

Council Tax Debt Collection: The impact of bailiff use and long term planning for an ethical debt collection strategy

Executive Summary

The following report has been written in response to Haringey Council's decision to adopt an Ethical Debt Reduction Policy. We believe this decision is important and timely, and will directly improve the lives of local residents. We thank Haringey Council for their work on this.

The report aims to capture key challenges ahead for the council and offers a different perspective on the design and implementation of the policy, whilst also looking at the history and impact of bailiff use for council tax debt over the past 10 years.

Key Points:

- 1) Citizens Advice Haringey understands the **pressure placed on local council funds since 2010** and the reliance on council tax income to deliver key council services.
- 2) **Unmanageable debt is prevalent across Haringey**, particularly in the most deprived areas of the borough.
- 3) Statistics reveal the **widespread use of bailiffs by Haringey Council over the last 10 years**.
- 4) Case studies drawn from surveys and Citizens Advice casework attempt to capture **the negative impact bailiffs have had on Haringey residents' lives**.
- 5) There are very real **barriers for the council** to overcome **when engaging with residents** regarding their debts.
- 6) This report outlines and assesses the impact of **other ethical debt collection** policies in England.
- 7) Finally, this report provides recommendations as to how Haringey's new Ethical Debt Reduction Policy can be **implemented in a way that maximises residents' well being and leaves a lasting legacy**.

Any change to debt collection policies may, in the short term, impact Haringey Council's income from Council Tax. However, the long term gain in terms of wellbeing and care for residents will be substantial.

This report also aims to offer an alternative perspective as to how the policy could be administered in a way that ends the use of bailiffs for all council tax arrears cases. If, however, the policy is to be targeted at specific groups, we hope this report offers a glimpse into the ways it could be targeted, to make sure it directly impacts the lives of those most in need.

For any questions about the contents of this report please contact the Research and Campaigns team for Citizens Advice Haringey at: research.campaigns@citizensadviceharingey.org.uk

Section 1: Introduction and Background

Since 2010 councils have struggled to fund local services. A [2019 report](#) by the Institute for Fiscal Studies found that, across England, the revenues available to local authorities had fallen by 18% since 2010. London’s councils were particularly badly hit, with local authority spending per person falling by 32%. This trend was driven by cuts to central government funding, which fell by 30% nationwide. With the withdrawal of central funding, local authorities have come to rely more on council tax to fund their activities. In 2019, council tax accounted for half of local authority revenue, up from 34% in 2009/10. In addition to cutting its funding for councils, in 2013 the central government abolished the council tax benefit, which had helped low income households to pay council tax. In place of the council tax benefit, English local authorities designed their own council tax support schemes, which would receive 10% less funding from central government than had been provided under the previous benefit. The overwhelming majority of these new schemes were less generous than the benefit they replaced, increasing the tax burden for many and requiring some low income households to pay council tax for the first time.

In short, faced with reduced central funding, local authorities have been under increased pressure to maximise their income from council tax. However, many households struggle to pay their council tax bills. [Citizens Advice research](#) from January 2021 estimated that more than 3.5 million people are currently behind on council tax, and that the total value of council tax arrears is over £3 billion. This problem is most acute in London, and the coronavirus pandemic has significantly worsened the situation. 51% of people currently behind on their council tax were not in arrears before the pandemic, which has also caused millions of people to fall behind on a [variety of other bills](#).

Section 2: Council Tax and Debt Collection in Haringey

Section 2.1: Introduction

Council tax debt has been a prominent issue in Haringey, even before the pandemic. Cases related to council tax arrears are by far the most common type of debt issue dealt with by Citizens Advice Haringey. As Table 1 shows, between 2017 and 2020, issues related to council tax arrears comprised around 20% of all debt-related issues dealt with by Haringey Citizens Advice.

