



# Use of Bailiffs

**Report of the Communities Scrutiny Panel  
October 2009 – March 2010**

## **Chair's Commentary**

All members of the panel have contributed to the in depth examination of the Council's current engagement with Bailiff services and, in particular, the experiences of those who come into contact with them. We appreciate the difficult balance between the need to collect monies owed to the Council and our responsibilities to treat individuals with dignity and respect. Our conclusions and recommendations are a genuine, cross party, attempt to achieve such a balance.

We investigated the operational procedures used by the Council and those used by appointed Bailiffs. In particular our focus related to the collection of council tax debt.

My thanks to all the panel members for their commitment and to all the witnesses, who so freely gave their time to offer a variety of valuable contributions. It has been an interesting study and one we hope will take things forward positively.

Along with all the panel members I offer my personal support for the recommendations set out on page 14-15.



**Councillor Mike Onyon**  
**Chair of the Communities Scrutiny Panel**

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## **1. Introduction**

- 1.1 Following the Overview and Scrutiny restructure approved at Council 27 August 2009, the Overview and Scrutiny Management Committee at its meeting on 4 September 2009 assigned the work plan topics to the newly-formed Review Panels. The Communities Scrutiny Panel was assigned the topic “Financial Exclusion/The Use of Bailiffs”.
- 1.2 Subsequently at the meeting of the Communities Scrutiny Panel on 30 September 2009 it was brought to members’ attention that a report “Financial Inclusion in Preston” was to be considered by the Cabinet in October 2009. The Panel agreed that as the matter of Financial Inclusion was already being addressed by the Cabinet, and to avoid duplication of work, to exclusively pursue the topic “Use of Bailiffs” for their work plan study.
- 1.3 Preston City Council employs the use of private bailiffs for non-payment of council tax debt. Over the course of this work plan study, the Communities Scrutiny Panel was to investigate and scrutinise the current operational procedures used by the Council in relation to council tax debt, specifically its use of bailiffs for this purpose, and make appropriate recommendations based on its findings.

## **2. Membership**

- 2.1 The Panel was chaired by Councillor Mike Onyon, the full membership being:-

Michael Onyon (Chair)  
Peter Pringle (Vice Chair)  
Bobby Cartwright  
Carl Crompton  
Jack Davenport  
Stuart Greenhalgh  
Trevor Hart  
Michael Lavalette  
Jennifer Mein  
Taalib Shamsuddin  
Jill Truby  
Albert Richardson

### 3. Deliberations

3.1 The Panel met on a number of occasions to gather information/evidence, interview witnesses and discuss their findings. The following paragraphs give outline summaries of the key points/information gathered and discussed at each meeting together with links to the minutes of that meeting.

3.2 **21 October 2009** –The Review Panel for their initial investigations received the following presentations:-

3.3 **“Council Tax:- Can’t Pay – Won’t Pay?” by Adrian Robinson, Assistant Director (Head of Revenues and Benefits) – Preston City Council**

Mr Robinson gave an initial overview of the Council’s Council Tax service and the processes and procedures in place to address non payment.

- He indicated that eight letters would be sent to a household where council tax remained outstanding before the matter was referred to bailiffs.
- He stressed that the emphasis was on making contact with individuals to obtain a clearer picture of their financial circumstances and to assess whether they fall into the “can’t pay” or “won’t pay” category.
- There was ongoing dialogue and liaison with various agencies to ensure that every possible assistance was offered to individuals, including maximisation of benefit take-up and arrangements to pay outstanding monies in stages.

3.4 The Panel also raised the matter of the ongoing Value for Money review of the Bailiff Service. The Assistant Director confirmed that he was currently collating data from other Lancashire authorities with a view to benchmarking Preston’s service. He indicated that there were issues relating to staff training (both council and bailiffs) when dealing with vulnerable clients. This included sharing information and working with other agencies. Members also discussed the bailiff code of conduct and how this could be better monitored in terms of customer feedback/evaluation.

3.5 **“Rossendales – Working Together with Council and Advice Agencies” by Mike Shang, Operations Director, Rossendale Bailiffs and Dave Chapman, Customer Services Director, Rossendale Bailiffs.**

Rossendales gave an overview of their company and its working practices.

