them because legislation has given authorities the Magistrates court route, which is cheaper and enables authorities to get orders in bulk. It would be useful if the ability to obtain a garnishee order was added to the list of actions councils can take after getting a liability order. But as this is a County Court application it would be difficult unless Magistrates were given the power to hear the applications from authorities instead of the County Court. Councils would also have to have the person's bank account details before they applied for a garnishee order. This is information they rarely have access to and so using this as a recovery tool would only be practical if they were able to demand bank account information from a debtor.

## **9.7. Other factors affecting success in collection**

- 9.7.1. The housing market is forcing changes in populations. People are moving around more than in the past, which can have an impact on information accuracy (see section 9.4). Changes in society also mean more single occupancy residences.
- 9.7.2. A strengthened housing market can mean people have less disposable income. Council Tax is one of residents' largest domestic bills – often second only to a mortgage. Therefore, Council Tax managers are worried

that if interest rates rise substantially, many residents will not have the money to pay both their mortgage and Council Tax, and it will be the tax that suffers so that the resident does not lose their house.

- 9.7.3. Conversely, the current housing market position is also helping collection. With recent house price rises, many residents have a lot of equity in their property. This means that if they refuse to pay, the council can apply for a charging order against that property. This encourages the resident to pay their Council Tax to avoid losing their home. Another alternative to charging orders is bankruptcy. This can be more effective, as a charging order does not come into effect until the resident chooses to sell their house, whereas if the council has a bankruptcy order against a resident, they can force them to sell their house immediately.
- 9.7.4. People are living longer, which is affecting Council Tax. Many elderly residents struggle to pay, but could be eligible for benefits they are not claiming (see section 9.2.3). For this reason councils should be aiming to increase benefit take up amongst pensioners in particular.

## 10. Bailiffs

- 10.1. Bailiff action should not be the first choice for a council (see section 8.3.3), however they are needed for many non-payers. Councils have to decide whether they want to have internal or external bailiffs. Some choose to have a small internal team for certain functions (such as NNDR), and outsource bailiff work for activities such as Council Tax, where the returns are lower. There are several benefits of, and several considerations for having internal bailiffs; some of which are highlighted in this section.

### 10.2. Internal bailiff benefits and considerations

- 10.2.1. The main benefit of having an internal bailiff team is that there is likely to be better communication between the council and the bailiff. If an internal bailiff goes to an address and finds that the resident has moved, it is easier to feedback to the council to update their records. It was suggested that a lot of bailiff work is correcting billing records. External bailiffs are less likely to want to get involved in this sort of work. With an internal bailiff the council also has more input into how the bailiff team is run.
- 10.2.2. Another benefit of internal bailiffs is that they are salaried, rather than taking commission. This means there is a lot more teamwork – bailiffs will be happy to seek help from others, as they will not be worried about losing part of their commission. It also means that external bailiffs may turn down, or may not put as much effort into certain cases if they think the rewards will be less. This has been suggested by authorities that use external bailiffs, not just the internal bailiff we spoke to. They suggested that their bailiffs are often after ‘easy money’, and once they have made the two visits to the resident that they can charge for, they will not go back, even if there was no one in when they called. Another example relates to NNDR; if a company refused to pay, the internal bailiff would be willing to spend time closing them down, whereas the external bailiff would know they will get no commission from doing so. The benefit in this is that other companies will see that the bailiffs and council are serious, and will pay. It also means that a company operating illegally will be removed, leaving space on the high street for another company to move in.
- 10.2.3. Internal bailiffs have salaries paid by the council (and charge the resident an extra admin fee), whereas external bailiffs take their fee directly from the admin fee charged to the resident, so it does not get recorded on the authority’s books. This means that some authorities could want to get rid of internal bailiffs (even if they have performed well) if the authority’s



budget for Council Tax collection and recovery is cut, as an external bailiff's fee is 'hidden' from the council.