Table 1. Prevalence of debt-related issues dealt with by Citizens Advice Haringey, 2017-2020

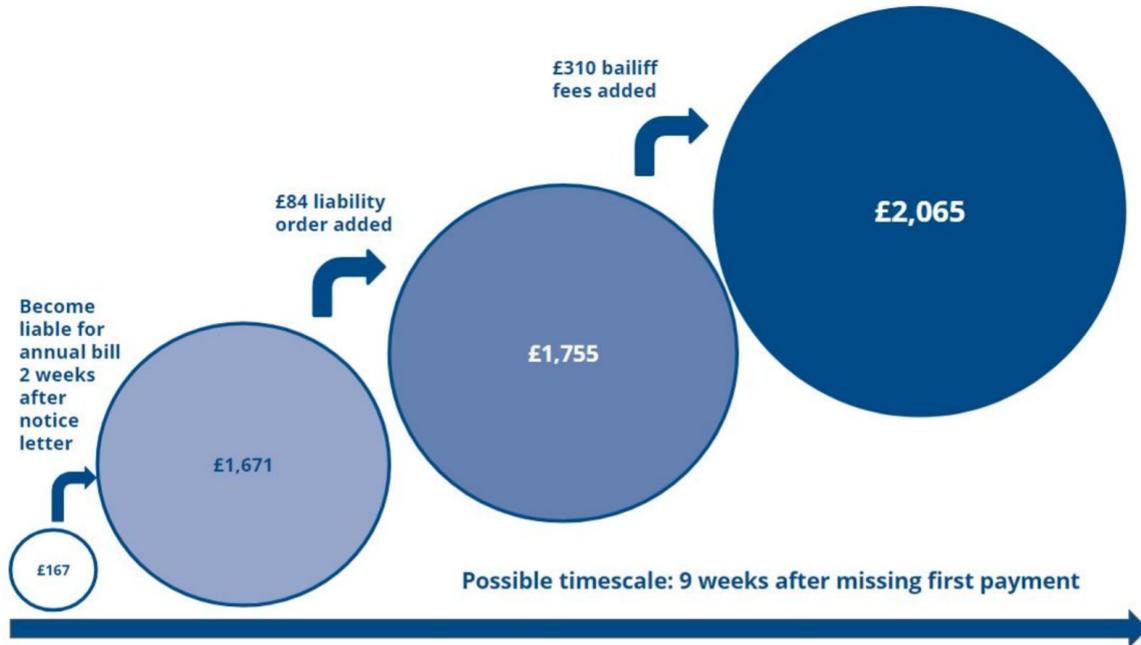
	2017	2018	2019	2020
Debt-related issues as a % of all issues	20	22	23	16
Council tax debt issues as a % of all debt issues	22	21	19	18
Bailiff related issues as a % of all council tax debt issues	23	21	16	15

Source: Citizens Advice data

Falling behind on council tax can have severe consequences for debtors. Those with council tax arrears often already face other financial difficulties. [Research](#) from February 2020 found that 9 in 10 Citizens Advice clients with council tax arrears also had at least one other kind of debt, and that on average a client with council tax debt had just £7 left at the end of the month to pay off their debts.

As Figure 1 illustrates, the council tax debt collection practices encouraged by national regulations can cause debts to spiral quickly after the first missed payment, with debtors first becoming liable for their annual bill and then burdened by additional fees. These penalties worsen households' financial difficulties, which in turn reduces spending in the local economy and increases demand for a range of government and third sector support services.

Figure 1. How the collection process increases council tax debts



Source: [Citizens Advice \(2019\)](#)

Section 2.2: Bailiff use

The use of bailiffs to collect council tax arrears is a major source of stress and financial difficulties for debtors. As Table 1 shows, bailiff-related issues comprise a significant proportion of all council tax-related issues dealt with by Citizens Advice Haringey. Table 2 illustrates the scale of Haringey Council's use of bailiffs to collect council tax arrears.

