



Making the Poor Pay

The real cost of the council tax reduction scheme in Camden

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Table of Contents

Acknowledgements.....	3
Executive Summary	4
Background	7
The English Context	7
The aims of this research.....	7
Methodology.....	9
The London Borough of Camden’s Council Tax Reduction Scheme	10
Citizens Advice Camden evidence on the operation of the council tax reduction scheme	14
The council perspective.....	14
The resident perspective	14
Evidence of what works well at Camden Council	15
Evidence of where practice could be improved at Camden Council	17
a) Vulnerable Residents.....	17
b) More information.....	20
c) In and Out of Benefits	22
Conclusions	24
Recommendations	26
Recommendations for central government	26
Recommendations for Camden Council.....	27
Recommendations for advice agencies	29
Appendix.....	30
References.....	34

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Executive Summary

The abolition of national council tax benefit has hit those on benefits the hardest. On average very poor households have had to pay £167 a year more tax and 590,000 families have had to pay over £200 extra tax a year¹. Citizens Advice recently reported that council tax debt was the number one debt problem the charity helped with², overtaking credit card debt and unsecured personal loans.

Citizens Advice has supported research into the impact of local council tax reduction schemes³ within four local Citizens Advice Bureaux⁴. The purpose of this initial local report, by Citizens Advice Camden, is to raise understanding of the impact of the scheme in the London Borough of Camden and also to highlight what has been done well and how the administration of the scheme could be improved. It is based on published research reports, our own database and a survey of our clients, which we carried out followed up with interviews with respondents and council representatives.

Camden Council has gone some way to minimise the impact of the government cuts to the council tax reduction scheme by:

- Limiting the charge to 8.5% (the range across London councils is 0-30%).
- Adapting its policy to assist less well-off households e.g. not charging court costs in the first year, and adding an extra stage in their debt collection process for those on benefits.
- Being responsive to cases when Citizens Advice Camden or other agencies are involved.

But, as a recent report, *Too Poor to Pay*⁵, stated: "Out-of-work benefits still only provide 39% of what single, working-age people need to reach a minimum income standard. It is therefore inconceivable that paying council tax out of this income does not have a significant impact on the claimant's standard of living." Our research indicates that most council officers are helpful and try to make the system work: for example, one resident found the council officers 'really nice and open' and 'very helpful in organising the direct debit.' However, some residents perceived an impersonal process by time-constrained officers based on letter writing and a lack of listening. The case studies are from the clients' perspective and Camden Council has not been asked to comment on individual cases. The clients with bad experiences tended to be some of the most

¹ <http://counciltaxsupport.org/impacts/>

² <https://www.citizensadvice.org.uk/about-us/how-citizens-advice-works/media/press-releases/council-tax-arrears-now-biggest-debt-problem-reported-to-citizens-advice/>

³ This is known as the Council Tax Reduction Scheme in Camden

⁴ In addition to Camden, research has been carried out in East Staffordshire, North Somerset and York councils.

⁵ Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, Page 13.

vulnerable, whose difficult situations were not fully appreciated. In these cases, a more personalised, human, sympathetic engagement may have generated a better outcome for the individual as well as for the council. As one resident put it “Camden should be more lenient. They shouldn’t penalise people who make small mistakes. Even if people do mess up they should be given more time to put things right. It is not as if we owe lots of money and are going to escape the country without paying our debts.”

In the first year of the scheme (2013/14), a total of 4,360 court summonses were issued to families in Camden who were receiving council tax reduction⁶. In March 2015, there were 4,747 council tax reduction scheme recipients in arrears, owing £576,000⁷. These figures are of concern and should be addressed by early advice intervention and a personalised approach. Evidence from Citizens Advice Camden over the years has shown such an approach can significantly reduce arrears and the necessity for court action. Instead the Council has taken court action quarterly when there are arrears for those in receipt of council tax reduction, above all impacting on those in debt and adding both stress and more costs to their already difficult situations. It is particularly difficult for those vulnerable residents who have limited understanding of the English language, the council tax system and court processes. One resident summed up the problem as follows: “If you are in debt, you are not going to miraculously find more money because you have been threatened. There is no magical pot of money. It doesn’t work like that.”

