



## Response to Request for Information

Reference      FOI 071595  
Date            20 July 2015

### ***Council Tax***

**Request:**

How much council tax is currently outstanding and how is it being chased down?  
The following table shows the amounts of council tax outstanding in respect of previous years. The figures exclude the current year charge which is due to be paid by 31 March 2016.

Year	Total amount outstanding	Percentage of total charge outstanding
2014/15	£3,682,184	4.14%
2013/14	£1,807,310	2.16%
2012/13	£963,033	1.23%
2011/12	£783,426	1.01%
2010/11	£632,257	0.82%
1993 -2009	£1,647,572	0.18%

The same recovery process applies to anyone who falls behind with their council tax payments:-

1. A bill is sent to the liable person detailing the charge due. The statutory instalment scheme allows the charge to be paid by monthly instalments , therefore the bill will detail the instalment date and amount payable.
2. If the full amount of the instalment is not paid by the due date a 1<sup>st</sup> Reminder Notice will be issued. This notice allows 7 days for the instalment to be brought up to date. If this is not paid the full amount for the year becomes due after a further 7 days, and a summons can then be issued if payment is not made.

3. If the amount on the reminder notice is paid and the remainder of the instalments are paid on time no further action will be taken.
4. If the amount is paid but a further instalment is not paid/not paid in full, a 2<sup>nd</sup> Reminder Notice will be issued. This will give 7 days to bring the account up to date. If this is not paid, the full amount for the year becomes payable after a further 7 days. A summons will be issued if the balance is not paid.
5. If an instalment is late for a third time a final notice will be issued requesting the full amount for the year is paid within 7 days. If this remains unpaid a summons will be issued.
6. At least 14 days' notice must be given from the date the summons is issued and the Hearing Date. Once a summons is issued court costs are due and payable.
7. Following the court hearing, a letter is sent to the customer advising that a Liability Order has been granted by the Magistrates Court and warns of action that can be taken to recover the outstanding balance. A form is also sent requesting details of the customer's financial circumstances.
8. Where possible the debt is recovered by deduction from the customer's wages or benefit payments.
9. If the debt cannot be recovered from wages or benefits, the financial circumstances form is not returned and/or no contact is received from the customer regarding payment the matter will be referred to the council's enforcement agents for collection, which incurs further fees.

We pursue all non-payers using the legal powers granted to the council including the use of enforcement agents, deductions from earnings and benefits and so on. We anticipate eventual collection rates for any year to reach 99% and only give up on debts that we believe are truly uncollectible, such as absconders that we cannot trace and cases where the person has died leaving no estate.

A comparison of recently published national data shows that the level of old council tax debt in Wolverhampton is proportionately lower than comparable councils.

How much (if any) of this outstanding figure has been written off?  
So far this financial year £91,600 council tax has been written off. This is not included in the outstanding figure.