Table 2. Bailiff use in Haringey, 2010-2020

	2010/ 11	2011/ 12	2012/ 13	2013/ 14	2014/ 15	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20
No. of liability orders obtained for council tax arrears	18,513	17,618	17,220	21,877	20,806	17,469	17,458	16,223	15,683	13,365
No. of council tax arrears cases referred to bailiffs	16,338	11,560	13,182	11,242	10,185	10,111	9,335	9,482	11,842	10,553

Total value of council tax arrears cases referred to bailiffs	£15,939,624	£11,850,294	£13,002,710	£10,760,205	£9,215,009	£8,158,458	£8,624,711	£8,027,181	£10,006,522	£9,729,872
Total value of council tax arrears recovered by bailiffs	£1,000,208	£881,556	£945,249	£1,085,997	£1,103,001	£1,253,028	£1,241,075	£1,479,257	£1,947,264	£2,463,717

Source: FOI access request to Haringey Council. Note that all figures excluding the last row include balances for liability orders obtained in previous years. Figures for the last row ('value of council tax arrears recovered') are the 'in year' amount and do not include arrears for previous years that have also been collected.

National research by Citizens Advice has highlighted the various ways in which referring debts to bailiffs can compound the difficulties faced by debtors:

- **Bailiff fees worsen debtors' financial situation**, adding around [£300 billion](#) to total council tax arrears nationwide.
- [Research](#) by Citizens Advice in 2018 discovered **widespread rule-breaking by bailiffs**. Among people contacted by bailiffs, 17% had experienced a threat to break in, despite being pursued for debts (like council tax arrears) which did not give bailiffs the power to do this. Bailiffs were also found to have taken control of goods which should have been exempt, such as items which don't belong to the person who owed the debt, or goods required for work. One in ten people contacted by bailiffs had goods required for their work taken.
- In addition to rule-breaking, there was also widespread evidence that bailiffs had engaged in practices - like intimidation - that appeared to **contradict national standards** of professional conduct and fairness. Taken together, 39% of those contacted by bailiffs had encountered them breaking a rule or national standard.
- Moreover, [research from 2019](#) found that Citizens Advice **advisors and clients often lack faith in the procedures designed to hold bailiffs accountable**. Only 28% of people who encountered a bailiff breaking the rules made a complaint, and only 56 complaints were lodged through the court-based process between 2014 and January 2019. Among advisors who did make a complaint, only 11% had a positive experience of the process.

Improving the council tax debt collection process will require reforms to national regulations, but action taken by local authorities can also contribute. In a [recent cabinet meeting](#), Haringey Council passed a new Ethical Debt Reduction Policy, which included a commitment to cease the use of bailiffs when collecting council tax arrears from people who are 'on very low-income, vulnerable, or facing mental health concerns'. As part of this reform, the council has committed to the establishment of a triage system to identify those to be exempted from bailiff action. Citizens Advice Haringey welcomes this policy change. More detailed reflections on the new policy, as well as recommendations as to how it should be implemented, will be provided below. This report will also examine ethical debt collection policies in other local authorities, and assess whether they offer lessons for Haringey. The next section, based on the experiences of Citizens Advice clients as well as survey evidence, will illustrate how the actions of bailiffs have impacted Haringey residents, showing why reform to the council tax debt collection process is so urgent.

Section 3: Impact of council tax bailiffs in Haringey

Section 3.1: Introduction

This section will demonstrate the impact that the use of bailiffs has on Haringey residents, providing evidence on: the background of people who get into council tax arrears; the barriers they face in engaging with the debt recovery process; and the impact that the appointment of bailiffs has on these individuals. To understand these impacts, we conducted fresh analysis and primary research.