The report has recommendations for Central Government, Camden Council and Advice Agencies. The main recommendations of the report are as follows:

- We welcome the council limiting the minimum council tax payment to 8.5% and recommend an annual review to consider whether to reduce this percentage or eliminate the charge for those on benefits entirely. This review should include a full cost benefit assessment of the costs and impact.
- The research has revealed the need for a more personalised approach which is less based on letter writing and more based on early text messages followed by individual debt counselling support. The process of recovering debt should be reformed in order to reduce significantly the number of summons currently issued and to end the use of bailiffs. A number of other local authorities have stopped using bailiffs and there is evidence that they have higher collection rates⁸.

⁶ The figure for 2014/15 was 4,007

⁷ Information supplied by Mark Tate Head of Council Tax and Business Rates, 14/08/15

⁸ Money Advice Trust (2015) *Stop the Knock* <http://www.moneyadvicetrust.org/media/news/Pages/Stop-The-Knock-2015.aspx> Joanna Elson CEO of the Money Advice Trust said: ‘Bailiff action is not only harmful to those in arrears – it is also a poor deal for the council taxpayer. Our research shows that those local authorities that use bailiffs the most are actually less successful, on average, at collecting council tax arrears. This is a lose-lose situation.’

- The council should be encouraged to work with advice agencies to negotiate a payment plan wherever possible even if the household has missed more than one payment, and especially where the residents are on welfare to work benefits.
- Finally, we would encourage advice agencies to work more closely with the council to provide support and ensure they handle difficult cases sensitively so as not to increase stress, anxiety and push families into greater debt.

Background

The English Context

Prior to April 2013, any resident on income related Job Seeker Allowance (JSA), income based Employment and Support Allowance (ESA) or Income Support received full council tax benefit and did not have to pay any council tax. In April 2013, the Government handed over the responsibility for council tax benefit to local authorities, whilst cutting the grant for council tax reduction by 10% and ruling that pensioners must still receive the full reduction. This meant a cut in government subsidy on council tax reduction of 20% for working age households. Councils have been impacted by this cut in different ways depending on how many households of working age were receiving council tax benefit. The cut of £420m across English councilsⁱ was a very significant financial blow to local authorities, coming on top of public expenditure cuts that had reduced their budgets by a third. Some councils were able to absorb the loss and have fully subsidised council tax benefit for those eligible, but others have chosen to pass on some of the burden to those that had been eligible for council tax benefit. On average in England very poor households have had to pay £167 a year more tax and 590,000 families have had to pay over £200 extra tax a yearⁱⁱ.

The effect on Citizens Advice (the UK's largest advice provider) and other advice agencies has been dramatic. Between January and March 2014, Citizens Advice helped 27,000 people who had fallen into council tax arrears - a 17% increase on the same period in 2013. Citizens Advice reported that council tax debt had overtaken credit card debt and unsecured personal loans to become the number one debt problem the charity helped withⁱⁱⁱ. In 2010, only 10% of StepChange Debt charity's clients had council tax debt (13,353 people). By March 2015, the charity had seen a 372% rise in the number of people they advised with council tax debt to 63,016 people and the scale of that debt for each household had risen by 23%. The charity reported that, nationally, eight in ten clients got in touch with their council about the arrears, but the majority of them faced threats of legal enforcement or demands for unaffordable lump-sum payments from the council:

- 62% of people had still been **threatened with court action**
- 51% had been **threatened with bailiffs**
- Only 25% were offered an **affordable payment option**
- Only 13% were **encouraged to get debt advice**^{iv}

The aims of this research

In this context, the purpose of this local report is to raise understanding of the impact of the scheme in the London Borough of Camden and also to highlight

what has been done well and how the administration of the scheme could be improved. We have used existing research to learn about what is causing problems and good practice in other areas. The report also aims to build the capacity of Citizens Advice Camden to campaign for reform locally. It seeks to strengthen partnership working with the Council to address the issues we identify. Better practice will ultimately improve the lives of the poorest, most disadvantaged residents in Camden and we hope by working closer with the Council and influencing changes in their practice we will be able to achieve this change.