- There was a strong focus on customer care involving in depth staff training and telephone call monitoring. Reference was made to a publication by the Citizens’ Advice Bureaux nationally entitled “Putting Bailiffs on the Spot”.
- They stressed that Bailiff Protocols were in place for exchanging and sharing information on clients with relevant agencies and a customer satisfaction survey form had been developed, which had been utilised by a number of agencies.
- There was a discussion on the “can’t pay, won’t pay” debate and how officers and bailiffs arrived at their conclusions, which in turn informed future actions in terms of recovery. Rossendales emphasised that removal of goods was only necessary in about 1% of their cases, and the code of conduct required them to discuss any such action in advance with council officers. All complaints against bailiffs were investigated and appropriate action taken if upheld.

(copies of the power point presentations appended to the minutes 21.10.09):

[http://preston.moderngov.co.uk/Published/C00000488/M00003568/\\$\\$Minutes.doc.pdf](http://preston.moderngov.co.uk/Published/C00000488/M00003568/$$Minutes.doc.pdf)

3.6 **18 November 2009 – The Review Panel interviewed the following witnesses:-**

**Kevin Mordue – Head of Advice Services (Preston City Council)**

Mr Mordue advised the Panel of the preventative work his team was increasingly undertaking, including a Family Intervention Scheme working with the County Council in order to deal holistically with households’ financial and other problems.

- He indicated that a substantial proportion of the Advice Service caseload involved illiteracy, substance misuse, mental health issues, or a combination of these factors. Clients tended to fall into the “can’t pay” category, rather than “won’t pay”.
- In terms of experience of bailiffs, whilst it was acknowledged that goods were rarely seized, there was a strong impression that they would be in order to put pressure on people to settle their debt to the

Council. Ironically, at a time of economic recession there was insufficient debt advice available in the area.

### 3.7 **Janette Smith and Judy Pearson – Preston and District Citizens Advice Bureau**

- Mrs Smith advised the Panel that Citizens' Advice Bureau clients often had multiple debts and often had to "prioritise" which they were able to settle. The CAB helped to ensure that individuals' benefit entitlement was maximised and in some cases negotiated directly with creditors to ensure essential utilities were maintained.
- She also said that the CAB had several examples of bailiffs misrepresenting their legal powers when "chasing" debts, including the threat of forceable entry.
- A new protocol had been developed for debt agencies (including the CAB) when working with local authorities, which it was hoped would address some of the more extreme examples of bailiffs' behaviour.

3.8 The Panel identified the need to explore alternative methods for the Council to engage with debtors (either directly or via another agency) **prior** to matters being referred to bailiffs as it was apparent from the evidence that many "repeat" debtors ignored official correspondence.

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3.9 **9 December 2009** – The Panel reviewed information received to date in relation to the Work Plan Study on Use of Bailiffs.

It reviewed information presented so far by

- Adrian Robinson, Assistant Director (Revenues and Benefits),
- Rossendale's Bailiffs,
- Citizen Advice Bureau (CAB) and
- Kevin Mordue, Head of Advice Services

at previous meetings of the Panel. The Panel considered questions they would like to put the Adrian Robinson at the next meeting of the Communities Scrutiny Panel when he would be attending to update Members on the Value for Money findings on the Use of Bailiffs.

3.10 Members of the Panel asked for the following questions to be put to Adrian Robinson prior to his attendance at the next meeting:

- (i) What are the feasibility of employing in-house bailiffs including cost implications?
- (ii) What are the financial and emotional cost of employing bailiffs?

- (iii) The potential of joint enforcement?
- (iv) What are the Complaint Procedures and how is this policed and monitored?
- (v) Do other similar sized authorities employ their own bailiffs if so how do they operate?
- (vi) What are the processes involved from start to when bailiffs are involved?
- (vii) What procedures are there for Bailiffs to follow when there are concerns about children?

3.11 Members emphasised the need to address issues debtors had prior to matters being referred to bailiffs. Issues such as multiple debts, mental health problems and literacy issues need to be identified and tackled accordingly.