Below is a summary of our key findings:

1. The people who get into council tax arrears are generally those who can least afford to pay and include some of the most vulnerable people in Haringey.
2. Council tax arrears contribute to cycles of unmanageable debt, with severe knock-on impacts on individuals' ability to manage not just the council tax debt but other debts.
3. The stress and mental health impacts of falling into debt means many are unable to take steps to manage their debt before it is passed on to bailiffs. At this point, vulnerable and low-income residents feel abandoned by Haringey Council.
4. When bailiffs are appointed, they worsen individuals' debt crises, adding high costs and intimidating people into repayment plans they can't afford.
5. The personal impact of bailiff's use on people is severe: all individuals report a negative impact on their mental health, while many cut down on life essentials like food, energy bills and rent.
6. Bailiffs are not fit for purpose in helping people manage their debt: people report them being dismissive and uncooperative, even when individuals are being proactive in dealing with their debts.
7. Too often, bailiffs fail to follow proper procedure, with potentially devastating consequences, reflecting a void in regulation of the sector.

3. 2. Background of those who get into council tax arrears

As other research shows, people who get into council tax arrears are some of the most vulnerable and generally on a low-income, with council tax debt contributing to 'cycles of unmanageable debt'. The following issues make it harder for them to afford council tax, and to manage the debt when they fall behind:

- **Most people with council tax arrears are on low incomes with no financial flexibility.** Despite high need, many of these people are either not eligible for council tax support under the current system or did not know they were eligible at the time.
 - As a result, many struggle to afford council tax at the best of times and a change in circumstances can quickly get them into debt. For example, if someone's earnings are lower than expected one month, if they become unwell, or they have a benefit overpayment, they stop being able to afford council tax.
- **Most people who are in council tax arrears have multiple debts.** Often, these debts are for essentials: rent arrears, welfare benefit overpayments and debts to essential service providers.

- As council tax debt is a priority debt, dealing with this inevitably has knock-on impacts for individuals' ability to manage their other debts. Because of its quickly escalating costs (see Figure 1 above), council tax debt becomes a bigger and bigger proportion of a wider debt problem.
- **Many also have 'vulnerabilities' such as mental or physical health conditions, or language barriers.** This can impact their income, or ability to pay on time.
 - Poor mental or physical health can propel people into debt when this impacts on their ability to work; while poor mental health can impact people's ability to engage with their bills.
 - Low levels of English can mean that people struggle to understand the council tax process, and the implications of falling behind on payments.
- **Linked to these 'vulnerabilities' some residents are simply not aware they are liable to pay council tax or that they are eligible for Council Tax Reduction (CTR).**
 - Some assume council tax was being deducted from their benefits; that they were not eligible as they were living in council-provided accommodation; that they were not eligible for CTR; that CTR was available to them or that they were not liable to pay as they were on a low income.
 - In a few cases, women have been left with CT debt which they were not aware of after the break-up of their relationship.

Case study 1

A client faces spiralling council tax arrears following an accident and relationship breakdown, which sharply reduced her work hours and household income. The client, now single, has two dependent children. She now struggles to keep up with household bills and council tax. She has made a claim for Universal Credit, but not for Council Tax Reduction, as she was unaware she would be entitled.

Conclusion

As the client has no previous debts, this shows that poor health, combined with personal family breakdown precipitated a quick fall in income which meant she struggled to pay her council tax.

Case study 2

A 50-year old woman, who is in £1700 arrears for her council tax, approached us for help with her case.

She fell into arrears when her adult son had a mental health crisis and she had to support him financially. When this happened, she made a claim for Housing Benefit, but this was rejected, leading her to fall behind on her council tax payments.

Since the coronavirus pandemic, her financial difficulties have worsened as she now has another adult son who is depending on her. She wants to put forward a repayment plan to Haringey Council, but has been told she can't arrange a repayment plan until the new council tax year 2021/22. She is worried that they will reject her plan and pass her debt to bailiffs.

The situation has led to her now suffering difficulties with her own mental health.

Conclusion

This shows how poor mental health can have a big impact on family finances, leading to council tax debt. It also demonstrates the financial impact of coronavirus-related unemployment on families in Haringey and some of the difficulties in resolving debt issues with Haringey Council.

