

Council Tax Guidance to Employers

Attachment of Earnings Orders (AEO's)

Introduction

1. The Department of the Environment, Transport & the Regions has prepared this note to help employers with the administration of Council Tax Attachment of Earnings Orders (CTAEO's).

CTAEO's may be issued by local authorities following the granting of a liability order in respect of a council tax debt in accordance with the Council Tax (Administration and Enforcement) Regulations 1992 (SI No. 613), as amended. The note outlines the procedures involved and the roles of the employer, the debtor and the local authority. Some more detailed advice, in the form of questions and answers, is given in Annex A.

2. A CTAEO is a legal document and places certain duties on the employer and the debtor alike. These duties are expanded in the note. Failure to carry out these could lead to a fine.

3. If this is the first CTAEO that you have received, you will note that while they follow the broad principles of AEO's arising from the Attachment of Earnings Act 1971 in that a regular deduction is to be made from net earnings, there are, however, a number of important differences. For instance, with CTAEO's the deduction is calculated by the employer rather than specified by the court. Annex B outlines the action to take when more than one such order has been served.

An Outline of the Procedure

4. The sequence of events leading to the issue of a CTAEO is as follows:

(a) when a local authority issues a council tax bill and a reminder, but does not receive payment, it may apply to a Magistrates' Court for a summons directing a person to appear before the court to explain why the council tax has not been paid;

(b) if non-payment is proved, the court issues a liability order for council tax payable, plus the costs incurred by the local authority in obtaining the liability order. Once it has obtained a liability order, the local authority has a number of options, including attachment of earnings, for recovering the amount stated in the liability order;

(c) if it considers attachment of earnings is the appropriate course, the authority will issue a CTAEO to the employer whom it believes has the debtor in his employment, sending a copy of the order to the debtor. The order is in a standard form prescribed in regulations to ensure a consistent presentation of information. It must include the prescribed deduction tables and a copy of the regulations, which deal with CTAEO's. A copy of the order and the required enclosures is at Annex C.

What the employer must do

5. On receiving a CTAE0, the employer must:
 - seek to make deductions from the employee's net earnings under the CTAE0 as soon as possible (there is a definition of net earnings in Annex A);
 - calculate the deductions using the tables in the regulations;
 - tell the employee the total deductions made under the order, normally at the same time as his pay statement is issued; and
 - pay the deductions to the local authority no later than the 18th day of the month following the month in which the deduction was made.
6. The employer may deduct an additional £1 from his employee's pay in respect of each deduction towards his own administrative costs.

Notifications

7. The employer is required to notify the local authority about certain matters, and may be fined for failing to do so. Where the employer receives an order relating to someone whom he does not employ he should, within 14 days, tell the local authority. Likewise he should tell the authority when a debtor for whom a CTAE0 is in place leaves his employment, again within 14 days. The employer should also tell the relevant local authority if anyone subject to a CTAE0 becomes his employee. This should be done within 14 days of the debtor becoming the employee, or of the date when the employer becomes aware that an order is in force against the employee, whichever is latest.

What the debtor must do

8. A debtor must tell the authority, which made the CTAE0, if he changes employment. In notifying such a change, the debtor should give details, in so far as he is able, of his earnings; expected deductions from such earnings in respect of income tax, national insurance and superannuation; the name and address of the employer and his work or identity number. This information must be given within 14 days of the change of employment. Debtors could be subject to a fine if they fail to notify local authorities in this way.

What the authority must do

9. An authority must tell the employer when the whole amount to which a CTAE0 relates has been paid, including when payment was not made by means of a CTAE0.

10. An authority may, on its own account, or on application by the debtor or the debtor's employer, make an order discharging the CTAE0. Where a CTAE0 is discharged, the authority should notify the employer.

More detailed advice

11. Annex A sets out some questions and answers which cover the handling of CTAEOs in more detail. If you have difficulties which cannot be resolved by the authority which has made the order, further advice can be obtained from the CTAEO Helpline at the Department of the Environment, Transport & the Regions, LGT Division, Zone 5/H2, Eland House, Bressenden Place, London, SW1E 5DU (tel 0171 890 4187).

