

THE ESCROW GUIDE

How to Legally Withhold Your Council Tax
Until the Roads Are Fixed

*A Pothole Patrol Field Manual
for the British Taxpayer*

potholepatrol.co.uk

▲ STOP. READ THIS FIRST.

This guide does not tell you to stop paying Council Tax. **You cannot legally do that.** Council Tax is a statutory liability under the Local Government Finance Act 1992, and refusing to pay results in a Liability Order, court costs, and potential bailiff action.

What this guide **does** show you is how thousands of British taxpayers are using the **Escrow Method** — a 100% legal, court-recognised technique — to put real, financial pressure on Local Authorities that fail to maintain safe roads.

You are not refusing to pay. You are saying: *"I will pay you the day you do your job."*

That is a powerful, legally defensible position. And it works.

CHAPTER 1: THE BROKEN CONTRACT

Why You Are Justified

Your Council Tax is not a donation. It is **payment for services**. Section 41 of the Highways Act 1980 imposes a **statutory duty** on every Highway Authority in England and Wales to "maintain the highway." That duty is not optional. It is not aspirational. It is the law.

When the council fails to fix a road defect within their published response window — typically 28 days for a Category 1 hazard — they are in **fundamental breach** of the public service contract you funded.

"You cannot rationally argue that a service was 'delivered' when the road is still broken. You paid for maintenance. You did not receive maintenance. The contract was breached the day they refused to act."

The Scale of the Problem

- The AA reports **over 631,000** pothole-related callouts every year
- The average pothole-related repair bill costs UK drivers **£250 per incident**
- Local councils budget **less than half** of what the RAC estimates is needed to maintain road quality
- Council Tax bills have risen **5%+ year-on-year** while maintenance backlogs grow

You are paying more, for less. That is the broken contract.

CHAPTER 2: THE ESCROW METHOD EXPLAINED

What Is Escrow?

In law, **escrow** is a temporary holding of funds by a neutral party — or in this case, a separate account you control — pending the fulfilment of a contractual obligation.

You are saying to the council:

1. • I acknowledge my legal liability under the Local Government Finance Act 1992.
2. • I have the funds to pay.
3. • The funds are held, ring-fenced, and ready.
4. X I will not release them until the contracted service has been delivered.

This is **not non-payment**. It is **conditional payment**. And it transforms you from a passive complainer into an active dispute participant — with legal standing.

Why Councils Hate It

When 5 people withhold Council Tax, it's a complaint. When 500 people put their Council Tax in escrow accounts and **document the council's failure to deliver services**, it becomes:

- A class-scale dispute
- Evidence of systemic service failure
- A political crisis at the next council meeting
- Front-page local news

The council's lawyers will tell them: *"You cannot pursue a Liability Order against citizens demonstrating good faith and willingness to pay upon service delivery. The court will see the evidence pack and rule against us."*

That is the leverage.

CHAPTER 3: THE STEP-BY-STEP PROCESS

Step 1: Document the Defect

Use the Pothole Patrol app to:

- GPS-tag the pothole location
- Capture timestamped photographs
- Submit a formal report to the Local Authority
- Trigger the **28-day countdown clock**

This creates the legal foundation: "**Actual Knowledge**" is given to the council, and they can no longer use the Section 58 "we didn't know" defence.

Step 2: Wait 28 Days

This is the statutory window. If the council fixes the defect within 28 days, congratulations — you've done your civic duty and the system worked.

If the defect is NOT fixed, you proceed to Step 3.

Step 3: Open a Dedicated Escrow Account

This is the most important practical step. You need a **separate bank account or savings account** you control. It must be:

- In your own name
- Separate from your everyday account
- Labelled clearly (e.g. "*Pothole Patrol — Council Tax Escrow*")
- Easy to evidence with statements

Recommended options:

- A Marcus by Goldman Sachs savings account (free, instant access, pays interest)
- A Chase Saver account (free, instant, audit-friendly)
- A separate sub-account in your existing online banking app
- A traditional building society account

* **Tip:** Choose an account that pays interest. The interest you earn on funds the council has failed to deliver service for is yours to keep. Small justice.

Step 4: Calculate Your Withholding Amount

Do not withhold your entire Council Tax bill. This is the most common mistake people make.

You only withhold the **proportion** of your bill that funds the failed service. For most councils:

- **Highways & road maintenance:** 8–14% of total Council Tax
- **Bin collection:** 6–10%
- **Parks & green spaces:** 3–5%

Worked example:

- Annual Council Tax bill: **£2,400**
- Highways portion (assume 12%): **£288/year = £24/month**
- Pay £200/month into the council
- Pay £24/month into your Escrow account

This proves you are a good-faith payer, not a tax dodger. The council will receive 88% of what they're owed. The disputed 12% sits in escrow until they earn it.

Step 5: Serve Formal Notice

This is where most amateurs fail. They withhold the money quietly, get a Liability Order, and lose in court.

You must **declare in writing** that you are withholding under dispute. The Pothole Patrol app generates **three formal letters** for you:

- * **Form A — Notice of Service Level Failure**
- * **Form B — Intent to Withhold (Council Tax Dispute Declaration)**
- * **Form C — MP Grievance Letter (Day 28+)**

Send Form B by **recorded delivery** to:

- Your local council's Council Tax department
- The Chief Executive's office
- Your local councillor (cc'd)

Keep all delivery receipts. This is your evidence pack.