Citizens Advice has supported this research and similar studies in three other local Citizens Advice Bureaux. In each area there are different schemes (see box below). A national report will be published later this year or early next year, which will bring together a comparison of the four schemes and the joint lessons that can be learnt.

Local authority	Minimum percentage of council tax being charged in 2015/16 to those on full benefits	Average annual cost to the poorest households	Percentage of annual income related JSA for a single person*.	Number of households affected
East Staffordshire Borough Council	25%	£218	5.7%	5,169
London Borough of Camden	8.5%	£81	2.1%	17,490
North Somerset Council	24.5%	£198	5.2%	8,938
York City Council	30%	£242	6.4%	6,926

*N.B. JSA is only 39% of what a single, working-age person needs to reach the minimum income standard^v.

This research builds on the Citizens Advice project of 'Making Welfare Work Locally'^{vi}, a best practice showcase project. The case study approach and comparison between areas which have tried to mitigate the impact and areas which have just sought to recoup the government grant that has been lost, will strengthen previous work. The national work also feeds into wider cross party campaigns to reform council tax and council tax reduction schemes, involving

the New Policy Institute and Camden Council, the LGA, London Councils and CIPFA. It will also be useful for the current Parliamentary Work and Pensions Committee's inquiry into the local welfare safety net and the Government's own review of the schemes.

Methodology

In researching the impact of the scheme we drew on four sources of primary evidence and one source of secondary evidence.

- Firstly Citizen Advice Camden's database gives the number of clients who have approached Citizens Advice Camden for assistance with council tax debt as one of their problems. It is often not the main problem but it gives an indication of the rise of debt in this area.
- Secondly a questionnaire (see appendix) was sent to 135 people who had received advice about council tax debt from Citizen Advice Camden's money advice team at the Albany Office. This team gives specialist debt advice to clients who are disabled, or have a long-term health condition or are caring for a disabled child. We also encouraged clients waiting for appointments in our bureaux to fill out the questionnaire. With the focus on Camden locations, 83% of responses were Camden residents despite the fact that the money advice team has a London-wide remit. The survey had a low response rate but confirmed the findings of our more detailed case studies. So while it has no statistical validity, we do refer to it below.
- Thirdly we interrogated case notes on the Citizen Advice Camden's database to write up 13 case studies and we had face-to-face interviews with seven of these. All the names in the case studies have been changed and the information anonymised. In all the case studies we quote in this paper the evidence is from the client and is their point of view. Camden Council has asked us to make it clear that this information may not always be accurate.
- Finally we met with the Cabinet member for Finance at the Council and staff in the council tax debt recovery and enforcement teams.

In terms of secondary evidence we have drawn upon published research reports that have evaluated the impact of the changes to Council Tax benefit. These are referenced in the endnotes.

The London Borough of Camden's Council Tax Reduction Scheme

When the government localised council tax benefit, it offered one year transitional funding (£641,973 for Camden) to councils who limited their increased charge upon those who had not previously had to pay council tax, to 8.5% of council tax. This was very influential in the decision making process in Camden^{vii}. Councillors felt they could not afford to absorb the full cost of the cut (£2.7m) with around 17,000 working age households on council tax benefit. However, they wanted to protect the poorest residents in the Borough, many of whom had already been hit by the bedroom tax, the total benefit cap, below-inflation rises in benefits and, most significantly, the Local Housing Allowance which limits the award of housing benefit and no longer covers the full rental cost for those in the private rented sector.

Having considered these issues the Council decided to adopt the 8.5% charge to those on benefits with effect from April 2013.

The Council consulted on the new scheme illustrating the impact of various options. It was decided not to offer any additional discounts to those with disability as the consultation response expressed concern that this might lead to an even greater burden on groups like the young unemployed who had been particularly hard hit by the recent welfare reforms. Disabled residents are also able to apply for one lower council tax band on their property. The cost of a disability discount on the 8.5% charge was estimated to be 'at least £300,000 for people with disabilities, but dependant on the definition of disability.'^{viii}

Camden put £3m into an ethical care fund in Nov 2014 (to ensure that care providers give workers enough time, training and a living wage, so they can provide better quality care). This was seen as a higher priority than putting more general funding into the council tax reduction scheme. However, the Council decided last year to add a £10 earning disregard to their council tax reduction scheme, helping those in low paid work, as this is in line with their ethical charter commitment. This costs the Council around £200,000 a year.