3.12 At this stage in the study an Officer from Lancashire County Council had been contacted to submit details of intervention measures used to address debt.

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3.13 **18 January 2010** – The Panel interviewed Adrian Robinson, Assistant Director (Revenues and Benefits) on work undertaken as part a Value for Money review of the bailiff service.

- Mr Robinson indicated that following his earlier appearance, liaison meetings between Preston City Council, Rossendale’s Bailiffs and the Citizen’s Advice Bureau had now been established.
- Rossendales had recently established a new welfare team and appointed a client manager, both of which were aimed at improving the service to the Council and addressing, at an early stage, any problems identified with the service provided and individuals’ behaviour in particular via a “traffic light” system.
- Members noted that the effects of the recession and this work plan study had contributed to a more proactive approach from officers to improving the bailiff service and, in particular, relations between the bailiffs, CAB and the Council.

3.14 The Panel requested information on complaints against individual bailiffs for the next meeting.

3.15 The Panel also discussed with the Assistant Director the issues identified at its previous meeting, including the costs and benefits of an in house bailiff service.

- **Members noted the requirement in 2012 to impose a £40 fee for all cases referred to bailiffs, which could make an in house service more financially viable.**
- The current service was provided at nil cost to the Council. The Chair echoed Members' thoughts that the information now provided addressed, at least in part, their concerns over the differing evidence receive in earlier meetings, although it was admitted by the Assistant Director that there was scope for further improvements in service provision.

3.16 The Panel requested that the Assistant Director extend the customer satisfaction survey to all bailiff clients, subject to cost implications.

3.17 It was also agreed that a Panel meeting be arranged in February, with a view to interviewing an officer from the County Council and the Court Bailiffs as part of this study.

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3.18 **22 February 2010 –**

#### **Ms J Gunn and Ms P Oates – Family Intervention Project**

Ms Jean Gunn and Ms Pita Oates from the Family Intervention Project gave a presentation to the Panel on the work of the project, which was based at 184 New Hall Lane.

- The project provided support for families with children 0 - 17 years, targeting families with a range of problems such as facing enforcement proceedings for anti social behaviour, children at risk of permanent exclusion from school, risk of eviction from their property and child protection issues.
- A key worker would conduct an initial assessment and then work intensively with the family to resolve the problems. She emphasized however, that while support was provided it was stressed to the family that failure to reach a resolution could have very serious consequences, e.g. losing their house and children going into care.
- The project worked with a range of partners including Preston City Council (Homeless Service), Registered Social Landlords, Lancashire Drug Action Team and the Police.

- Ms Oates indicated that families referred to them often have a negative view of bailiffs due to the circumstances they encounter them i.e. taking items of their property, evicting them from their property.
- Jean Gunn indicated that sometimes they are only made aware of evictions the day before and so are unable to have any impact at that stage. She indicated that the FIP would be prepared to mediate with debtors before financial difficulties escalate and bailiffs are involved. She gave the example that if the family had gone into arrears and referred by a Registered Social Landlord, they would negotiate a repayment plan with the RSL. They would also negotiate with regard to mandatory repairs to the property where appropriate.
- They said that the response of bailiffs to the FIP in cases where they have been involved was positive – the bailiffs would rather the debt issues be tackled rather than having to chase people.

3.19 Members of the panel felt that it would preferable if bailiffs were encouraged to contact FIP before the eviction stage, so that early intervention and mediation can take place and also because the families involved might find the FIP more approachable and so be more willing to address the problem through them. It was important for statutory agencies to link together to address problems such as serious financial debt.

### 3.20 **Mr G Simmons – Court Bailiff Service**

Mr Graham Simmons gave a presentation to the Panel on the work of the Court Bailiff Service. He explained that the Court Bailiff Service dealt with civil matters rather than criminal (such as non-payment of council tax), so his core work mainly involved businesses although he did get involved with families.

- He said that his approach was to discuss the matter with people rather than threaten them, because often they were unable to pay.
- He explained that if he visited a house with a warrant the debt would usually have escalated to about £2,000 and so it was likely he would need to return. Therefore, taking private property which would not cover the debt was pointless as it would only mean the item would not be there at the next visit.
- He confirmed that the service offered a monthly payment facility.
- He explained that if it was the day of eviction, he could not prevent it but he could take the person/family to a housing officer. He said the court did make allowances due to the current economic recession and he would try and assist people wherever possible.