Section 3.3. Barriers to engaging with the debt recovery process

For many who get into council tax arrears, poor mental health can prevent them engaging proactively to manage the debt; while they feel they are not given enough support by Haringey Council at this stage:

- **Individuals in CT arrears often say they feel unable to engage with letters and communications about the CT debt.**
 - This is particularly common among people with mental health problems; previous [Citizens Advice research](#) has shown that people with mental health problems can go through periods of disengagement around bills and providers, or find it hard to be proactive, even when the cost of doing nothing is high.
 - However, the stress involved in dealing with debt when on a low income means that even those without pre-existing mental health problems can find it difficult to engage – their first instinct may be to ‘bury their head in the sand’.
- **Individuals have reported feeling that Haringey Council is inflexible and unwilling to help in the initial stages of the debt recovery process.**
 - While all say that they would prefer to deal with the council rather than with bailiffs, there is a widespread feeling that the council are unwilling to negotiate.
 - Several reported that the council failed to accept a proposed repayment plan, or to take account of circumstances that might affect their bill.

Case study 3

A client who is 51 years old living with three dependents – her 11 and 18 year old child, and her 15 year old grandchild – approached us for help after her arrears were passed to bailiffs.

She had been working 25 hours a week since 2015 and receiving some welfare support for her youngest child, working tax credit and some housing benefit and council tax reduction. However, she was not receiving any welfare support for her 15-year-old.

When she approached us, she told us she had prior rent arrears for which she had a repayment plan and was regularly making repayments. Her issue was with her council tax arrears which had been passed to bailiffs, who were asking her to pay £140 a month to them, which she could not afford to pay. She wanted Citizens Advice to help her stop this action from the bailiffs.

Conclusion

This is just one of many examples of bailiff action creating unaffordable repayment plans, which contribute to cycles of unmanageable debt for people who are getting by on low incomes.

Case study 4

A single 62-year old self-employed woman who cares for her adult autistic son approached us for help after her debt was passed to bailiffs.

She first fell behind on her council tax in 2019, when she became unwell. She said she asked Haringey Council for a disabled discount on her council tax but was refused on the grounds that she was receiving PIP, not DLA. When the coronavirus pandemic hit, her self-employed income was massively impacted – she fell further into arrears and her debt was passed to bailiffs.

To repay the debt, she has turned to loan-sharks and has cut back on essentials to the point where she doesn't use gas and uses very little electricity.

The experience has led her to have severe mental health problems including suicidal thoughts. She does not read letters from the bailiffs as she fears this will make her mental health worse.

She feels frustrated that now her debt is with the bailiffs, she is not able to talk to Haringey Council and sort what she feels is the real issue – an incorrect council tax bill which does not take account of her disability.

Conclusion

This highlights the severe mental health impact people can experience as a result of engaging with bailiffs, and the severe financial hardship that bailiff action places on households. This person felt the situation would have been much less severe if they had been able to deal with the council instead.

Section 3.4. Impacts of use of bailiffs

As the first parts of this section have shown, those who owe council tax are often low income and vulnerable residents. Engaging with the initial stages of the debt recovery process is highly stressful and negatively impacts mental health.

Bailiff action only makes this worse – all residents we spoke to said bailiffs had a 'very negative' impact on their ability to repay the council tax, for the following reasons:

- **Bailiff fees deepen individuals' debt crises.**
 - Cases brought to Citizens Advice Haringey show bailiff fees tend to increase the council tax debt by hundreds and even thousands of pounds. For example, one client's debt had risen from £1470 to £2350 thanks to bailiff fees of £880.

- **Individuals often feel intimidated by bailiffs to accept repayment plans they can't afford.**
 - For example, one retired client told us he accepted a £300 monthly repayment plan 'out of fear'. In another case, a client was being asked by the enforcement agent for £280 a month, while Citizens Advice Haringey assessed that the client could only afford £30 a month.
 - This can lead to them defaulting on payments, which only adds further consequences for individuals who are already in a dire situation.