Furthermore, the Council has maintained, and proposes to continue to maintain^{ix}, the 8.5% rate despite continued cuts in its budget from central government. They are able to do this partly because the number of people claiming council tax reduction in the Borough is declining. This is a London-wide phenomena and may be related to increasing employment rates and 'migration' out of Inner London.^x When the council tax reduction scheme was first introduced in 2013-2014, the funding from central government was £18.1m. In the subsequent years, the cumulative reduction in overall funding for Camden has been 24.4% (i.e. £49.1m) compared to a reduction of 21.3% for England as a

whole. (Whilst the element of council tax reduction funding is no longer separately identified in Camden's central government funding, it has therefore theoretically been reduced by 24.4%). In 2014-15 Camden spent £17.77m on the council tax reduction scheme^{xi}. The continued commitment to a low charge is very welcome and has involved the council putting in subsidy to protect poorer residents.

The average cost to council tax reduction recipients is around £81 a year. However as a recent report, *Too Poor to Pay*^{xii}, stated: "Out-of-work benefits still only provide 39 per cent of what single, working-age people need to reach a minimum income standard. It is therefore inconceivable that paying council tax out of this income does not have a significant impact on the claimant's standard of living."

Before the localised scheme came in, the council achieved a 96.8% collection rate on council tax compared to a national rate of 97.4% and an inner London Borough rate of 95.6%^{xiii}. Camden had 128,135 customers who made payments and received £112.8m council tax in 2013/14.^{xiv} Unsurprisingly, collection rates (at 90.13% in the first year 2013/14^{xv}, 90.28% in 2014/15^{xvi}) for those who received council tax benefit in the past, are well below what the Council achieved with its more wealthy residents. This has meant a small drop in the overall collection rate: in 2014/2015 it was 96.54%^{xvii}. The Council continues collecting council tax, particularly in council tax support cases, long after the year end and reaches collection rates of 97.7%

In March 2015, there were 4,747 council tax reduction recipients in arrears, owing £576,000.

Camden follows local authority procedures for council tax collection with minor variations. Residents pay in instalments on the first of the month, starting on 1st April. If the money is not received by this date a reminder is sent out requesting the payment in May for those who claim council tax reduction (in April for other residents). If the money is not paid, the instalment plan is cancelled and a court summons is issued for the full year's tax plus costs. In total 4,360 summonses were issued in 2013/14 to families in Camden who were receiving council tax reduction. The number of summonses issued to council tax reduction recipients in 2014/15 was 4,007 of which 179 were passed to Enforcement Agents (see below).

The council charge £80 for a summons: this is at the lower end of the charges by other councils. The amount of costs charged in 2014/15 in London ranged from £65 in Southwark to £125 in Harrow^{xviii}. If the case is heard in the Magistrate's Court and a Liability Order is issued, this costs a further £15. In the first year of the scheme, Camden cancelled the court costs if residents paid the full council tax before the end of the financial year but no such commitment was given for

the following years. In 2013/14, Camden charged a total of 3,432 residents with court costs and raised £318,810 in charges from customers in receipt of council tax support but much of this will have been or will be waived upon completion of payment arrangements.

A liability order enables the council to enforce payment. A letter asking for payment within 14 days will be sent following the court case. Payment can be made in various ways. Residents are usually asked to agree a payment plan and to set up a direct debit to pay their council tax. An alternative is to have an attachment of earnings or an attachment of benefits (third party deductions) where council tax is deducted at source. This can only be done after a liability order has been issued, and cannot be set up at the request of the council tax payer. The maximum weekly amount that can be deducted at source from benefits for council tax arrears is currently £3.70 a week.

If the resident does not engage with the Council after the liability order has been obtained and the 14 day letter sent, each case is reviewed individually. Someone who is judged to be vulnerable or is on the council tax reduction scheme will get a further letter concerning their arrears. If there is no response to this and if the Council 'has no useful information' about their circumstances', Enforcement Agents will be instructed to recover the council tax and court costs. The initial Enforcement Agent's compliance fee is charged at £75 and the debtor is given 14 days to pay before further action is taken. If the total up to this date is not paid the debt is passed out to a bailiff for enforcement action attracting a further fee of £235 which is added to the debt. If the debtor provides evidence that they are vulnerable or the bailiff identifies a problem at the property, he returns the account back to the council and the enforcement costs are cancelled.