- 10.2.4. Authorities can be worried about what could go wrong. If the bailiff is internal it could reflect badly on the council if something goes wrong (such as a resident complaining for having goods taken when they should not have been), whereas the council can pass the blame if they use an external company.
- 10.2.5. It has been suggested by revenue managers that good practice should be extended to external bailiffs, and other private companies used. Many councils only worry about how their own staff operate.
- 10.2.6. Internal bailiffs are more likely to work well between organisations as well as between individual bailiffs. For example, the Local Authority Civil Enforcement Forum (LACEF) has been set up to share ideas between local authority internal bailiffs. Members of the Bailiff Association do not share information amongst themselves, as they are all in competition.
- 10.2.7. Internal bailiff teams can build up better links with the council benefit fraud team. External bailiffs would generally do not want to be involved with this.
- 10.2.8. There are additional things to consider when using an internal bailiff team. In order to have effective internal bailiffs, the council also needs to have a few office based support staff. These are needed to ensure adequate backup for the bailiffs – if a resident tells the bailiff they paid the money in the last couple of days and show a receipt, the bailiff needs to ring up the help-team to check whether the receipt is for the payment the resident claims it is for, or whether it was for something else, for example a parking fine. There needs to be a separate team for this rather than the bailiff ringing the billing team call staff, as these staff are focussed on processing calls quickly to help as many residents as possible. The bailiff support team are more recovery minded. Having a help-team also means there is someone to do the admin part of the job – sending out the letters, making the phone calls etc.
- 10.2.9. Internal bailiffs may want to show residents that they have some independence from the council. For example, some residents are known to either throw away, or file and forget any letter that comes from the council. For this reason some internal bailiffs will never use the official council symbol on their envelopes or stationery.
- 10.2.10. LACEF has designed standard letters. This includes the legal and general information that is printed on the back of a bailiff letter. These are on the LACEF website (see LACEF website<sup>1</sup>) for other internal bailiff teams to use if they see fit. LACEF have also offered to give copies of these, an information pack and other general help to any internal bailiff team that wants it, particularly new teams setting up. The pack also contains a copy of the envelope used. LACEF use envelopes that give warning information on the outside of the envelope in case the resident has moved and the new occupier throws out all correspondence to the previous occupier.
- 10.2.11. Recruiting enough bailiffs is a problem for most internal bailiff teams. Salaries with commission are generally higher in external companies, so some of the more experienced bailiffs would only look to work in the private sector. Some internal teams struggle to recruit enough bailiffs.

### **10.3. External bailiff issues**

- 10.3.1. When one authority went from using only one bailiff company to using two, costs dropped due to the price competition. Performance competition

was also increased – they can now compare which bailiff firm appears to have a better collection rate. This should encourage them to try harder to improve collection of work passed to them, rather than just work for the easiest debts.

- 10.3.2. Some authorities sometimes join together when tendering for external bailiffs. This means they have more persuasive power to get the bailiffs to do what they want – such as feedback from the bailiff to update inaccurate records.
- 10.3.3. Some external bailiff companies have set up a local payment office to make sure it is easy for people to pay.
- 10.3.4. One authority was worried that if a bailiff operates in an area extensively for a short period of time, then leaves to go on to the next area (as happens in some places), then collection might be hindered. They have persuaded the bailiffs to operate in all areas all the time. This means that if the resident is away for a couple of weeks they will not be missed by the bailiff. It also means that if a resident was out when the bailiff comes, they cannot assume that they will not come back again for a while. The Authority believes that keeping this kind of pressure on residents helps with effective collection (see section 8.3.1).

## **Annex E – Questionnaire**

E1. The questionnaire sent to respondents from the Public Sector Benchmarking Service follows on this page (background) and the next page (the questionnaire).

### **Council Tax collection good practice questionnaire**

#### **Background**

We have been asked by the Local Government Finance division of the Office of the Deputy Prime Minister (ODPM) to carry out a project looking at Council Tax Collection good practice. This project covers three main areas:

- (1) Contacting staff of Local Authorities and other relevant organisations to collate views of good practice;
- (2) Looking at the possibility and benefit of putting the information gathered on a website, and
- (3) Conducting a brief review of monitoring tools to determine the benefit of performance measures; considering the need for an additional national tool, such as that used by the Greater Manchester Benchmarking Team.

Thank you for responding to Gary Lewis from the Public Sector Benchmarking Service, and agreeing to help. We have put together a questionnaire (on the next page) that we would be very grateful if you could complete and return. The questions are more an indication of the topics we would like feedback on, but if you want to comment outside the questions as well, that would also be helpful. We are looking to have written our report by the end of March, so if you could send your responses by email back to me (Tim.Johnston@dft.gsi.gov.uk) by the 15<sup>th</sup> March at the latest, it would be much appreciated.

Some of the questions are fairly open-ended. Please feel free to write as much or as little as you see fit. Any help you can give would be useful, so if you feel you can only comment on a particular area and not answer all the questions, that would be fine. Please give me a call if you wish to discuss the project, or would find it easier to respond to the questions over the phone.

Thank you in advance for your help.

Tim Johnston.

Operational Research Unit, ODPM / DfT

Tel: 020 7944 8217

**Questions / topics of interest**

- 1) (a) What, in your view, is good practice for Council Tax collection?
  
- 1) (b) Have there been any major changes to Council Tax collection methods since it was introduced in 1993, or since the Audit Commission's management handbook was published in 1995 (if you are familiar with it)?
  
- 1) (c) If you were a council's collection manager and had a problem in an area, where would you go, outside of your own council, for help (i.e. what sources of help and good practice are available)?
  
- 2) (a) Do you think it would be useful to have a website for practitioners to share ideas of good practice?
  
- 2) (b) What would make you use such a website:
  - (i) What would make you want to look at the site to find out others ideas?
  
  - (ii) What would make you contribute your ideas to the site?
  
- 3) (a) Are you part of a benchmarking group?
  