Annex A: Council Tax Attachment of Earnings Orders (CTAEO) Questions and Answers

1. What is a Council Tax Attachment of Earnings Order?

Where there is non-payment of council tax, the local authority can apply to a magistrates' court for a liability order against the defaulter. If a court grants a liability order, an authority has a number of options for recovering the outstanding amount. One of these is a Council Tax AEO (CTAEO). The CTAEO will be in a form prescribed in the regulations (copy at Annex C). It contains the name of the debtor, his payroll number (if known) and the local authority reference. It confirms that the named person is liable for council tax and specifies the amount of council tax that has still to be paid. Deductions in line with the order should be made as soon as possible after the order has been received.

2. What duties does this order place on an employer?

This order is a legal document and places certain duties on an employer, so it is important that you know the governing principles. Details of your statutory duties are set out at paragraph 13 below.

If the person who is the subject of the order is in your employment, you should make deductions from his or her earnings as explained below. These deductions should begin as soon as possible after the receipt of the order. The amount deducted should then be forwarded to the authority by the 18th day of the month following the month in which the deduction was made.

As well as the amount to be deducted and paid to the authority, you may also deduct £1 per transaction from your employee towards your administrative costs. With each deduction made, a written statement of the cumulative amount deducted, including any £1 deducted from your employee in respect of your administrative costs, should be supplied to your employee. This can normally be done when a pay statement is issued, but, if this is not convenient, may be done as soon as possible after the deduction is made.

If the employee has moved on or has never been in your employment, you should inform the issuing authority within 14 days and your liability to do anything under the order will cease.

3. How long does this order last?

Deductions should be made each pay day until the total amount specified on the order has been paid over to the authority, until the person has left your employment, or until the order is discharged by the authority. When the employee leaves your employment and you have notified the authority, nothing further is required of you. The local authority will have to serve a copy of the order on the new employer, which will state the amount remaining to be deducted.

4. How much should be deducted?

The amount to be deducted is dependent on the total net earnings received by the employee. Annex C includes tables, which specify the percentage to be deducted according to the amount of net earnings and the frequency of the pay period.

5. What are net earnings?

For the purposes of these orders, net earnings means earnings after the deduction of income tax, primary Class 1 national insurance contributions, superannuation contributions and any deduction with a higher priority. See paragraph 10 if an employee receives holiday pay.

6. What are earnings?

Earnings are defined as sums payable by way of:

- wages or salary (including any fees, bonus, commission, overtime pay or other emoluments payable in addition to wages or salary payable under a contract of service).
- statutory sick pay

Earnings do not include:

- sums payable by public departments of the Government of Northern Ireland or of a territory outside the United Kingdom
- pay and allowances of members of the armed forces;
- benefit or allowances payable under any enactment relating to social security (this includes maternity pay);
- allowances payable in respect of disablement or disability; and
- wages payable to a person as a seaman, other than as a seaman of a fishing boat.

7. Are Youth Training allowances earnings?

No.

8. How do I use the tables in Annex C?

Column 1 of each table details pay bands which correspond to net earnings. Column 2 details the percentage of earnings to be deducted. Locate the earnings band in column 1 and then read across to column 2 to find the percentage and then calculate the amount to be deducted.

9. How do I know which table to use?

Since the majority of people are paid at regular intervals, this should normally be straightforward, but there will be cases of irregular payment. The examples listed below may help you to decide which deductions should be made.

Weekly:

- If the person is paid weekly then deduction should be made in line with Table A.

Monthly:

- If the person is paid monthly then deduction should be made in line with Table B.

Other weekly intervals:

- If the person is paid at intervals of a whole number of weeks then the net earnings should be divided by the number of weeks in the pay period. Table A should then be used to work out the appropriate weekly deduction and the resulting amount multiplied by the number of weeks in the period.

More than one month:

- If a person is paid at intervals of a whole number of months the net earnings should be divided by the number of months in the pay period. Table B should then be used to work out the appropriate monthly deduction and the resulting amount multiplied by the number of months in the period.

Regular intervals – not whole weeks or months:

- If a person is paid at regular intervals of a whole number of weeks or months then net earnings should be divided by the number of days. Table C should then be used to work out the appropriate daily rate, which should then be multiplied by the number of days in the period.

Two or more series of payments at regular intervals:

- If the person is paid in two or more series and payments are made in regular intervals, then select the series with the shortest interval between payments and use the tables as described above. In addition, deduct 20% of the net earnings payable in every other series. If the person is paid in two or more series and all the intervals are the same length, then select one of these, make deductions as described above, and in addition deduct 20% of the net earnings payable in every other series.