For the period 1 April 2014 to 31 March 2015, Camden passed 4414 cases to Enforcement Agents but only 179 of these were residents who received council tax reduction support. This figure is relatively low for London, with Hackney using bailiffs in 1,115 CTRS cases and Haringey in 1,350 cases but Islington, Brent and Southwark have not used bailiffs in any cases of arrears for CTRS clients^{xix}.

For the period 1 January 2014 to 31 January 2015, ten batches of bailiff orders were sent out containing 4,590 cases^{xx}. Not all these cases will be to residents in receipt of council tax reduction support but the figure is high in relation to other Boroughs in London. The Council state that they do not send in the bailiffs unless the original debt is over £95^{xxi}.

Case study 1: Bailiffs

Amara is a single parent with three grown up children. Her English is poor and she has had a stroke. She is on Disability Living Allowance (low rate care and high rate mobility) and ESA. In 2014 she got into debt on council tax (partly because her ESA was stopped for a month) and a liability order was obtained for

around £300 of council tax and court costs. An arrangement was made to pay £50 a month to clear the balance and these payments were made for three or four months. However in January 2015 a payment failed to go through because Amara's ESA temporarily stopped as her medical certificate had run out. Amara was not aware of this until bailiffs arrived at the house in February demanding over £300 payment including their costs. She allowed them to enter and they were able to re-coup the debt. The incident obviously caused stress to someone who had had a stroke and did not speak English. Her daughter approached Citizens Advice Camden to assist with writing a complaint to the Council. Although, no doubt, reminder letters had been sent, her English was too poor to read them and no one had visited the home or tried to phone her with an interpreter to find out what had happened. Amara could have refused the bailiffs access but didn't know this. This was a significant enforcement action for a very small debt, as most of the money recovered was bailiff costs.

Councils, of course, have a duty to reclaim council tax payments, but as the recent Children's Society Report^{xxii} reveals, the lack of support offered to families struggling with council tax arrears, and the damaging practices employed by many councils, drive families further into debt and impact directly on children and teenagers. Camden Council can offer discretionary reductions in exceptional circumstances. The discretionary payments are mentioned on council tax bills and, when the council tax reduction scheme was introduced, recipients were informed about the support. However the discretionary payments are limited: "19 applications have been made under this scheme with 4 successfully receiving a remittance of their debt in full or part totalling £952.20."^{xxiii} Council officers told us that there have to be strong mitigating circumstances to award payment under the scheme. If someone applies they check they are getting all the discounts they are entitled to, they do a benefits check and if there are specific problems that a one off payment will resolve, they recommend assistance. Grants are then signed off by the assistant director of finance.

Citizens Advice Camden evidence on the operation of the council tax reduction scheme

The council perspective

The Council has a statutory duty to levy and collect council tax on the homes in the Borough. Legislation sets out what councils can do to recover council tax debts including seeking imprisonment or bankruptcy. Once the Council has set a charge, the officers have to pursue the collection of the charge and the procedures the council is currently following include at least one extra step (the individual review of cases when a liability order is not met in 14 days and an extra reminder letter to those on benefits) to national guidelines.

The council is also concerned that it treats everyone fairly and consistently. There are those who should be able to afford to pay their council tax who get into debt by living beyond their means. And some residents just delay payment through inefficiency or tax avoidance. The council believe that if it softens its legal processes, its general collection rate will suffer and people will fail to prioritise council tax debt. This will have an impact on council services many of which protect the most vulnerable residents in the Borough. The council currently raises £5.35m from those receiving council tax reduction.^{xxiv}

The council believes that getting the liability order does focus the resident in arrears on paying their debt. It also allows the council to implement an attachment of earnings or benefits which may ultimately be in the best interest of the debtor. With over 4,000 council tax payers in arrears, it would possibly be costly to develop a more individualised service.