- 3) (b) If so, in what way do you find benchmarking useful?
  
- 3) (c) Is there a need for a further national benchmarking tool?

## **Annex F – Audit Commission good practice examples**

F1. The minute below is from an Audit Commission inspector, and contains examples of some of the good practice he has found during inspections. Note that this is some of the examples found from one inspector, and does not form a complete good practice checklist from the Audit Commission.

## **Council Tax and business rates collection – some examples from Audit Commission reports**

Practice that works – and assumes good computer systems and able staff and managers:

### **Direct debit**

- Well promoted
- Choice of dates – reflecting local labour market pay dates where a major employer dominates the area for example
- Offered to people paying by cash in council offices
- Used as a means of ‘last chance’ – i.e. If they are bad payers, pay by DD or we’ll take out a Liability Order
- Set up details by phone

### **Response to enquiries**

- To letters – the sooner councils deal with correspondence, the sooner an accurate bill can be sent and the sooner people can start paying
- Quick response to phone calls – used as a performance indicator, again as above a quick response gets the money coming in quickly
- Through email – make sure its monitored and staff absence is catered for
- Publish and monitor service standards so that the above issues are high profile and staff/management awareness is maintained
- Send bills out quickly – ideally each day

### **Information**

- Targeted to meet local needs – e.g. to students at colleges where confusion on this issue exists locally, estate agents are also a useful source
- Wide availability – consider locations outside the normal council offices – libraries, leisure centres, CAB etc, and use as further opportunity to promote DD
- Maintain close links with CAB, and use bills/reminders etc as a way of encouraging people to seek independent help early on – they may be reluctant to go to the council about their financial worries and councils generally fund CAB’s
- Opening hours – ensure they reflect local needs. Experiments with extra hours at weekends and evenings have generally shown a low take-up – more

imaginative ideas are needed, e.g. to link late opening with late night shopping and providing wider council service advice etc

- Use of out of ours messages by phone
- Consider needs of whole community and best ways of getting information to hard-to-reach groups
- Accessible offices – consider sharing/surgeries in rural locations
- Private interview facilities
- Use the website for forms and information

## **Links with Benefits**

- Ensure phone hours are the same and make arrangements for calls to be transferred without delays to customers
- Share regular information between the sections
- Delays in benefits will mean delays in Council Tax collection
- Actively promote benefit take-up – and measure its success
- Cross-training staff so that each are aware of the importance and dependencies
- Link Council Tax bills with benefit letters in same envelope – saves confusion and unnecessary phone calls

## **Other methods of payment**

- On line – more councils are using this now
- Debit and credit cards by phone – some councils do not take credit cards due to link with debt – others think this is safer for people than going to a ‘loan shark’
- Post offices:
  - good link to maintaining rural presence in the community
  - needs careful consideration of who should pay the extra charge – the council or the taxpayer

## **Others**

- Talk to other councils, find out what works for them and use it
- Ensure that old debt is still targeted – good or poor rates of collection impact on the amount of tax people actually have to pay
- Act on refunds quickly too – this will help someone pay another debt, maybe Council Tax in another area
- Active promotion of business rate relief
- Actively promote collection rates and targets to staff, and have measures to collect and use staff suggestions for improvement

## Annex G – Greater Manchester Benchmark

G1. The benchmark used by the Greater Manchester Revenues and Benefits Forum in 2002-03 is included below. This is likely to be updated at the GMRBF review meeting in early 2004.

### Greater Manchester Revenues and Benefits Forum – Council Tax Good practice Scoring 2002-03

<b>1.0</b>	<b>Compilation /Maintenance of the Valuation List.</b>	<b>Weight</b>
1.1	The Authority will inform the Valuation Office of any relevant changes within 10 working days.	2
1.2	Information regarding changes is sent to the Valuation Office electronically	2
1.3	All schedules are processed by the Billing Authority within 10 working days of receipt.	2
1.4	Schedules are processed automatically	2
1.5	Completion notices are issued for new properties as building work is nearing completion within 10 working days of inspection	2
1.6	The response times of the Listing Officer to notifications should be monitored at 3 monthly intervals and where no response is received within 13 weeks the Listing Officer is pursued to ensure urgent action	1
1.7	The Billing Authority undertakes a monthly banding balance to identify any discrepancies between Billing and Valuation office records.	3
1.8	The Council Tax property database is annually matched with Business Rates records maintained by the Authority, and discrepancies investigated.	1
1.9	The Authority provides the taxpayer with a temporary account for the property pending assessment by the Listing Officer	2
<b>2.0</b>	<b>Billing</b>	
2.1	On annual billing the default instalment date is the first of the month from April	3
2.2	For demand notices issued during the year, instalments are made due 14 days after the issue of the bill.	2
2.3	No bills are issued in the name of 'The Council Tax Payer'	1
2.4	Bulk issues of bills are passed to the Royal Mail in walksort order.	3
2.5	The Authority issues amended bills daily	2
2.6	An individual taxpayers total Council Tax indebtedness to the Authority is also advised with the annual bill (i.e. the statement will advise upon previous years and current years debit).	2
2.7	Where appropriate the authority generates a refund cheque within 10 working days of the request	2
2.8	Refunds are paid by direct credit into bank accounts where bank details are known	2
<b>3.0</b>	<b>Payment Methods</b>	