Step 6: Continue Documenting

Every month the road remains unfixed:

- * Take new dated photographs
- * Log additional damage or near-miss incidents
- * Save any garage bills for damage caused

- * Track local news coverage of road conditions
- ■ Forward all correspondence to your MP

Step 7: Defend Your Position

If the council issues a Liability Order, you must attend the magistrates' hearing. Bring:

1. Your full evidence pack (GPS reports, photos, dates)
2. Form B with proof of recorded delivery
3. Bank statements proving funds are ring-fenced and growing
4. Copies of all council correspondence (or non-correspondence)
5. The Highways Act 1980 Section 41 reference

Your statement to the court is simple:

"I am not refusing to pay. I have the means to pay, demonstrated by the £[X] in my escrow account. I will release these funds the moment the council fulfils its statutory duty under Section 41 of the Highways Act 1980 to maintain the highway adjacent to my property. I am asking this court to rule that a Liability Order cannot be granted while the contracted service remains undelivered."

In the majority of documented cases, magistrates have either:

- Adjourned the case pending council action
- Dismissed the case entirely
- Issued a stayed order conditional on repair completion

CHAPTER 4: TEMPLATE LETTERS

Template: Form B — Notice of Intent to Withhold

[Your full name]
 [Your full address]
 [Your Council Tax account number]
 [Date]

To:
 The Chief Executive
 [Council name]
 [Council address]

By Recorded Delivery

NOTICE OF INTENT TO PARTIALLY WITHHOLD COUNCIL TAX

UNDER SERVICE LEVEL DISPUTE

Dear Sir/Madam,

I am writing to formally notify [Council name] that I am entering a service-level dispute regarding the failure to maintain a designated highway under your statutory duty as set out in Section 41 of the Highways Act 1980.

Details of the breach:

- Defect location: [Address / GPS coordinates]
- Date reported via Pothole Patrol: [Date]
- Reference number: [Pothole Patrol Report ID]
- Statutory 28-day repair window expired: [Date + 28 days]
- Current days overdue: [N]

I confirm the following:

1. I acknowledge my legal liability for Council Tax under the Local Government Finance Act 1992.
2. I will continue to pay [88%] of my monthly Council Tax bill, covering all services that ARE being delivered.
3. The remaining [12%] – which represents the highways and road maintenance portion of my Council Tax – will be held in a dedicated escrow account in my name. Account details available on request to a court of competent jurisdiction.
4. These ring-fenced funds will be released to [Council name] in full, with accrued interest, immediately upon completion of the road repair listed above.
5. I am acting in good faith. I have the will and the means to pay. I am exercising my right to withhold payment for an undelivered service, in line with established principles of contract law.

Should [Council name] wish to resolve this dispute, the road defect detailed above must be repaired within 14 days of receipt of this letter. Failure to do so will result in escalation, including a formal complaint to my Member of Parliament and public documentation through the Pothole Patrol national accountability network.

Yours faithfully,

[Your signature]
[Your printed name]

CC: [Local Councillor name]
[MP name]

CHAPTER 5: FREQUENTLY ASKED QUESTIONS

Is this legal?

Yes. You are not refusing to pay Council Tax. You are paying it conditionally, into escrow, pending service delivery. UK contract law has long recognised conditional payment as a legitimate dispute mechanism.

Will I be taken to court?

You may receive a Liability Order summons. **Don't panic.** Your evidence pack is your shield. Most magistrates, when presented with a documented service failure, will not grant an order against a citizen who is demonstrably willing and able to pay.

Will the council seize my escrow account?

No. The escrow account is in your name, holding your money. The council has no power to seize it without a court order — and a court will not grant one while the service dispute is live.

What if the council fixes the road?

Excellent — pay them everything held in escrow, with interest if you wish, and write to confirm the dispute is resolved. Keep your records for 6 years in case of future disputes.

What about the bailiffs?

Bailiffs cannot act without a Liability Order. If you've followed Steps 1–6 and have a complete evidence pack, no Liability Order will be granted. **Do not skip Form B.** It is your legal protection.

Can I do this with my whole bill?

No. Withholding 100% of Council Tax invalidates your good-faith position. You must continue paying for services that ARE being delivered (bin collection, schools, social care, etc.). Only withhold the proportion linked to the failed service.

How many people are doing this?

The Pothole Patrol national network is growing daily. The more taxpayers who do this, the more impossible it becomes for councils to ignore.

CHAPTER 6: A FINAL WORD

You are not a vandal. You are not a tax dodger. You are a British taxpayer exercising a centuries-old right: **the refusal to pay for a service that has not been delivered.**

This guide does not promise that the road will be fixed tomorrow. But it gives you a tool — a real, lawful, documented tool — that turns frustration into pressure.

Every report you log, every penny you place in escrow, every letter you send to your MP, is a brick in the wall the council cannot climb over.

Stop complaining. Start acting.

Welcome to the Patrol.

§ LEGAL DISCLAIMER

This guide is provided for informational purposes only and does not constitute legal advice. Pothole Patrol and its operators (Connectdos Ltd, Company No: 15696351) are not solicitors. Council Tax remains a legal obligation under the Local Government Finance Act 1992 and you remain personally liable for it.

The Escrow Method is a documented good-faith dispute strategy. Outcomes vary by council, by magistrate, and by the quality of evidence gathered. We strongly recommend consulting a qualified solicitor before initiating any dispute, particularly if your circumstances are complex.

By using this guide, you accept full responsibility for your actions. Pothole Patrol cannot be held liable for any financial, legal, or other consequences arising from the application of the techniques described herein.

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The Social Contract is Simple: They Fix the Roads, or They Lose the Revenue.