

## **Council tax - beware the bailiffs**

**Every spring most householders receive a council tax demand. The amount to be paid depends on the value of the property, not the income of the householders, and many people struggle to pay. The consequences of getting behind with the payments can be very unpleasant.**

It is possible that you are being assessed for too much council tax. Full time students can be exempt. If you are the only adult in the household, you are entitled to a 25% discount. You may be counted as the only adult even if you are not, as some other adults can be disregarded, for example, someone with a severe mental impairment. And if someone in the household has a disability, you may also be entitled to a reduction where your house has a special feature that is important to the well being of the disabled person, for example, a room set aside for treatment or another specific activity.

If you have a low income you may be entitled to council tax benefit to cover all or part of your council tax liability. People living on means tested benefits, such as income support or pension credit, will usually have all their council tax covered. But many other people on low pay or with a modest pension income will also qualify for some help. If you are in this position it is worth checking with your local council to see if you qualify.

## **Keeping up the payments**

For people who have to pay council tax, the council normally expects you to pay the annual assessment in 10 monthly payments, starting in April each year. However the consequences of missing payments can be severe and it is very important to contact the council immediately if you are having problems keeping up the payments, or to contact an advice agency such as the local Citizens Advice Bureau.

If you miss two monthly payments, the council withdraws the right to pay by instalments and demands the full year's payment immediately. In practice, the council may be willing to agree to resume monthly payments, as long as you will clear your liability within the financial year. But they are not obliged to do so, and may refuse to resume monthly payment, if you have had problems keeping up payments in the past.

If you do not reach agreement at this stage, the council will warn you that it is going to the magistrate's court to get a 'liability order' against you. The cost of the summons and the order - about £90 – will be added to your arrears. If you miss your two months' instalments, the court date will be at the end of the following month and if you cannot pay, enforcement action will start in the middle of the month after that.

When the council has got the liability order, it will give you a last chance to pay in full. If you are unable or unwilling to do so, it will begin enforcement action for the debt. The council has a number of options at this stage. If you are working it can seek an attachment of earnings order or if you are receiving means tested benefits they can be reduced. If you own your home it can seek a charge on your property.

## **Bailiff action**

In practice, the council is likely to instruct bailiffs to recover the money owing. The bailiffs are allowed to charge you fees for writing to you and visiting your home to demand payment. They can often be very aggressive in their approach. They are not allowed to break into your premises (though they may tell you that they are) and it is not advisable to allow them to enter. If you do let them in, they will take an inventory of your goods, which they can subsequently seize and sell, breaking in to get them, if necessary. They may clamp or seize your car if it is on the drive or in the street near your home.

They are not allowed to seize essential household items or work tools, but may take cars, computers, televisions and other electronic goods if you do not agree a payment plan with them.

Their fees will add considerably to the amount that you owe. Most councils refuse to negotiate themselves once they have passed the matter to bailiffs, though they should take the matter back from the bailiffs if you are vulnerable, for example, through age or ill health.

If the bailiffs conclude that they cannot get any worthwhile payment from you, they will return your case to the council. The council can then go back to the magistrate's court to seek your imprisonment for non-payment of council tax. This may not be as bad as it sounds, as you can only be imprisoned for wilful refusal or culpable, that is guilty of, neglect to pay. Initially, the court will require you to give full details of your financial circumstances, and will make an order for payment. Unless you have the means to pay in full immediately, you will be ordered to make regular payments of an amount the court considers that you can afford, given your circumstances. But by this stage your original council tax debt will have grown considerably because of all the extra fees.

## **Best advice**

In short, if you are on a low income, check with the council to see if you qualify for any reduction in your council tax bill. If you do have to pay some council tax, make sure that you don't fall behind on your monthly payments, and if you are having difficulty, discuss the matter with the council as soon as you realise that you have a problem. Action at this point should save you stress and extra costs later. Be assured, the problem will not just go away!

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