

## Debt Problems?

**Don't suffer in silence. Sort them out – the sooner you do the better you will feel!**

If you have debts with the Council let us help you sort them out. You may find you are entitled to benefits. Barrow Borough Council believes in fair debt and wants to help relieve the burden.

Here are some useful numbers you can call to help you sort out your Council debts:

	<b>Telephone No.</b>	<b>Email Address</b>
Council Tax	01229 404242	counciltax@barrowbc.gov.uk
Business Rates	01229 404242	nndr@barrowbc.gov.uk
Overpaid Housing Benefits	01229 404242	benefits@barrowbc.gov.uk

Don't forget you can also get advice from independent agencies by contacting the following for advice:

Citizens Advice Bureau                      Freephone 0808 2787 817  
Ramsden Hall  
Abbey Road  
Barrow-in-Furness  
Cumbria  
LA14 5QW

National Debt Helpline Freephone              0808 808 4000

Barrow & District Disability Association      01229 432599  
71-77 School S  
Barrow-in-Furness  
Cumbria  
LA14 1EJ

Age UK    01229 831425  
Lakeland House  
Abbey Road  
Abbey Rd  
Barrow-in-Furness  
Cumbria LA14 1XL

## Council Tax Debt Advice - Attachments to Income

**On this page:** Information about Attachment to Income as a result of a liability order.

If a Court Order (liability order) has been issued against you by the Magistrates' Court in respect of unpaid Council Tax and you are employed, Barrow Borough Council can attach your earnings. This means we will ask your employer to make regular deductions from your salary and pay them directly to us.

The amount we can deduct from your salary will depend on how much you earn per week/month.

Your employer will continue to make deductions until you have paid the outstanding Council Tax.

By law your employer must comply with the attachment of earnings order and may be prosecuted and subject to a substantial fine if they fail to make deductions.

If you are in receipt of Income Support, Job Seekers Allowance, Employment Support Allowance or Pension Credit, we can apply to the Department of Works and Pensions for regular deductions to be made from your benefit.

### *Further Information*

You should the Revenues and Benefit department if you have any questions about Attachment of Earnings or Deductions from Benefit.

## Council Tax Debt Advice – Enforcement Agents and Your Rights

**On this page:** Rules and regulations when we employ Enforcement Agents to obtain payment for outstanding Council Tax.

### *Why Enforcement Agents are involved in Collecting Council Tax*

If you have not made a suitable payment arrangement, provided employment details (for an attachment of earnings) or confirmed entitlement to state benefits (for an attachment to Income Support or Jobseekers Allowance) then the council has the power, under a liability order, to use Enforcement Agents to collect any amount of Council Tax due.

This will add more to the costs you have to pay.

### *What the Enforcement Agents Do*

The Enforcement Agents recover the debt you owe by removing and selling your goods. They can remove goods up to the value of the money you owe, plus their own costs. The goods will then be sold at public auction. Removal or sale of your goods may be

avoided by either making payment in full or agreeing payment via a short-term arrangement with the Enforcement Agents. If you ask, the Enforcement Agents must provide you with a receipt for any monies paid to them or to the Enforcement Agents office.

### *Forcing Entry*

Enforcement Agents are not allowed to break open a door but may enter your property if a door is open, or if it is closed and can be opened without using force.

### *What Goods the Enforcement Agent Can Take*

The Enforcement Agent is allowed to remove any of your goods, other than those required to meet your family's and your own basic domestic needs i.e. clothing and bedding, or those goods such as tools, required personally by you in your employment.

### *How to Stop the Enforcement Agents Taking Goods*

You can keep your goods in your property if you have done one of the following:

- Signed a Taking Control of Goods agreement that impounds the goods so the Enforcement Agent can leave and return at a later date if you do not pay the debt.
- Before making an arrangement to pay the outstanding debt, the Enforcement Agent will normally impound your goods and ask you to sign a Taking Control of Goods Agreement to hand over the goods if you do not pay. If the Enforcement Agent does return to remove the goods, you do not have to be present.