- **When people can't afford their repayment plans, they cut down on life essentials.**
 - Clients have reported cutting down on food and essential services including energy.
 - It is also common to miss rent payments and household bills.

- **Bailiffs are reported to be difficult to deal with and uncooperative.**
 - In cases where individuals have attempted to proactively address issues with bailiffs, or to renegotiate, they report that bailiffs are hard to get hold of and are unwilling to find a solution that is more affordable for the individual.
 - In many cases, bailiffs have been actively rude or dismissive. In one case, a Citizens Advice Haringey adviser rang a client's enforcement agent on their behalf after the client had issues getting in touch with them. The adviser reported that the agent dodged the calls and then claimed that the line was poor – though the adviser could hear them clearly.

- **Lack of communication between Haringey Council and the bailiffs adds to difficulties with resolving individual cases.**
 - For example, there have been a few cases where individuals have continued to pay their council tax debt to the council, even after their arrears have been passed to bailiffs.
 - There have also been instances where individuals who should have been eligible for council tax support were not awarded the discount which meant they were overcharged for council tax. When this has been passed to bailiffs, individuals are not able to discuss this with the council.

- **There are instances where bailiffs have failed to follow proper procedure, with devastating impacts on people's lives. This reflects a lack of regulation in the bailiff sector.**
 - In one case, a Haringey resident reported losing their job as a result of their enforcement agent speaking to their employer about the debt.
 - In another, a client was liable for £300, but was 'tricked' by the enforcement agency into paying £600. Although Citizens Advice Haringey tried to help, the agency refused to correct the mistake, and there was no recourse to the council.
 - As a [recent report](#) from Taking Control notes, failures like these are all too common, while there is lack of an independent regulator for the bailiff industries.

- **All residents surveyed reported a negative impact on their mental health from the appointment of bailiffs.**
 - The stress of being in debt, combined with escalating fees, and the way they are treated by bailiffs drives poor mental health, sometimes to the point of crisis. As a result of bailiff actions, clients have reported anxiety, panic attacks, and suicidal thoughts.

Case study 5

A single man aged 45 approached Citizens Advice Haringey when he fell into council tax arrears after losing his job.

His debt was passed to an enforcement agency who he found ‘threatening’ as they made visits to his home which they said were announced but which he was not aware of.

He had been advised by Citizens Advice Haringey to be proactive with the agency in order to manage the debt. However he found the bailiff that was assigned to his case was difficult to get in touch with. When he tried to sort issues such as late payments, discrepancies, or payments not going through on their payment site, he found the agency curt and rude. He felt they treated him like a criminal, not a human being.

Conclusion

This shows that bailiffs are not fit for purpose in managing debt even in ‘straightforward’ cases.

Section 4: Alternatives to bailiffs

As the previous section has made clear, residents in council tax arrears are often vulnerable and experiencing a range of other financial difficulties. Bailiff action frequently exacerbates their situation, adding to financial difficulties and triggering or worsening mental health problems. In addition, [national research](#) by Citizens Advice suggests that bailiffs may not represent good value for money. Citizens Advice estimated that over the period 2014-2019, bailiffs recovered just 27% of council tax arrears referred to them. Moreover, bailiff use is expensive. For every £1 of council tax arrears it recovered, bailiff action created 53p of costs for councils (thanks to administrative costs), debtors (thanks to bailiff fees), and the taxpayer (thanks to an increased demand for public services resulting from the social costs of bailiff action).