3.1	DD forms and pre-paid envelopes are issued with all new and amended bills, if not already paying by this method.	2
3.2	DD forms/information are issued with any other demand for payment (reminder/final/notice/summons).	2
3.3	The Authority offers at least 3 direct debit instalment dates.	3
3.4	New DDs are processed automatically through AUDDIS	2
3.5	DDs are amended / cancelled automatically through the use of ADDACS	2
3.6	The Authority uses paperless DDs through AUDDIS	2
3.7	Customers can pay by debit card over the counter	2
3.8	Customers can pay by credit card over the counter	2
3.9	Customers can pay by debit card over the telephone	2
3.10	Customers can pay by credit card over the telephone	2
3.11	The Authority provides an automated 24 hour/7day telephone hotline for debit card payments	2
3.12	The Authority provides an automated 24 hour/7day telephone hotline for credit card payments	2
3.13	Customers can pay by debit card over the internet	2
3.14	Customers can pay by credit card over the internet	2
3.15	Customers can pay at the post office using a swipe card or bar code	2
3.16	Customers can pay by PayPoint using a swipe card or bar code	2
3.17	Customers can pay using Automated Payment Machines	2
3.18	The Authority provides local payment offices in outlying areas	2
<b>4.0</b>	<b>Maintenance of Accounts</b>	
4.1	Amendments are made to a taxpayers account and response letters sent within 10 working days of notification of the amendment.	2
4.2	Council Tax amendments are actioned in accordance with the list supplied by the Registrar of deaths within 5 working days.	2
4.3	Links have been established with other departments within the Authority: Housing Department - weekly tenancy list , Environmental Services/Tech Services - demolition lists, new properties , planning applications	2
4.4	The Authority issues letters of condolence following death.	3
<b>5.0</b>	<b>Reductions, Reliefs, Exemptions</b>	
5.1	The Billing Authority proactively (i.e. at a level above the statutory minimum) publicises the availability of relief, discounts, benefits, and exemptions over and above including information with bills and notices.	2
5.2	Chargeable accounts for the 50% empty charge are issued within 10 working days of the expiry of the 6 month exemption period, (except where entitlement to an exemption other than the statutory 6 month statutory period has already been established).	2
5.3	An inspection takes place for all disablement relief applications before a decision is made.	2



5.4	Entitlement to single person discount is reviewed annually.	2
5.5	Entitlement to discounts (other than SPD) are reviewed annually.	2
5.6	Entitlement to exemptions are reviewed annually.	2
5.7	When the actual or provisional dates for expiry of exemptions and discounts occurs a bill is issued within 10 working date of the expiry date.	2
<b>6.0</b>	<b>Benefit System Links</b>	
6.1	CTB awarded are posted on-line to the CT system.	2
6.2	An automatic "mismatch" facility exists to match information on the CT and HB systems (e.g. SPD with any non dependants) and "mismatches" are resolved within 5 working days.	2
6.3	Procedures are laid down for the staff to follow if fraud is suspected (procedures will specify to whom reported and provide examples).	2
6.4	Information held on the HB system is utilised to assist in the maintenance of CT records.	2
6.5	At main billing CT bills and HB notifications are posted in the same envelope.	3
6.6	During the year CTB notifications and amended CT bills are posted in the same envelope.	3
<b>7.0</b>	<b>Anti-poverty</b>	
7.1	The Revenues division incorporates the corporate anti-poverty/social inclusion policy into service delivery.	2
7.2	The Revenues division has a written code of practice for debt recovery.	2
7.3	The Authority has a corporate debt recovery policy.	2
7.4	Revenues staff are trained on anti-poverty/social inclusion awareness issues.	2
7.5	Revenues staff are trained on benefit awareness issues for people on low incomes or having difficulty paying.	2
7.6	Revenues staff liaise with and utilise the services of the Welfare Rights /Debt Counselling/Money Advice units ,where appropriate.	2
<b>8.0</b>	<b>Pre Liability Order Recovery</b>	
8.1	Reminder notices are issued within 15 working days of the instalment becoming overdue.	2
8.2	A summons is issued within 15 working days of the first reminder if the account has not been brought up to date.	3
8.3	Information regarding the availability of discounts, exemptions and benefit are issued with <b>all</b> demands for payment.	2
8.4	The Authority has a written policy for the withdrawal of summons costs.	2
8.5	A remote computer link has been established for the use of staff attending Magistrates Court.	3
8.6	If the Court is not located close to the enquiry office, staff attending Court take with them a supply of Benefit / SPD forms etc. and are sufficiently trained to be able to help taxpayers to complete the forms,	N/A