The Enforcement Agent will come to your home with a removal van and remove furniture and belongings (including vehicles) to the value of the outstanding debt plus charges. These will then be put in secure storage prior to being sold at auction.

### *What Happens if the Enforcement Agent Can't Collect the Council Tax*

If the Enforcement Agent cannot collect the Council Tax and there are not enough goods to remove, we will either commence bankruptcy, liquidation, charging order or committal to prison proceedings.

### *How to Complain*

If you don't think that Enforcement Agents have followed the above process please contact the Revenues department by telephoning 01229 404242, or by emailing [counciltax@barrowbc.gov.uk](mailto:counciltax@barrowbc.gov.uk)

## Council Tax Debt Advice - Bankruptcy and Liquidation

**On this page:** Information about bankruptcy and liquidation linked to non-payment of Council Tax.

### *General Information*

If you, or your company, owe a certain amount of Council Tax or business rates, and you have been summonsed, we may start bankruptcy or liquidation proceedings against you.

First, we will send you a statutory demand which will give you 21 days to pay us the full amount.

If you, or your company, receive a statutory demand, you should contact us immediately.

If you do not settle the statutory demand, we will present a petition for bankruptcy or liquidation in the high court.

### *Bankruptcy Order*

If we issue a bankruptcy order against you, this will mean:

- The official receiver will investigate your affairs
- Your bank accounts will be frozen
- You will lose your credit rating and be blacklisted from getting any more credit, and
- You could be forced to sell your home to pay your debts.

If you are made bankrupt, the official receiver will control your spending.

### *Liquidation Order*

If a liquidation order is granted against your company, this will mean:

- You may not be allowed to be a company director
- Your company will be wound up by the official receiver

Do not ignore the statutory demand.

## Council Tax Debt Advice - Committal Proceedings

**On this page:** Information about committal summons in relation to non-payment of Council Tax.

If we're unable to collect an amount of outstanding Council Tax, for which a Court Order (liability order) has been issued by the Magistrates' Court using other recovery methods, including the use of Bailiffs, then Council may apply to the Magistrates' Court for the issue of a Warrant of Commitment.

The Magistrates' Court will issue a Committal Summons requiring you to appear before the court, in order to enable an enquiry to be made regarding your means and whether your failure to pay is due to either your willful refusal or culpable neglect.

### *Committal Summons Advice*

If you receive a Committal Summons you should:

- Contact us immediately
- Seek legal advice (from either a solicitor or a local advice agency) before your hearing

You may be entitled to Legal Aid - for more details please consult:

- A solicitor
- The [Barrow Citizens Advice Bureau](#)
- The [Legal Services Commission](#)
- The [Law Society Website](#)

### *The Court Hearing*

The court will want to know about your current income and expenses.

You will need to provide evidence, including copies of wage slips and bills to confirm the details you provide.

You will also need to tell the court about your income, expenses and employment for each period for which you have been summonsed.

The court will decide if your failure to pay the Council Tax is due to either your willful refusal or culpable neglect.

If the court does decide this, it can make these orders against you:

- Send you to prison for a period of not more than three months
- Send you to prison for a period of not more than three months but postpone this on condition that you make a payment or regular payments
- Refuse to send you to prison
- Write off all or part of the arrears

If you have not paid the total sum due to the Council before the date of the hearing and you fail to appear before the court, a warrant may be issued for your arrest.

### *Avoiding Going To Court*

If you agree to pay the outstanding Council Tax for which you have been summonsed, plus any additional Council Tax arrears not included in the proceedings, we might agree to adjourn your case to monitor your payments, or withdraw the summons.

Acceptable actions to bring this about include:

- Payment in full including costs
- Monthly payments via Direct Debit
- Declaration of your employment details, to enable us to collect your Council Tax by an Attachment of Earnings.

### *Important Advice*

These are very serious matters. Do **not** ignore a Committal Summons. If you are served with one, or you require further information, then please contact the Council.

Remember it might be possible to sort out payment of your Council Tax arrears without you having to attend the Magistrates' Court.