
STATUTORY INSTRUMENTS

1996 No. 1880

**The Local Authorities (Contracting Out of Tax Billing,
Collection and Enforcement Functions) Order 1996**

PART VIII

CONDITIONS ATTACHING TO THE EXERCISE OF FUNCTIONS

Interpretation of Part

62. In this Part, “authority”, in relation to a function and a contractor, means the local authority which authorises the exercise of the function in question by the contractor.

Conditions attaching to the exercise of functions

63. In relation to any function which is to be specified in an authorisation given by virtue of Part II, Part IV or Part VI of this Order, the authorisation shall require the person who is to be authorised to fulfil such of the conditions specified in this Part as relate to the exercise of the function concerned, and the contractor may only exercise that function subject to the fulfilment of those conditions.

Notices and other documents

64. In relation to the function of giving or serving a demand notice or any other notice or any request or other document, a contractor shall ensure that all such documents are given or served in the name of the authority.

Contents of demand notices—England

65.—(1) In this article—

- (a) “the 1993 Regulations” means the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 1993(1); and
- (b) the expressions “council tax demand notice” and “rate demand notice” have the same meaning as in the 1993 Regulations.

(2) In relation to the function of preparing and serving a council tax demand notice or a rate demand notice, a contractor shall ensure that all such notices are prepared and served in compliance with the 1993 Regulations, and, without prejudice to the generality of this obligation, that—

- (a) subject to regulation 3(2) of the 1993 Regulations, all council tax demand notices contain the matters specified in Schedule 1 to those Regulations;
- (b) except where the notice is served after the end of the financial year to which the demand for payment made by the notice relates, the information mentioned in Part I of Schedule 3 to the 1993 Regulations is supplied to the person on whom a council tax demand notice is served at the same time as the notice is served;

(1) S.I. 1993/191, amended by S.I. 1995/23 and S.I. 1995/121 and article 74 of this Order.

- (c) all rate demand notices served on behalf of the Common Council of the City of London contain the matters mentioned in Part II of Schedule 2 to the 1993 Regulations;
- (d) all rate demand notices served on behalf of any other billing authority contain the matters mentioned in Part I of that Schedule; and
- (e) except where the notice is served after the end of the financial year to which the demand for payment made by the notice relates, the information mentioned in Part II of Schedule 3 to the 1993 Regulations is supplied to the person on whom a rate demand notice is served at the same time as the notice is served.

Contents of demand notices—Wales

66.—(1) In this article—

“the Council Tax Regulations” means the Council Tax (Demand Notices) (Wales) Regulations 1993(2);

“the 1993 Regulations” means the Non-Domestic Rating (Demand Notices) (Wales) Regulations 1993(3);

“council tax demand notice” has the same meaning as in the Council Tax Regulations; and

“rate demand notice” has the same meaning as in the 1993 Regulations.

(2) In relation to the function of preparing and serving a council tax demand notice, a contractor shall ensure that all such notices are prepared and served in compliance with the Council Tax Regulations, and, without prejudice to the generality of this obligation, that—

- (a) all such notices contain the matters specified in Schedule 1 to those Regulations; and
- (b) except where the notice is served after the end of the financial year to which the demand for payment made by the notice relates, the information mentioned in Part I of Schedule 2 to those Regulations is supplied to the person on whom such a notice is served at the same time as the notice is served.

(3) In relation to the function of preparing and serving a rate demand notice, a contractor shall ensure that all such notices are prepared and served in compliance with the 1993 Regulations, and, without prejudice to the generality of this obligation, that—

- (a) all such notices contain the matters mentioned in Schedule 1 to those Regulations;
- (b) the explanatory information prescribed in Part I or, as the case may be, Part II of Schedule 2 to those Regulations is supplied to the person on whom such a notice is served at the same time as the notice is served; and
- (c) except where the notice is served after the end of the financial year to which the demand for payment made by the notice relates, the information mentioned in Part I of Schedule 3 to those Regulations is supplied to the person on whom such a notice is served, at the same time as the notice is served.

Agreements as to payments etc.

67. In relation to the function of entering into an agreement with any person as to the manner of payment of any amount or the charging of a person’s interest in any property to secure payment of any amount or any other matter, a contractor shall ensure that all such agreements are entered into in the name of the authority.

(2) S.I. 1993/255, amended by S.I. 1995/160, S.I. 1996/310 and article 75 of this Order.

(3) S.I. 1993/252, amended by S.I. 1993/1506, S.I. 1994/415 and S.I. 1995/284 and article 75 of this Order.

Deduction of tax from payments of interest

68. In relation to the function of paying interest on any amount falling due to a ratepayer, a contractor shall ensure that there is deducted out of the payment of interest any sum representing income tax which is deductible in accordance with section 349(2) of the Income and Corporation Taxes Act 1988 (payments not out of profits or gains brought into charge to income tax, and annual interest)(4).

Application for liability orders

69. In relation to the function of applying to the magistrates' court for a liability order against any person, a contractor shall ensure that all such applications are made in the name of the authority.

Enforcement

70. In relation to the function of taking steps by way of attachment of earnings, attachment of allowances, distress, bankruptcy, winding up or charging order, a contractor shall ensure that—

- (a) all such steps and all such proceedings are taken or brought in the name of the authority;
- (b) any instruction from the authority in relation to any debtor to take no (or no further) such steps is immediately complied with;
- (c) any intention to take steps to levy any amount by distress and sale of the goods of any person is immediately notified in writing to the authority;
- (d) no (or no further) steps to levy distress are taken in relation to any debtor after an instruction to that effect has been given by the authority or after the amount which is due to the authority has been received by the contractor; and
- (e) upon the giving of any such instruction or receipt of any such amount, any goods of the debtor which have already been seized are not sold and are made available for collection by the debtor.

Information

71. In relation to any function which a contractor is authorised to exercise by the authority, the contractor—

- (a) shall take all necessary steps to ensure that he holds lawfully at all times all information obtained, whether from the authority or otherwise, in the course of exercising the function in question;
- (b) subject to the provisions of Schedule 15 to the Deregulation and Contracting Out Act 1994 (restrictions on disclosure of information)(5), shall not use any such information for any purpose apart from the purpose of lawfully exercising that function on behalf of the authority; and
- (c) shall immediately comply with any written request made by the authority for the supply of any information, including copies of any records made or held by the contractor, relating to the exercise of that function.

Assignment and sub-contracting

72. A contractor shall not make any arrangement for the exercise, whether in whole or in part, by any other person of any function which he has been authorised to exercise by the authority, unless

(4) 1988 c. 1.
(5) 1994 c. 40.

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that person has been authorised to exercise the function concerned under a further authorisation given by the authority by virtue of this Order.