Example;

An employee's net pay is £150 weekly and £600 monthly. A deduction of £7.50 is made for the weekly pay and £120 for the monthly pay (i.e. 20% of £600).

Irregular intervals:

If the person is paid at irregular intervals the net earnings should be divided by the number of days since the last payment and Table C should be used to work out the appropriate daily deductions, which in turn should be multiplied by the number of days in the period.

Example:

An employee's net pay:

- (a) £108 (from 1 April to 9 April – 9 days)
- (b) £160 (from 10 April to 19 April – 10 days)
- (c) £198 (from 20 April to 30 April – 11 days)

The deductions to be made would be:

(a) $108/9 = £12$. Daily deduction = $£12 \times 3\%$ i.e. £0.36.

Deduction to be made for period = $9 \times £0.36 = £3.24$.

- (b) $160/10 = £16$. Daily deduction = $£16 \times 3\%$ i.e. $£0.80$.
Deduction to be made for period = $10 \times £0.80 = £8.00$.
- (c) $198/11 = £18$. Daily deduction = $£18 \times 5\%$ i.e. $£0.90$.
Deduction to be made for period = $11 \times £0.90 = £9.90$.

Regular and irregular intervals:

If, on the same pay day, the person is to be paid regular period earnings and irregular period earnings, these amounts should be added together and treated as earnings payable at the regular interval, the appropriate table being used.

Example:

An employee receives £250 as normal net weekly pay. In addition, £350 is received every 15 days for a different task. The deductions to be made would be for weekly earnings (table A) of $£250 + £350 = £600$. The deduction rate for £600 is 17% of the first £505 plus 50% of the remainder i.e. $£85.85 + £47.50 = £133.35$.

10. What do I deduct if there is an advance for holiday pay?

The amount to deduct is the aggregate of:

- (a) the amount that would have been deducted on the pay day if there had been no advance of pay; and
- (b) the amounts that would have been deducted if the amount advanced had been paid on the normal pay day or days.

Example:

An employee receives £800 on the payday. This comprises £300 for the week in which the pay day falls and includes overtime of £100; and £500 for 2 weeks holiday advance i.e. two weeks of standard pay at £250 per week. The amount to be deducted is:

$$(12\% \text{ of } £300 = £36.00) + (12\% \text{ of } £250 \times 2 = £60.00) = £96.00.$$

11. How should I deal with loans made for other purposes?

Loans made, for example, for the purchase of a season ticket or for helping with moving house, are not advances of pay and should not be counted as earnings.

The way that repayments of such loans are treated in calculating a deduction depends on the date that the CTAE0 was made:

For calculating a deduction under a CTAE0 made before 1st April 1995, net earnings should be reduced by the amount of the repayment made to the employer;

and,

For CTAE0s made on or after 1st April 1995, the AEO deduction should be based on net earnings before any loan repayment.

12. What do I do if there is an attachment of earnings order already in force?

See Annex B for full details of how to deal with multiple orders. The following examples will, however, cover most situations.

(a) If there is already a CTAE0 in place, the new CTAE0 is still applied, in date sequence, with the later order being applied to the residue of earnings. However, if there are already two or more CTAE0s in payment from the same billing authority, then no further CTAE0 can be actioned for that authority and they should be notified accordingly.

(b) if there is already a community charge AEO (CCAEO) in place, then the new CTAE0 is still applied, in date sequence, with the later order being applied to the residue of earnings. Please note that up to two CTAE0s should still be actioned irrespective of the number of CCAEOs, or other non-council tax orders, already in force.

(c) Any 1971 Act non-priority orders are to be applied (in date order) after all other orders.

13. Statutory duties placed on employers

A CTAE0 is a legal document and places certain duties on employers and debtors. A summary of these legal duties is below.

An employer could be liable for a fine if he:

(a) fails to comply with the order unless he can prove all reasonable steps were taken to comply;

(b) fails to give all required notifications relating to the CTAE0;

(c) in giving notification, makes a statement which he knows to be false in a material particular or recklessly make a statement which is false in a material particular.

14. Statutory duties placed on debtors

Debtors could be liable for a fine for:

(a) failure, without reasonable excuse, to supply information;

(b) making a statement which they know to be false in a material particular.