The pressing need for reform to the council tax debt collection process has been recognised by Haringey Council. In a recent cabinet meeting the council voted to implement a new Ethical Debt Reduction Policy. As part of this comprehensive package of measures to deal with the issue of problem debts, the council committed to cease the use of bailiffs to collect council tax debts from those who are ‘on very low-income, vulnerable, or facing mental health concerns’. Citizens Advice Haringey welcomes the passage of the Ethical Debt Reduction Policy. The final section provides recommendations as to how the new policy can be implemented in such a way as to bring a lasting improvement to the wellbeing of Haringey’s residents. These recommendations will be partly

informed by the experience of other local authorities which have implemented ethical debt policies. The following table outlines three of these alternative policies and assesses their results.

Table 3. The main features and results of other councils’ ethical debt policies

Council	New approach taken	The outcome – benefits and disadvantages
<p>Hammersmith and Fulham</p>	<p>Core policy: In April 2018, the council ceased using bailiffs to collect council tax debts, and instead worked with Intrum debt collection service to collect debts via methods including used deductions from wages and benefits.</p> <p>Additional measures: Increased resources dedicated to advising residents on managing their council tax accounts, helping them to avoid falling into debt in the first place.</p> <p>Target group: <u>All</u> Hammersmith and Fulham council taxpayers.</p>	<p>Outcome: In the year after the policy change, the council reported a 96.76 percent council tax collection rate - an increase on the previous year’s figures.</p> <p>Having spoken to Citizens Advice Hammersmith and Fulham, they suggested Intrum have been easier to deal with than bailiffs were.</p> <p>Hammersmith and Fulham have maintained their Ethical Debt Collection policy and have not seen significant reduction to their Council Tax income.</p>
<p>Bristol</p>	<p>Core policy: In September 2019 the council vowed to heavily cut down on the use of bailiffs. Three approaches were introduced, including a focus on a cross-cutting workstream for connection of support, and advice teams to be joined up.</p> <p>Additional measures: Informally Bristol City Council made a decision to engage with client’s and money advice services at the early stages of the collections process. BCC wanted to move to in-house collections with a slow end to the use of bailiffs</p> <p>Target group: This was not targeted at certain groups but identified people who had fallen into arrears and attempted to</p>	<p>Outcome: Having spoken to Citizens Advice Bristol it seems that due to cost-cutting at Bristol City Council there has been no formal change to policy.</p> <p>Although debts are still passed to bailiffs, there has been a reduction in the council’s use of them. Citizens Advice and other local money advice services have been engaged with more regularly and at an earlier stage. They have also reported that bailiffs are now engaging with Citizens Advice more regularly and positively.</p>

	engage with them earlier in the collections process.	
Lambeth	<p>Core policy: In 2015/16 Lambeth ceased the use of bailiffs for council tax support recipients, reducing bailiff action from 3,244 CTS cases to zero. This was a result of a long term campaign by Green Party councillors.</p> <p>Additional measures: This was introduced alongside an Income and Debt Strategy which changed the collection process for CTS recipients to focus on soft reminders, and free impartial money management advice.</p> <p>Target group: Council tax support recipients</p>	<p>Outcome: The policy was initially successful – in 2017 Lambeth said it had helped residents avoid £0.84 million in bailiff charges; improved collection rates significantly; and made 200 referrals to the Financial Resilience Team.</p> <p>However, Lambeth has since regressed on this policy – in 2017/18 it sent 1,504 CTS cases to bailiffs. The council has justified this by saying that the bailiffs do not knock on doors – but the Green Party are continuing to campaign for a complete no-bailiff policy.</p>

Section 5: Conclusion and recommendations

This report has argued the case for urgent reform to Haringey’s council tax collection process. The current system’s frequent recourse to bailiff action threatens the wellbeing of Haringey residents and as a result places additional strain on both public and third sector support services.

We therefore strongly support Haringey Council’s recent decision to cease the use of bailiffs for residents who are on very low incomes, vulnerable, or facing mental health concerns. Haringey’s new Ethical Debt Reduction Policy has the potential to substantially mitigate the issue of problem debts in the borough. However, as the previous section shows, success cannot be taken for granted. It is vital that the no-bailiff policy is implemented in a way that learns from the mistakes of others and protects Haringey’s residents from bailiff actions in the long term.