	and assess potential entitlement to benefi	
8.7	The Authority has written guidelines and criteria for the making of special arrangements.	2
8.8	Employer details are recorded when making arrangements to pay after a summons has been issued.	2
8.9	The Authority has a written policy on the tracing of absconded debtors, which incorporates guidance upon information sources and when accounts should be ended.	2
8.10	The Authority has a written breakdown of summons and liability order costs available to staff at the liability order hearing.	1
<b>9.0</b>	<b>Post Liability Order Recovery</b>	
9.1	An information request, which also advises the taxpayer about the possibility of bailiff action is issued within 3 working days of the Court hearing.	2
9.2	The Authority prosecutes if the request for information notice is not returned.	2
9.3	Information on attachments (both benefits and earnings) is retained for use in future years (subject to the constraints of the Data Protection Act's requirements).	2
9.4	Two attachments to earnings orders (within the maximum prescribed by Regulations ) should be set up if more than one liability order is outstanding.	2
9.5	Employers who fail to set up attachments are prosecuted (after reminders).	2
9.6	The database is marked to show potentially violent cases and this information is made available before recovery visits are scheduled.	2
<b>10.0</b>	<b>Bailiff and External Agency Recovery (unless stated refers to both internal and external bailiffs)</b>	
10.1	External Bailiffs operate on a fee basis only (i.e. no commission).	2
10.2	The initial bailiff visit is within 10 working days of the receipt of a case.	2
10.3	A contract exists which specifies the standard of service to be provided and specifically deals with the matters detailed below.	3
10.4	A formal written procedure / contract exists which specifies the standard of service to be provided and specifically deals with the matters detailed below.	3
10.5	There are specific guidelines covering the uplift (vanning) of goods	2
10.6	Where no contact his been made within office hours at least one visit takes place outside of normal hours before a case is returned for committal.	2
10.7	Cases are only returned by bailiffs after at least 3 unsuccessful visits have been made.	2
10.8	Monthly monitoring of the costs and benefits of the bailiff operation is undertaken.	1
10.9	In cases where the bailiff has not made an arrangement the maximum time the case can be retained by the bailiff is 90 days.	2
10.10	Contracts with external bailiffs and debt collection agencies provide for	2

	the security of money collected in the form or bond or client accounts.	
10.11	External bailiffs pay money collected to the authority on a weekly basis.	2
10.12	The Authority has a policy for the use of an external collection agency in the collection process, and this specifies which cases are appropriate for this type of action.	2
10.13	Copies of current bailiffs certificates are kept by the authority for internal bailiffs	0
10.14	Authorities obtain copies of external bailiff's annual accounts, insurance certificates and monthly bank statements of client accounts.	2
10.15	Authorities set up a joint signatory account for external bailiffs to pay in all collections, which then needs an authority signature to withdraw the portion which is their fees.	2
10.16	Authorities have access to external bailiff's systems via a modem link in order to make enquiries.	3
10.17	Cases are transferred to external bailiffs electronically	3
10.18	Schedules of changes to cases are transferred daily electronically	3
10.19	Cases are returned from the bailiffs electronically	3
<b>11.0</b>	<b>Committals</b>	
11.1	Costs up to the statutory maximum, at the time of issue of the committal summons, are charged in respect of the authority's admin costs (N.B. currently up to a max of £55).	2
11.2	The Authority applies for charging orders where appropriate.	2
11.3	The Authority petitions for bankruptcy where appropriate.	2
11.4	Pre-committal warning letters are sent prior to the commencement of proceedings, which will give the taxpayer the opportunity to make payments by other methods.	2
11.5	If no contact has been made committal summonses are issued within 20 working days of the warning letter.	2
11.6	The Authority has a written policy on cases to be listed for committal and this specifies a minimum value below which it is considered uneconomic to pursue.	2
11.7	An annual timetable has been agreed with the Court which specifies the dates of committal courts, number of courts and an agreed maximum of how many cases the court can accommodate at any one hearing.	2
11.8	An agreed policy is in operation for the way in which evidence/cases are presented at court.	2
11.9	The Authority has a written policy about how committal summonses are to be served (i.e. hand delivered , recorded delivery).	2
11.10	Committal summonses are issued at least 10 working days prior to the court hearing.	2
11.11	Committal case with warrants outstanding are "flagged" on the cash receipting system to ensure that payments made are appropriately notified	2