- He indicated that court bailiffs worked with agencies such as Preston City Council and the Citizens Advice Bureau, although it was noted that Mr Simmons did not have a direct contact at PCC.
- Mr Simmons indicated that in his experience private bailiffs would often prioritise their own costs (and therefore recover them first from the debtor) over their clients' costs.
- He also queried whether it was necessary to hire a van for the first visit to a debtor, thus incurring additional costs, as was sometimes the case with private bailiffs.
- He expressed concerns regarding certain practices of private bailiffs, including instances of refusing to take any payment other than the full amount.
- Although he could not speak for individuals, he also expressed concerns that some private bailiffs did not always act professionally or in accordance with proper procedure.
- He advised the panel that it would be worthwhile for the Council to investigate the possibility of employing their own in-house bailiffs.

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#### 4. Findings of the Panel

1.	The Panel supports the priority to address the “won’t pays” over the “can’t pays”.
2.	The Council sends no less than <b>eight</b> letters to debtors before referring cases to the bailiffs.
3.	The current bailiff service is provided at nil cost to the Council, with bailiffs generating their income by levying additional charges on debtors.
4.	The bailiffs have produced a number of protocols, policy and training documents outlining how they should operate and deal with debtors, their representatives and the Council.
5.	There were no customer evaluation surveys of the bailiff service, although this has since been undertaken.
6.	The removal of goods by bailiffs is a very rare occurrence (none in 200809), although there is anecdotal evidence that such action is used to “persuade” debtors to settle their debts to the Council.
7.	There are four different types of bailiffs, with marked differences in operation noted between certificated and court bailiffs.
8.	The Council does employ officers whose duties include visiting debtors. However, they not able to visit all debtors because of the cost.
9.	Households who owe the Council money are likely to have a number of other debts to public utilities and other organisations.
10.	Citizens’ Advice Bureau provides an invaluable service to debtors, for which the demand is increasing in the current economic recession.
11.	Citizens Advice Bureaux’ experience of bailiffs is at odds with earlier evidence given to the Panel.
12.	As the review progressed, Members were pleased to note initiatives to engender better working relations between the Council, their bailiffs and Citizens Advice Bureau. These include the appointment by Rossendales of a Client Manager and regular liaison meetings between the three parties.

13.	Provision of an in house bailiff service would be costly, but impending legislation regarding the introduction of fees may be an opportune time to re-visit this option.
14.	The work and multi agency approach of the County Council's Family Intervention Service would appear to be a cost effective initiative, adopting a "prevention is better than cure" approach to family problems including debt.
15.	The Court Bailiff service operates differently to other bailiffs, but there may be areas of practice that can be usefully adopted by the Council and its bailiffs.

## Recommendations to Cabinet

No.	Recommendation	Owner	Timescale
1.	That officers and other witnesses be thanked for their attendance and contributions to this work plan study.	-	-
2.	The revenue and benefits department of the Council carries out reviews at least six monthly to ensure that its appointed Bailiffs adhere to their stated policies and procedures; reporting outcomes to the Cabinet member with lead responsibility.	Assistant Director Revenues and Benefits	Ongoing
3.	Customer service surveys continue to be carried out at least annually to help monitor the quality of bailiff practices and report outcomes to the Cabinet Member.	Assistant Director Revenues and Benefits	Ongoing
4	That reports be submitted to the Executive Member on the liaison meetings between the Council, bailiffs and the Citizens Advice Bureau each time a meeting is held.	Assistant Director Revenues and Benefits/Assistant Director Community Engagement	Ongoing
5.	That the Assistant Director (Head of Revenues and Benefits), Rossendale Bailiffs and the Citizens Advice Bureau be invited to attend a Panel meeting in Autumn 2010 to report back on developments/actions since this study.	Member Services	6 months