Annex B:

Priorities between AEOs where all orders concerned are made post 31.03.93

Newest order	Existing orders	Employer action	Relevant Regulations
Council Tax AEO	And council tax AEO	Apply AEOs in date order, applying later order to residue of earnings (but see note 3)	Regulation 42(1) of Council Tax (administration and Enforcement) Regulations (SI 1992/613, as substituted by SI 1992/3008 and 1998/295)
	And 1971 Act AEO	Apply AEOs in date order, applying later order to residue of earnings (but see note 1)	Regulation 42(2) of Council Tax (administration and Enforcement) Regulations (SI 1992/613, as substituted by SI 1992/3008)
	And Child Support DEO	Apply AEOs in date order, applying later order to residue of earnings	Regulation 42(2) of Council Tax (administration and Enforcement) Regulations (SI 1992/613, as substituted by SI 1992/3008)
	And community charge AEO	Process CCAEO when received, applying it to residue of earnings	Net earnings as defined in regulation 27(1) of Community Charge (Administration and Enforcement) Regulations (SI 1989/438, as amended by SI 1992/219 and 1993/775)
Community Charge AEO	And community charge AEO	Apply AEOs in date order, applying later order to residue of earnings	Regulation 37A(2) of Community Charge (Administration and Enforcement) Regulations (as inserted into SI 1989/438, by SI 1993/775)
	And 1971 Act AEO	Apply AEOs in date order, applying later order to residue of earnings (but see note 2)	Regulation 37A(3) of Community Charge (Administration and Enforcement) Regulations (as inserted into SI 1989/438, by SI 1993/775)
	And Child Support DEO	Apply AEOs in date order, applying later order to residue of earnings	Regulation 24 of Child Support (Collection and Enforcement) Regulations (SI1992/1989)
	And council tax AEO	Process CTAEO when received, applying it to residue of earnings	Net earnings as defined in regulation 32 of SI 1992/613, as amended by SI 1993/773

Note (1): an employer shall not deal with a ‘non-priority order’ until he has dealt with the council tax AEO or AEOs and any other order under the Attachment of Earnings Act 1971 or section 31(2) of the Child Support Act 1991. In this context a ‘non-priority order’ is an order made on or after 1st April 1993 under the 1971 Act either wholly or in part in respect of the payment of a judgment debt or payments under an administration order.

Note (2): an employer shall not deal with a ‘non-priority order’ until he has dealt with the community charge AEO or AEOs, and any other order under the Attachment of Earnings Act 1971 or section 31(2) of the Child Support Act 1991. In this context a ‘non-priority order’ is an order made on or after 1st April 1993 under the 1971 Act either wholly or in part in respect of the payment of a judgment debt or payments under an administration order.

Note (3): If there are already two or more CTAEOs in payment from the same billing authority, then no further CTAEO can be actioned for that authority and they should be notified accordingly.

Priorities between Community Charge AEOs, Council Tax AEOs and 1971 Act AEOs made on or before 31.03.93 and other AEOs

Newest order	Existing orders	Employer action	Relevant Regulations
Community charge order made on or before 31 st March 1993 in payment	1971 Act order received	1971 Act order to be dealt with on the basis of the residue of earnings	Regulation 37(2)(b) of the Community Charge (Administration and Enforcement) Regulations (SI 1989/438)
	Further pre 31 March 1993 community charge order received Further post 31 March 1993 community charge order received	Must wait until first community charge order cleared Must wait until first community charge order cleared	Regulation 37(1) of the Community Charge (Administration and Enforcement) Regulations (SI 1989/438) (New regulation 37A inserted by SI 1993/775 only applies where all orders are made after 31 March 1993)
	Child Support Act order received	Apply orders in date order, applying later order to residue of earnings	Regulation 24(2)(b) of Child Support (Collection and Enforcement) Regulations (SI 1992/1989)
	Council tax order received	Process council tax order when received on basis of residue of earnings	Net earnings as defined in regulation 32 of the Council Tax (Administration and Enforcement) Regulations (SI 1992/613, as amended by SI 1993/773)
1971 Act order made before 1 st April 1993 in payment	Pre 31 st March 1993 community charge order received Post 31 st March 1993 community charge order received	Must wait until 1971 Act order cleared Must wait until 1971 Act order cleared	Regulation 37(2)(a) of the Community Charge (Administration and Enforcement) Regulations (SI 1989/438) (New regulation 37A inserted by SI 1993/775 only applies to orders made after 31 March 1993)
	Council tax order received	Apply AEOs in date order, applying later order to residue of earnings (but see note (1))	Regulation 42(2) of Council Tax (administration and Enforcement) Regulations (SI 1992/613, as substituted by SI 1992/3008)

Note (1): an employer shall not deal with a ‘non-priority order’ until he has dealt with the council tax AEO or AEOs and any other order under the Attachment of Earnings Act 1971 or section 31(2) of the Child Support Act 1991. In this respect a ‘non-priority order’ is an order made under the 1971 Act either wholly or in part in respect of the amount of a judgment debt or payments under an administration order.