Against this the evidence from across London^{xxv} is that, while this argument may have been correct when full council tax benefit was available, now that new residents who are 'too poor to pay' are having to pay council tax the current procedures are counter-productive. Residents on benefits cannot afford a payment of a year's council tax and court costs at one time. Payment plans have to be negotiated. There is evidence that those who avoid full legal process have a higher collection rate^{xxvi}. Nor is the argument that 'everyone has to be treated equally' a good equal opportunity argument. Those on benefits need new procedures. The resident view below develops this argument.

The resident perspective

The number of Citizens Advice Camden clients that have council tax debt has risen steadily since the new scheme was introduced in 2013. We do not have data before the scheme was introduced, but in 2013/14 Citizens Advice Camden

advised 320 clients who had council tax debt and in 2014/15 we advised 443 clients (a 38% increase).

The survey data is less rigorous but indicates some of the difficulties faced by our clients. 69% of the respondents to our survey said they are only “able to pay contribution to council tax bill with difficulty” and the remainder said they could not meet this cost at all. Over half the respondents had suffered from other welfare cuts (bedroom tax 16%, changes to ESA 16%, changes in the local housing allowance 38%, the total benefit cap 8% and sanctions 8%). The respondents stated that the cost of council tax was being met in various ways: cutting back on essentials (62%), cutting back on non-essentials (46%) and loans from family/friends (46%).

While these survey results are from a small sample, they indicate the problems that already exist with the very poorest residents having to pay council tax. There is a strong case for not raising the 8.5% level and even a case for lowering it. The CPAG/ Zacchaeus 2000 report on the second year of the schemes in London states: “While almost every authority that maintained its minimum payment at the same level has seen a decrease in the number of summonses issued, most of those that raised their minimum payment have seen an increase. For example, in Waltham Forest, where the minimum payment went up by 6.5 per cent, the number of summonses issued has increased almost five fold – from 1,304 in 2013/14 to 6,282 in 2014/15. Likewise, in Bexley, where the minimum payment was doubled from 5 per cent to 10 per cent, there has been an increase from 2,084 to 5,612.”^{xxvii}

The main problem arises for those who get into arrears. While most residents can just about cope with paying a charge of less than £2 a week by going without some essentials or non-essentials, if they miss a payment and do not respond to the reminder they can suddenly find themselves with a court summons demanding immediate payment of a year’s council tax and court costs, around £160. For a resident on out-of-work benefits there is no way they can meet this charge in one payment without taking out a loan or getting help from family and friends. Council officers will come to an arrangement to pay what can be afforded at any stage in the recovery process provided that they are contacted.

Evidence of what works well at Camden Council

Those residents who got into arrears and came immediately to seek advice from Citizens Advice Camden were relatively well treated by the Council once the local advisor was involved. In most cases a letter or phone call to the Council explaining the problems faced by the client resulted in a payment plan being negotiated and the cost of the court summons being withdrawn. Two examples are given below.

Case Study 2: Administrative mistakes

The client was a young man in his 20s who lived with his younger brother. His mother had died and then his father got dementia. He spent the last two years caring for his father who finally died in 2014. He informed the council of his father's death and told them he was now living in the property and receiving JSA. He came to Citizens Advice Camden with liability orders for council tax due in 2013/14 and 2014/15 issued in his mother's name, and a notification from the bailiffs that they would visit to recover the debt. The client had not opened the letters addressed to his mother until a week ago as he had assumed they were not important as she had died seven years ago and he found the letters upsetting. The advisor phoned the council who apologised and said they had not been notified about the death of the mother. They deleted the council tax record and cancelled the bailiffs and put the account, with no debt, into the names of the two brothers and advised on claiming council tax reduction. In this case the Council handled the situation with sensitivity and generosity once they had all the information.

Case Study 3: Poor money management

Paul is separated from his wife and his teenage son lives with him 3 days a week. He lives in a housing association flat. Paul is disabled and on ESA in the support group and gets housing benefit and council tax reduction. He has suffered from depression and alcoholism and has a long term health problem which flairs up intermittently preventing him retaining stable employment.