6.	That Cabinet considers, at the appropriate time, the feasibility and cost implications of the introduction of an in house bailiff service fit for purpose so the Council has control to deliver a better standard of service.	Cabinet/Assistant Director Revenues and Benefits	2012 or as soon as practicable after that date
7.	That Cabinet actively pursues an amendment to the Service Level Agreement with the Citizens' Advice Bureau (and/or other local voluntary bodies) to reduce the number of debt cases referred to bailiffs and to mediate in those cases which are referred.	Assistant Director Community Engagement	September 2010
8.	That, notwithstanding 7 above, active participation in the Family Intervention Service should continue and Cabinet be recommended to investigate whether any other city council services should be seeking to participate in this scheme.	Assistant Director Head of Strategic Housing	6 months

## APPENDIX 1

### Reference Documents

*Local Taxation Bailiff Code of Conduct 2008/09,  
Revenues and Benefits – Preston City Council*

[http://pccss1:8070/Published/C00000488/M00003584/AI00014140/\\$BailiffCodeofConduct2008.docA.ps.pdf](http://pccss1:8070/Published/C00000488/M00003584/AI00014140/$BailiffCodeofConduct2008.docA.ps.pdf)

*Service Level Agreement between Rossendales and Preston City Council*

[http://pccss1:8070/Published/C00000488/M00003584/AI00014140/\\$RossendalesSLA.docA.ps.pdf](http://pccss1:8070/Published/C00000488/M00003584/AI00014140/$RossendalesSLA.docA.ps.pdf)

*Rossendales Bailiff Induction Training*

[http://pccss1:8070/Published/C00000488/M00003584/AI00014140/\\$BailiffInductionTraining.docA.ps.pdf](http://pccss1:8070/Published/C00000488/M00003584/AI00014140/$BailiffInductionTraining.docA.ps.pdf)

*Rossendales Customer Services Staff Training Procedure*

[http://pccss1:8070/Published/C00000488/M00003584/AI00014140/\\$CustomerServiceTrainingProcedure.docA.ps.pdf](http://pccss1:8070/Published/C00000488/M00003584/AI00014140/$CustomerServiceTrainingProcedure.docA.ps.pdf)

*Rossendales Equality and Diversity Training*

[http://pccss1:8070/Published/C00000488/M00003584/AI00014140/\\$EqualityDiversityTraining.docA.ps.pdf](http://pccss1:8070/Published/C00000488/M00003584/AI00014140/$EqualityDiversityTraining.docA.ps.pdf)

*Putting Bailiffs on the Spot, Citizens Advice Bureaux*

<http://pccss1:8070/Published/C00000488/M00003584/AI00014375/pdfspbotsoutcomesexfinal1.pdf>

*Social Policy Publication – Bailiffs, Citizens Advice Bureaux*

[http://pccss1:8070/Published/C00000488/M00003584/AI00014375/\\$Bailiffsmore.docA.ps.pdf](http://pccss1:8070/Published/C00000488/M00003584/AI00014375/$Bailiffsmore.docA.ps.pdf)

*Housing Advisory Service – Experience of the Role of Bailiffs*, Mr K Mordue,

Assistant Director Strategic Housing

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*Additional Documents circulated at the Panel 18 January 2010 (at which the Assistant Director (Head of Revenues and Benefits) was interviewed on work undertaken as part of a Value for Money review of the bailiff service):*

<http://pccss1:8070/ieListDocuments.aspx?CId=488&MId=3597&Ve r=4>

Power Point Presentation by the Family Intervention Project and Information about PCC Complaints (Panel meeting 22 February 2009):

<http://pccss1:8070/ieListDocuments.aspx?CId=488&MId=3841&Ve r=4>

## APPENDIX 2

### Communities Scrutiny Panel

#### Work Plan Study

#### The Use of Bailiffs and Support Services available to clients

Terms of Reference -	To investigate and review the Council's use of bailiffs and support services available to clients of both council and court bailiffs.
Witnesses -	Assistant Director - Head of Revenues and Benefits
	Rossendale Bailiffs
	Head of Advice Services (Strategic Housing)
	Citizens Advice Bureau
	Court Bailiffs
Documentary Evidence -	Value for Money documents
	Advice leaflets
	Presentations by witnesses
Timescale -	October 2009 to March 2010