11.12	In cases when an arrangement is made at Court or payment is made on the day (by cheque) cases are adjourned and not withdrawn.	2
11.13	Warrants of arrest (WOA) are sought for taxpayers who fail to attend.	2
11.14	The Warrant Officer will visit within 10 working days of the receipt of the Warrant.	2
11.15	The Warrant Officer will give notice prior to the hearing of Taxpayers attending court on a WOA without bail.	2
11.16	Returned WOAs are either collected, returned by hand by the Enforcement Agency or sent by Registered post	2
11.17	The Warrant Officer will pay over any monies collected on at least a weekly basis.	2
11.18	Written procedures exist between the Authority and Enforcement Agency for the service of WOAs.	2
<b>12.0</b>	<b>Write Offs</b>	
12.1	Items identified for write off under a specified value are approved for write off by an officer under delegated powers and the rest are submitted to Members for approval.	2
12.2	The billing Authority has a written policy on the write off of Council Tax accounts which specifies what action should be taken before a write off recommendation is made.	2
12.3	The process of write off provides for adequate internal checks, and segregation of duties. Adequate operation of these is reviewed by senior staff through sample checking and balancing of write off totals.	2
12.4	Annual write off of small balances are done automatically up to an agreed amount that is considered uneconomical to collect.	2
12.5	Annual write off of small credits are done automatically up to an agreed amount.	2
12.6	Over an agreed value outside tracing agencies (excluding LocTA) are used prior to debts being written off.	2
<b>13.0</b>	<b>Customer Care</b>	
13.1	Staff on main enquiry counters are generic (Tax & Benefits)	3
13.2	Telephone lines are direct (i.e. not through a switchboard).	3
13.3	Staff dealing with telephone queries are generic (Tax & Benefits).	3
13.4	The Authority has a published copy of Customer Care, in which staff have been trained and all have a personal copy.	3
13.5	The Customer Care policy is prominently displayed at all enquiry points.	3
13.6	The Customer Care policy is advertised on leaflets that go out with demand notices.	3
13.7	The Customer Care policy contains specific targets for Council Tax.	2
13.8	The Authority proactively encourages and seeks comment and opinion from Council Taxpayers through the use of annual customer surveys.	3
13.9	The Authority has implemented a customer forum to obtain the views of Council Tax payers.	3
13.10	95% of CT telephone calls are answered within 15 seconds	3

13.11	There is a system that monitors engaged telephone calls.	3
13.12	At least 80% of personal callers are seen within 15 minutes (i.e. waiting time within 15 mins).	3
13.13	The Customer Care policy contains details of the Authority's complaint procedure, and gives instructions on how to complain.	3
13.14	The billing Authority regularly monitors performance to ensure that targets are being met. Monitoring/ results should be reported to Senior Managers and Members at least quarterly.	3
13.15	Staff dealing with personal callers wear an identification badge (though this may not necessarily give full names and could use pseudonyms)	2
13.16	The Authority provides enquiry facilities (either by telephone and /or personal visits) beyond the hours of 9 - 5 Mondays to Fridays.	3
13.17	Where there is a high ethnic population the Tax & Benefits section provides its own interpreter service.	3
13.18	The Authority operates satellite centres where the public are able to have access to trained staff.	2
13.19	Main CT bills and leaflets are accredited with the Crystal Mark.	3
<b>14.0</b>	<b>Inspections</b>	
14.1	A minimum of 2 inspections cycles per year are carried out	2
14.2	All properties, not monitored under building control regulations, are physically inspected where planning permission for structural alteration has been granted.	2
14.3	Properties for which an application for a Class A exemption is received are physically inspected within 10 working days.	2
14.4	Where no further details are received Class C properties are inspected within one month of being informed about the vacation.	2
14.5	Inspectors are trained to give advice regarding all aspects of discounts and benefits, and should endeavor to maximise benefit and discount take up whenever possible.	2
14.6	Inspectors are issued with appropriate protective clothing and equipment (i.e. compliance with minimum health and safety requirements).	2
14.7	Inspection visit schedules are produced in walksort order by the system to minimise preparation, travel time and mileage.	2
14.8	Where an internal inspection of a property is required an appointment is made beforehand with the customer	2
14.9	Inspection staff are backed by clerical support staff to ensure that they maximise their time spent on inspections.	2
14.10	The Authority operates formal performance review systems to monitor both the number and quality of visits made.	2
14.11	Inspectors are rotated as part of the internal checking process.	2
14.12	Inspectors carry official identification at all times in order that customers can identify the person with whom they are dealing.	2
14.13	When inspecting a district inspections for CT and NDR are merged together.	3
14.14	Inspectors carry out spot checks on cases with SPD.	3