He got into serious debt with money owing for electricity, gas, water and council tax. He was full of praise for the Money Advice team at Citizens Advice Camden who helped him get his debts under control and taught him how to manage his money. For example, he applied for the Water Sure scheme which reduced his water payments by half; a gas meter was fitted which helped him reduce his gas arrears from £1000 to £70; and a transfer of phone providers cut down his telephone charges. All this means that, although money is tight, he now feels he can manage.

He thought Camden were 'very reasonable' in dealing with his council tax debt. He has to pay just over £7 a month towards his council tax bill. He was struggling at the beginning of 2015 and had accumulated a debt of over £60. He called the council and offered to pay over half immediately and the rest before the end of the financial year and they agreed not to issue a summons. They also helped him set up a direct debit for future payments. He found the council officer 'really nice and open' and 'very helpful in organising the direct debit.' Although ideally he would rather not have to pay any council tax and finds it very difficult to provide for his son on ESA (his wife claims child tax credits and child benefit for his son, so ESA is his only source of income), he is happy with the administration of the system and had no requests for improvement.

However, if a second payment is missed or if the resident does not engage immediately with the Council, then the story is very different. The following stories illustrate the variety of problems faced.

Evidence of where practice could be improved at Camden Council

a) Vulnerable Residents

The three case studies below illustrate the problems faced by vulnerable residents. Those with mental health issues^{xxviii}, severe physical disability and stress because of other events happening in their lives often miss their payments and fail to respond to written reminders. The Council does not attempt to find out what the problem is, phone or text the residents or encourage the households to seek debt advice. Instead the process of court orders and the cancellation of instalments result in a bill that the resident on benefit cannot meet. The strong message that came through our interviews was that it would make a real difference if the Council (together with advice partners) engaged actively with residents on benefits who fall into arrears and did not enforce payment until the residents had received full debt advice. More time, more advice and a named officer who could support them would result in fewer summonses and probably a higher collection rate.

Other councils have adopted a more progressive approach. For example, Lambeth Council actively intervenes with those who do not pay, using enforcement action only as a last resort. Lambeth is clear about not wanting to use bailiffs.^{xxix} Meanwhile Islington, Brent, Bexley and Southwark did not use bailiffs for those in receipt of council tax reduction last year.^{xxx}

Case Study 4 also raises the issue of benefit payments being unreliable which can result in direct debits failing and bank charges. This is a wider issue that needs to be addressed by banks as well as the local authorities. Case Study 5 deals with the specific issue of the treatment of people leaving prison. In this case the Council knew the resident had been in prison but the debt recovery team did not adapt their procedures. Case Study 6 shows a single mother who has problems with both her housing and eldest child. She is not facing up to her council tax debt as a result of stress and the court summons could potentially push her over the edge into a breakdown. The Council has a duty to protect vulnerable residents and to be aware of the circumstances of the residents who they are pursuing for debt.

Case study 4: Multiple Disability

Michael is in his 50s and has multiple disabilities, which prevent him from working. They have resulted in his being on Employment and Support Allowance (ESA) in the support group and receiving Disability Living Allowance with the higher rate mobility component for severe walking difficulty and higher

rate care component providing help both day and night. He also receives housing benefit and council tax reduction.

When Council Tax Benefit ceased he did not realise he had to pay council tax and got into arrears. He received a court summons in February 2015 asking him to pay both the debt on council tax and the court costs. Citizens Advice Camden money advice team contacted Camden Council on his behalf and he paid the council tax he owed (he pays £10 a month) and the Council agreed to cancel the court costs. As he had not budgeted for this expenditure he did not have enough money: 'I was out of pocket. I'm on a controlled diet but could only afford soup for a few days. It did affect my health, as did the stress.'