Annex C:

Regulations 32 and 38 to 42 of, and Schedule 4 to, the Council Tax (Administration and Enforcement) Regulations 1992

Interpretation and application of Part VI

32. – (1) In this Part –

“attachment of allowances order” means an order under regulation 44;

“attachment of earnings order” means an order under regulation 37;

“charging order” means an order under regulation 50;

“debtor” means a person against whom a liability order has been made;

“earnings” means sums payable to a person –

(a) by way of wages or salary (including any fees, bonus, commission, overtime pay or other emoluments payable in addition to wages or salary or payable under a contract of service); or

(b) by way of statutory sick pay,

but, in so far as the following would otherwise be treated as earnings, they shall not be treated as such:

(i) sums payable by any public department of the Government of Northern Ireland or of a territory outside the United Kingdom;

(ii) pay or allowances payable to the debtor as a member of Her Majesty’s forces;

(iii) allowances or benefit payable under the Social Security Acts;

(iv) allowances payable in respect of disablement or disability; and

(v) wages payable to a person as a seaman, other than wages payable to him as a seaman of a fishing boat;

“the Income Support Regulations” means the Council Tax (Deductions from Income Support) Regulations 1993;

“liability order” means an order under regulation 34; and

“net earnings” in relation to an employment means the residue of earnings payable under the employment after deduction by the employer of –

(a) income tax;

(b) primary Class 1 contributions under Part 1 of the Social Security Contributions and Benefits Act 1992; and

(c) amounts deductible under any enactment, or in pursuance of a request in writing by the debtor, for the purposes of a superannuation scheme, namely any enactment, rules, deed or other instrument providing for the payment of annuities or lump sum –

(i) to the persons with respect to whom the instrument has effect on their retirement at a specified age or on becoming incapacitated at some earlier age, or

(ii) to the personal representatives or the widows, relatives or dependants of such persons on their death or otherwise,

whether with or without any further or other benefits; and where an order under regulation 32 (making of an attachment of earnings order) of the Community Charges (Administration and Enforcement) Regulations 1989 made before the making of the attachment of earnings order remains in force,

(d) any amount required to be deducted in accordance with that order.

(2) In sub-paragraph (v) of the definition of “earnings” in paragraph (1) above, expressions used in the Merchant Shipping Act 1894 have the same meanings as in that Act.

(3) Regulations 33 to 53 apply for the recovery of a sum which has become payable to a billing authority under Part V and which has not been paid; but their application in relation to a sum for which persons are jointly and severally liable under that Part is subject to the provisions of regulation 54 (joint and several liability).

(4) References in this Part to a sum which has become payable and which has not been paid include references to a sum forming part of a larger sum which has become payable and the other part of which has been paid.

(5) Any reference in this Part to the day on, or time at, which a notice is issued, is a reference –

(a) if the notice is served in the manner described in section 233(2) of the Local Government Act 1972 by being left at, or sent by post to, a person’s proper address, to the day on or time at which it is so left or posted, or

(b) in any other case, to the day on or time at which the notice is served.

Deductions under attachment of earnings order

38. – (1) Subject to paragraphs (2) and (3), the sum to be deducted by an employer under an attachment of earnings order on any payday shall be –

(a) where the debtor’s earnings from the employer are payable weekly, a sum equal to the appropriate percentage of the net earnings otherwise payable on that pay-day; and for this purpose the appropriate percentage is the percentage (or percentages) specified in column 2 of Table A in Schedule 4 in relation to the band in column 1 of that Table within which the net earnings fall;

(b) where his earnings from the employer are payable monthly, a sum equal to the appropriate percentage of the net earnings otherwise payable on that pay-day; and for this purpose the appropriate percentage is the percentage (or percentages) specified in column 2 of Table B in Schedule 4 in relation to the band in column 1 of that Table within which the net earnings fall;