14.15	Inspectors supply details of visits to be undertaken each day	2
14.16	Inspectors are in regular contact with office staff during the day.	2
14.17	Inspectors attend the office no more than once per day.	1
<b>15.0</b>	<b>Staff &amp; Training</b>	
15.1	Monthly targets exist for quantity of work processed by individuals and teams	2
15.2	At least monthly performance monitoring exists for quantity of work processed, for individual staff and teams.	2
15.3	All staff are required to complete a declaration that they will not amend details on their own or any colleagues account or any other account in which they have an interest.	2
15.4	All staff accounts are periodically checked.	1
15.5	Any arrangements to pay staff accounts have been approved by their line manager.	1
15.6	Team Briefings/meetings should take place at least monthly.	2
15.7	All staff are subjected to Investor in People (or similar) accreditation.	3
15.8	Staff are subject to annual performance/development appraisals.	2
15.9	Appraisals are reviewed periodically during the year to take stock on how things are progressing.	2
15.10	An training plan is in place for the section and reviewed annually.	2
15.11	Staff are trained on a rolling basis and constantly kept up to date on any legislation or system changes.	2
15.12	Facilities are available for staff to study for a recognised qualification that is appropriate to their grade (e.g. IRRV).	1
15.13	The section has a career/training grade linked to IRRV qualifications and ability	1
15.14	The section has dedicated training offices or officers who are available to train new and existing members of staff.	2
15.15	The section has dedicated training facilities (e.g. a training room with PCs)	2
15.16	Training that is carried out is evaluated and reviewed.	2
15.17	Training officers have attended training for trainers courses.	2
15.18	Information packs and induction training is provided for new starters	2
15.19	Staff have access to an on-line procedural manual.	2
<b>16.0</b>	<b>Quality</b>	
16.1	On an ongoing basis quality checks are carried out on a minimum of 10% of work processed.	2
16.2	A sample of outgoing non-standard correspondence (letters) of 10% should be checked by a suitably experienced officer other than the originator.	2
16.3	5% of Bailiff visits should be checked ongoing by a suitably experienced officer & the results evaluated by that officer.	2
16.4	A sample of incoming telephone calls should be recorded and checked by suitably experienced officers & used for training purposes.	2

16.5	The section has been awarded Chartermark	3
16.6	The revenues division should have independent quality officers.	2
16.7	The section has a process to regularly review and improve all documentation and processes.	2
<b>17.0</b>	<b>Systems</b>	
17.1	There is an SLA/contract with the service provider.	2
17.2	The SLA/contract specifies that the system is available for at least 99% of the time between 8am and 6pm every working day.	2
17.3	Minimum & maximum response times for the operation are set out.	2
17.4	Availability and response times are monitored by the user and reported monthly.	2
17.5	Immediate helpdesk support is available from the system supplier 100% of the time between 8am and 6pm every working day.	2
17.6	A full test environment is available which is sufficient to allow testing to take place on a copy of the live system.	2
17.7	The SLA/contract allows for prompt development to the system to cater for any legislative changes.	2
17.8	There is a correspondence generator facility, which allows the user to set up standard letters and to produce them with personalised taxpayer's information (can be either core system or DIP).	2
	<b>Interfaces exist with the following systems</b>	
17.9	Cash daily	2
17.10	Benefits daily	2
17.11	Council rents system weekly	3
17.12	Financial Controls daily	2
17.13	Creditors weekly	3
17.14	The system allows users to customise the operation by means of parameter tables.	2
17.15	Selected reports can be viewed on line prior to being printed.	2
17.16	The system is secure from access by unauthorised users.	2
17.17	There is a formal written policy on the administration of system security, which specifies which officer can authorise the level of access for a specific user.	2
17.18	The access of an individual user can be restricted so that it is not possible for that user to update their own personal records.	2
17.19	An audit trail of the transaction entered by the user is maintained and can be produced on request.	2
17.20	The authority has a Document Management/Image system which is used to record incoming correspondence and is available to Council Tax staff.	2
17.21	The Document Management /Image system provides a facility to direct and re-direct incoming work.	2
17.22	The Document Management/Image system provides management information on performance and productivity.	2

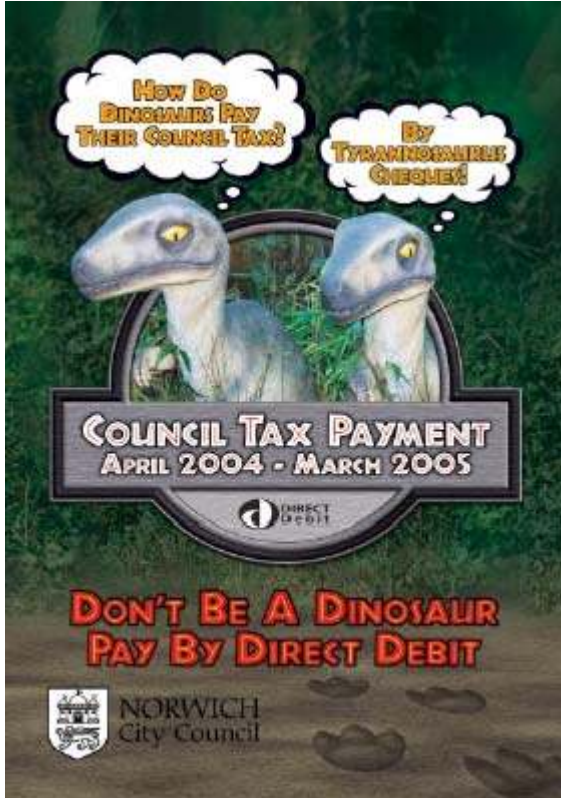
<b>18.00</b>	<b>e-Government</b>	
19.1	Inspectors have access to information “on the road” through a remote computer link.	3
19.2	Inspectors are given information in an electronic format and information returned by them is also in electronic format and is uploaded to the Council Tax system.	3
19.3	Communications with external agencies are carried out electronically	3
19.4	An internet site is provided that contains general information about CT.	3
19.5	Relevant internal information is held on an intranet.	3
19.6	On-line forms for changes of circumstances are available on the internet.	3
19.7	Generic email addresses are available for customer enquiries.	3
19.8	Balance enquiries are available over the internet.	3
19.9	Home working facilities are available for processing staff.	3
<b>19.0</b>	<b>Data Protection</b>	
20.1	The Authority has set a (annually reviewed) fee for the provision of personal information requested by a taxpayer under the provisions of the Act.	2
20.2	All Revenues staff have received training on Data Protection.	2
20.3	Revenues staff have been given guidance notes on Data Protection.	2