As such we make the following recommendations as to how the policy should be implemented:

- **Ideally, the ban on bailiff use should be extended to all Haringey residents who end up in council tax arrears.**
 - Those who get into council tax arrears are already likely to be the most low-income and vulnerable residents, while use of bailiffs has negative mental health impacts on all involved. As such all of these people would benefit from the ceasing of bailiffs, as has been achieved in Hammersmith and Fulham.

- **Ensure the Council Tax Reduction Scheme is easily accessible and properly publicised**
 - Many people who fall into Council Tax Arrears also did not know they were entitled to Council Tax Reduction. Previously, paper forms were for both Housing Benefit and Council tax Reduction, causing confusion for people.

- **If the council does decide to limit the bailiff ban to selected groups, ensure that these group definitions are broad in order to minimize harm. At present, it is not clear how the targeted groups will be defined. We recommend the following definitions:**
 - Low-income should include anyone in receipt of income related welfare benefits and residents with No Recourse to Public Funds (NRPF).
 - Vulnerable should include anyone who has been identified with a long term physical or mental health condition. Using passport benefits as one way to identify these people, along with documents from medical professionals.

- **Do not employ enforcement agents for any part of the debt recovery process for the selected groups.**
 - In Lambeth, (as discussed in section 4) the council has reverted to appointing bailiffs to CTS cases, who are nonetheless not permitted to knock on doors. However, as our evidence has shown, this approach fails to recognise the multiple harms caused by bailiffs that go beyond door knocking and home visits.

- **Commit to this policy for the long term.**
 - The positive human impact of this policy will be difficult to measure. As such, Haringey Council should commit to this policy on the basis of principle of this positive impact, and prevent any regression based on other measures.

- **Provide transparency around statistics.**
 - Currently, most public statistics regarding bailiff use have been revealed thanks to sporadic freedom of information requests.
 - By instead regularly publishing statistics around council tax collection and bailiff use, Haringey Council will enable the borough's residents and third sector organisations to assess the effects of the new debt collection policy.
 - This will help the council and independent bodies to collaborate more effectively should the new debt reduction policy require tweaks after it has been enacted

- **Continue to suspend bailiff visits for all residents while the UK remains under any coronavirus restrictions.**
 - As the first section of this report noted, the pandemic has severely hit incomes and by extension residents' ability to pay a range of bills, including council tax. These issues are expected to remain, even after coronavirus legislation ends, with Haringey experiencing some of the highest rates of unemployment in the country.
 - Residents have reported a greater ability to manage their debts effectively since bailiffs and debt collectors have been limited in their ability to contact debtors.

- **In the absence of an independent regulator for bailiffs, strengthen protections for individuals where bailiffs are appointed.**
 - As this report highlights, rule breaking and unlawful intimidation by bailiffs is rampant. As such Haringey Council should improve oversight of bailiff's actions and introduce harsh penalties for breaches of proper process.

- Clear processes for how debts can be transferred back from bailiffs to the council when a vulnerability has been identified, both for residents and external agencies.
- A clear complaints and redress mechanism for those who have been unfairly treated will help rebuild trust and hold bailiffs to account.
- **Engage with Local Services who specialise in Money Advice at the early stages of the collections process**
 - As evidence from Bristol Council suggests, simply engaging with local advice and support agencies at the early stages of the collections process, for all residents, not just those identified as vulnerable, will help residents manage their debts better and will go some way to stopping cycles of unmanageable debt.
 - Clear referral pathways for residents into these services from the income and collections team will allow for swift responses to Council Tax debt issues.

Citizens Advice Haringey would again like to thank the council for their work in this matter. Moving to an alternative model of debt collection will certainly help the most vulnerable in Haringey. As such, Citizens Advice Haringey would like to offer our support and knowledge to the council going forward in order to make the Ethical Debt Reduction Policy a success for Haringey Council and Residents.