(c) where his earnings from the employer are payable at regular intervals of a whole number of weeks or months, the sum arrived at by –

(i) calculating what would be his weekly or monthly net earnings by dividing the net earnings payable to him by the employer on the pay-day by that whole number (of weeks or months, as the case may be),

(ii) ascertaining the percentage or percentages specified in column 2 of Table A (if the whole number is of weeks) or Table B (if the whole number is of months) in Schedule 4 opposite the band in column 1 of that Table within which the notional net earnings calculated under paragraph (i) fall, and

(iii) calculating the sum which equals the appropriate percentage (or percentages) of the notional net earnings for any of those weeks or months and multiplying that sum by the whole number of weeks or months, as appropriate.

(2) Where paragraph (1) applies and the amount to be paid to the debtor on any pay-day includes an advance in respect of future pay, the sum to be deducted on that pay-day shall be the aggregate of the amount which would otherwise fall to be deducted under paragraph (1) and –

(a) where the amount advanced would otherwise have been paid on a single pay-day, the sum which would have been deducted on that pay-day in accordance with paragraph (1) if the amount advanced had been the amount of net earnings on that day; or

(b) where the amount advanced would otherwise have been paid on more than one pay-day, the sums which would have been deducted on each of the relevant pay-days in accordance with paragraph (1) if –

(i) an equal proportion of the amount advanced had been paid on each of those days; and

(ii) the net earnings of the debtor on each of those days had been an amount equal to that proportion.

(3) Where the amount payable to the debtor on any pay-day is reduced by reason of an earlier advance of pay, the net earnings of the debtor on that day shall, for the purposes of paragraph (1), be the amount defined in regulation 32(1) less the amount of the deduction.

(4) Subject to paragraphs (5) and (6), where the debtor's earnings from the employer are payable at regular intervals other than at intervals to which paragraph (1) applies, the sum to be deducted on any pay-day shall be arrived at by –

(a) calculating what would be his daily net earnings by dividing the net earnings payable to him by the employer on the pay-day by the number of days in the interval,

(b) ascertaining the percentage (or percentages) specified in column 2 of Table C in Schedule 4 opposite the band in column 1 of that Table within which the notional net earnings calculated under sub-paragraph (a) fall, and

(c) calculating the sum which equals the appropriate percentage (or percentages) of the notional daily net earnings and multiplying that sum by the number of days in the interval.

(5) Where the debtor's earnings are payable as mentioned in paragraph (4), and the amount to be paid to the debtor on any pay-day includes an amount advanced in respect of future pay, the amount of the debtor's notional net earnings under sub-paragraph (a) of that paragraph shall be calculated in accordance with the formula –

$$\frac{A + B}{C + D} \text{ where}$$

A is the amount of net earnings payable to him on that payday (exclusive of the amount advanced);

B is the amount advanced

C is the number of days in the period for which the amount of net earnings is payable; and

D is the number of days in the period for which, but for any agreement to pay in advance, the amount advanced would have been payable.

(6) Paragraph (3) applies in relation to paragraph (4) as it applies in relation to paragraph (1).

(7) Where earnings are payable to a debtor by the employer by 2 or more series of payments at regular intervals –

(a) if some or all of the intervals are of different lengths –

(i) for the purpose of arriving at the sum to be deducted, whichever of paragraphs (10), (2), (3), (4), (5) and (6) is appropriate shall apply to the series with the shortest interval (or, if there is more than one series with the shortest interval, such one of those series as the employer may choose), and

(ii) in relation to the earnings payable in every other series, the sum to be deducted shall be 20% of the net earnings or, where on any pay-day an amount advanced is also paid, 20% of the aggregate of the net earnings and the amount advanced;

(b) if all of the intervals are of the same length, whichever of paragraphs (10), (2), (3), (4), (5) and (6) is appropriate shall apply to such series as the employer may choose and sub-paragraph (a)(ii) shall apply to every other series,

and paragraph (3) shall apply in relation to sub-paragraph (a)(ii) above as it applies in relation to paragraph (1).