# Annex H – Direct Debit form

H1 Direct debit form sent to residents in Norwich

Page 1 of 3:



Page 2 of 3:

## DISCOVER DIRECT DEBIT

In this day and age, paying your Council Tax by cash or **Tyrannosaurus cheque** is not only old fashioned, it wastes your time and money. Direct Debit is a convenient way to pay so you can get on with things that matter to you. You don't waste time in payment queues or waste cheques or stamps. Forget about those **beastly** reminders and surcharges as well.

With Direct Debit, your Council Tax bill is payable over 10 monthly instalments as normal but the amount is deducted automatically from your bank account on an agreed date.

You'll even discover a **lost world** of other great offers with direct debit.

- If you choose to pay your Council Tax by Direct Debit, we are offering a choice of 4 different payment dates.
- With Direct Debit, you can pay your annual Council Tax over 10 equal instalments monthly instalments. You can select a date in the month to pay to suit your budget. Choose from one of the 4 dates shown below.

**1**  
th of month

**8**  
th of month

**15**  
th of month

**28**  
th of month

## MAKE NO BONES ABOUT IT

- If you prefer, you can pay your annual bill in full by Direct Debit in April, or you can pay half yearly in April and October. For details of these payment options, please telephone our advice team on **01603 212 886**.
- Stop walking with Dinosaurs. In 2004, 23,000 Norwich households are choosing to pay their Council Tax by Direct Debit.
- No one can get their **claws** on your money without your permission. You are fully protected by the **Direct Debit Guarantee** so you stay in control. The Guarantee includes your right to cancel at any time and as immediate relief if your bank or the council make a mistake.

## SIGN UP FOR DIRECT DEBIT

Just roar into action! Simply complete the mandate overleaf or telephone our advice team on **01603 212 886** and complete the necessary details by phone. Please follow the entry stone on the mandate.

Once we have received your completed mandate, we will make the arrangements with your bank and send you a Council Tax bill showing the instalment plan. The first instalment due under the plan is usually around 14 days (or later) after we send you the bill.

This leaflet has been produced as a result of joint working between the District Councils of Arundel, Bassetlaw, Brecknock, Kettering and the City Councils of Lincoln, Leicester and Nottingham. By joining our initiative, you can help us to save money.

## THE DIRECT DEBIT GUARANTEE

**The Guarantee:** If you have a problem with your bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.

**If no money is paid on the payment date:** please contact Norwich City Council. If you are not satisfied, you can contact your bank or Building Society. Please also send a copy of your letter to us.

**If a problem is made by Norwich City Council or your bank or Building Society:** you are guaranteed a full and immediate refund from your branch of the amount paid.

**You can cancel your Direct Debit instruction at any time simply by writing to your bank or Building Society.** Please also send a copy of your letter to us.

### Instruction to your Bank or Building Society to pay Direct Debits

Please fill in this instruction, sign, and return it to:  
**Norwich City Council, City Hall,  
Norwich, NR1 1WJ.**

**Name and full postal address of your bank or Building Society branch**

To the Manager	Bank or Building Society
Address	
Postcode	
Name of account holder	Branch Sort Code

**Originator's identification Number**

**Bank or Building Society account number**

**Direct Debit reference number**

**Instructions to your Bank or Building Society as to payment of:**

Please pay Norwich City Council Direct Debit to the account details below. This instruction is subject to the usual conditions of the Direct Debit Guarantee. If you are not satisfied, you can contact your bank or Building Society. Please also send a copy of your letter to us.

**City authority**

**Date**

**(Banks and Building Societies may not accept Direct Debit instructions for some types of account.)**

There are four payment dates. Tick the box for your preferred payment date.

<input type="checkbox"/> 1st	<input type="checkbox"/> 8th	<input type="checkbox"/> 15th	<input type="checkbox"/> 28th
1st of month	8th of month	15th of month	28th of month

The number on your address and financial details correspond to our systems provided by Building Society.