(8) Subject to paragraphs (9) and (10), where the debtor's earnings from the employer are payable at irregular intervals, the sums to be deducted on any pay-day shall be arrived at by—

(a) calculating what would be his daily net earnings by dividing the net earnings payable to him by the employer on the pay-day -

(i) by the number of days since earnings were last payable by the employer to him, or

(ii) if the earnings are the first earnings to be payable by the employer to him with respect to the employment in question, by the number of days since he began the employment;

(b) ascertaining the percentage (or percentages) specified in column 2 of Table C of Schedule 4 opposite the band in column 1 of that Table within which the notional net earnings calculated under sub-paragraph (a) fall; and

(c) calculating the sum which equals the appropriate percentage (or percentages) of the daily net earnings and multiplying that sum by the same number as that of the divisor for the purposes of the calculation mentioned in sub-paragraph (a).

(9) Where on the same pay-day there are payable to the debtor by the employer both earnings payable at regular intervals and earnings payable at irregular intervals, for the purpose of arriving at the sum to be deducted on the pay-day under the foregoing provisions of this regulation all the earnings shall be aggregated and treated as earnings payable at the regular interval.

(10) Where there are earnings payable to the debtor by the employer at regular intervals on one pay-day, and earnings are payable by the employer to him at irregular intervals on a different pay-day, the sum to be deducted on each of the pay-days on which the earnings which are payable at irregular intervals are so payable, shall be 20% of the net earnings payable to him on the day.

Attachment of earnings orders: ancillary powers and duties of employers and others served

39. – (1) An employer who deducts and pays amounts under an attachment of earnings order may, on each occasion that he makes such a deduction, also deduct from the debtor's earnings the sum of £1 towards his administrative costs.

(2) An employer who deducts and pays amounts under an attachment of earnings order shall, in accordance with paragraph (3), notify the debtor in writing of –

(a) the total amount of the sums (including sums deducted under paragraph (1)) deducted under the order up to the time of the notification; or

(b) the total of the sums (including sums deducted under paragraph (1)) that will fall to be so deducted after that time.

(3) A notification under paragraph (2) must be given at the time that the pay statement given by the employer to the debtor next after a deduction has been made is so given, or if no such statements are usually issued by the employer, as soon as practicable after a deduction has been made.

(4) A person on whom a copy of an attachment of earnings order has been served shall, in accordance with paragraph (5), notify in writing the authority which made the order if he does not have the debtor against whom it was made in his employment or the debtor subsequently ceases to be in his employment.

(5) A notification under paragraph (4) must be given within 14 days of the day on which the copy of the order was served on him or the debtor ceased to be in this employment (as the case may be).

(6) While an attachment of earnings order is in force, any person who becomes the debtor's employer and knows that the order is in force and by what authority it was made shall notify that authority in writing that he is the debtor's employer.

(7) A notification under paragraph (6) must be given within 14 days of the day on which the debtor became the person's employee or of the day on which the person first knows that the order is in force and the identity of the authority by which it was made, whichever is the later.

Attachment of earnings orders: duties of debtors

40. – (1) While an attachment of earnings order is in force, the debtor in respect of whom the order has been made shall notify in writing the authority which made it of each occasion when he leaves employment or becomes employed or re-employed, and (in a case where he becomes so employed or re-employed) shall include in the notification a statement of –

(a) his earnings and (so far as he is able) expected earnings from the employment concerned,

(b) the deductions and (so far as he is able) expected deductions from such earnings

(i) in respect of income tax;

(ii) in respect of primary Class 1 contributions under Part 1 of the Social Security Contributions and Benefits Act 1992;

(iii) for the purposes of such a superannuation scheme as is mentioned in the definition of "net earnings" in regulation 32(1),

(c) the name and address of the employer, and

(d) his work or identity number in the employment (if any).

(2) A notification under paragraph (1) must be given within 14 days of the day on which the debtor leaves or commences (or recommences) the employment (as the case may be), or, (if later) the day on which he is informed by the authority that the order has been made.

Attachment of earnings orders: ancillary powers and duties of authority

41. – (1) Where the whole amount to which an attachment of earnings order relates has been paid (whether by attachment of earnings or otherwise), the authority by which it was made shall give notice of the fact to any person who appears to it to have the debtor in his employment and who has been served with a copy of the order.

(2) The authority by which an attachment of earnings order was made may, on its own account or on the application of the debtor or an employer of the debtor, make an order discharging the attachment of earnings order; and if it does so it shall give notice of that fact to any person who appears to it to have the debtor in his employment and who has been served with a copy of the order.

(3) If an authority serves a copy of an attachment of earnings order in accordance with regulation 37(3), it shall (unless it has previously done so) also serve a copy of the order on the debtor.

Priority as between orders

42. – (1) Where an employer would, but for this paragraph, be obliged to make deductions on any pay-day under more than one order, he shall –

(a) deal with the orders according to the respective dates on which they were made, disregarding any later order until an earlier one has been dealt with; and

(b) deal with any later order as if the earnings to which it relates were the residue of the debtor's earnings after the making of any deduction to comply with any earlier order.

(2) Subject to paragraph (3), where an employer would, but for this paragraph, be obliged to comply with one or more attachment of earnings order and with one or more deduction order, he shall deal with the orders according to the respective dates on which they were made in like manner as under paragraph (1).

(3) An employer shall not deal with a deduction order made either wholly or in part in respect of the payment of a judgment debt or payments under an administration order until he has dealt with the attachment of earnings order or orders and any other deduction order.

(4) In this regulation “deduction order” means an order under the Attachment of Earnings Act 1971 or section 31(2) (deductions from earnings orders) of the Child Support Act 1991.

Schedule 4

Regulation 37

Form of Attachment of Earnings Order

[Name of billing authority]
(Administration and Enforcement) Regulation 1992

*[Debtor's name
and address]*

[Payroll/Works No.]

*[Billing authority's
reference]*

To any person who has in his employment the person named above.

On *[date]* the *[name]* Magistrates' Court made a liability order under regulation 34 of the Council Tax (Administration and Enforcement) Regulations 1992 against the person named above in respect of an amount of which, *[amount]* is outstanding at the date of the making of this order. This order relates to the outstanding amount.

YOU ARE ORDERED by *[name of billing authority]* to make deductions from the net earnings (as defined in regulation 32 of those Regulations) of the person named above at the times and at the rate specified in regulation 38 of those Regulations. The first such deduction shall be made as soon as reasonably practicable after the service on you of a copy of this order. A copy of regulations 32 and 38, together with regulations 39 to 42 and Schedule \$, are set out at the end of this order.

YOU ARE ALSO ORDERED to pay each sum deducted to *[name of billing authority and address for payments]* within the period of 19 days beginning on the last day of the month in which the deduction was made.

Dated

.....
Proper officer of the authority

*Indorsement on copy sent to person appearing to have the debtor in his employment

It appears to *[name of billing authority]* that you have the above-named in your employment. You must notify *[name of billing authority]* in writing within 14 days of the date of service on you of this copy of the order if you do not have the debtor in your employment. You must also notify *[name of billing authority]* in writing within 14 days of the day on which the debtor leaves your employment. Failure to do so may render you liable to a fine.

*Indorsement on copy sent to debtor

This is a copy of an attachment of earnings order served on your employer. If you leave his employment or become employed or re-employed you must notify *[name of billing authority]* in writing within 14 days, giving the particulars specified in regulation 40(1) of the Regulations mentioned in the order. Failure to do so may render you liable to a fine.

Italics indicate words or figures to be inserted.

*Delete whichever indorsement is inapplicable.

Schedule 4**Regulation 38****Deductions to be made under Attachment of Earnings Order**

Table A
Deductions from Weekly Earnings

(1) Net earnings	(2) Deduction rate %
Not exceeding £75	0
Exceeding £75 but not exceeding £135	3
Exceeding £135 but not exceeding £185	5
Exceeding £185 but not exceeding £225	7
Exceeding £225 but not exceeding £355	12
Exceeding £355 but not exceeding £505	17
Exceeding £505	17 in respect of the first £505 and 50 in respect of the remainder

Table B
Deductions from Monthly Earnings

(1) Net earnings	(2) Deduction rate %
Not exceeding £300	0
Exceeding £300 but not exceeding £550	3
Exceeding £550 but not exceeding £740	5
Exceeding £740 but not exceeding £900	7
Exceeding £900 but not exceeding £1,420	12
Exceeding £1,420 but not exceeding £2,020	17
Exceeding £2,020	17 in respect of the first £2,020 and 50 in respect of the remainder

Table C
Deductions based on Daily Earnings

(1) Net earnings	(2) Deduction rate %
Not exceeding £11	0
Exceeding £11 but not exceeding £20	3
Exceeding £20 but not exceeding £27	5
Exceeding £27 but not exceeding £33	7
Exceeding £33 but not exceeding £52	12
Exceeding £52 but not exceeding £72	17
Exceeding £72	17 in respect of the first £72 and 50 in respect of the remainder