He struggles with paying his instalments: paying in the post office is difficult due to the acute pain he experiences standing in the post office queue. However, he is reluctant to agree a direct debit since his benefit payments are often late and he faces a £25 bank charge if there is not enough cash in his account to pay the direct debit. Partly because of this and partly because he forgot, he missed two payments. He rang Camden Council to apologise and to say he would pay the arrears. He was told that as he had not kept to the agreed payment plan he now had to pay the full annual charge and could no longer pay in instalments. The next day a court summons arrived in the post demanding payment of £80.88 (the outstanding charge for the rest of the financial year) and court costs of £80. He did not have this money and rang the council again. He felt the officer was unsympathetic telling him he had messed up twice, that it was his fault and that he should manage his account better. The officer said he must pay the bill in full. Following advice from Citizens Advice Camden, Michael paid half the council tax owing straight away and agreed to pay the remainder when he got his ESA payment in order that the whole bill was paid before the court date. He was able to make these payments as the Citizens Advice Camden has assisted in moving him from key and debit card payments on his electricity charges to a meter and quarterly bills, giving him an improved cashflow. Citizens Advice Camden has also written to the Council requesting that they waive the court charges.

Michael concluded: "Camden should be more lenient. They shouldn't penalise people who make small mistakes. Even if people do mess up they should be given more time to put things right. It is not as if we owe lots of money and are going to escape the country without paying our debts". He also pointed out that Camden Council have both his email and his phone number and before issuing a court summons they could have contacted him and reminded him to pay. This would have saved everyone time and money. Finally he felt it would make sense if the council tax payments were deducted at source like housing benefit so payments were not forgotten. This cannot currently be done without a liability order.

Case Study 5: Failure to take into account known circumstances

Jerome suffers from depression and anxiety. He is in receipt of Personal Independence Payment (PIP, enhanced living rate), ESA, Housing Benefit and Council Tax Reduction. He is single and lives in a council-owned bedsit.

He was in prison for 6 months (serving a 3 month sentence with 3 months on remand) and came out in the summer 2014. He was able to keep his accommodation while he was in prison, but, as he was not in receipt of benefits during this time, amassed large arrears in rent and council tax (his council tax was only waived for the period he was in remand and not for the 3 months he was in prison). One of the difficulties in resolving Jerome's situation was that there was a lengthy administrative delay (no fault of his) which meant that it took 3 months for Camden to receive his Detention in Prison Form, which gave him a greater entitlement to benefits. By this time he owed £326.47 in arrears of council tax, which included £95 for the cost of a summons and liability order issued by the Council and significant rent arrears.

Jerome felt frustrated and stressed about his situation. The council knew he had been in prison and that is why he couldn't pay the arrears and yet they still pursued him for the debt at a time when he wasn't yet receiving full benefits and couldn't pay it off. "Since I came out of prison I have been playing catch up. I am still stressed worrying about bills. It's just bills, bills, bills."

With the intervention of Probation and Citizens Advice Camden, Jerome was supported in getting back onto benefits. Upon receipt of the Detention in Prison Form, the Council recalculated the amount he owed for 2014/15 to be £15.51. However the Council was still demanding £95 for the court summons and liability order. Citizens Advice Camden argued that these costs were disproportionate to the amount owing, and the Council agreed to waive these if Jerome paid the £15.51 within a specified time, which he did.

He feels the council could have been more understanding about his situation, which would have created less stress for him, rather than sending him letters all the time: "They knew what situation I was in – one little hiccup, I've done my time and I'm still paying for it." He added that it was hard because each time he spoke to the Council he was always speaking to someone new and having to explain everything from scratch.

His council tax arrears are now fully paid off and he is endeavouring to slowly pay off his rent arrears so he can get back on track with his life.

Case Study 6: A single parent under acute stress

Aasiya is a single parent with two children. She worked for 16 hours a week for two years as a care worker but her employer insisted on flexible hours and did not pay travel time and expenses. She found she could not cope with her child

care given the low pay and flexible hours and she lost her job. She is currently on JSA, child benefit, child tax credits, housing benefit and council tax reduction and hopes to work again, part time, when the children return to school in the autumn. She has been under considerable stress. Her eldest child has learning difficulties and she has had to struggle get him support. While this support is now finally in place, she has had no advice on how to help and cope with him as he grows older. He is transferring to secondary school in the autumn and she is very anxious about this. Meanwhile she is being evicted from the flat she has occupied for 8 years because the landlord wants it for his daughters. She is not in rent arrears. The landlord has followed the correct procedures and given her warning (although he is no longer carrying out basic repairs) but she cannot find appropriate accommodation in Camden that she can afford to rent. The Job Centre has put continual pressure on her to find a new job. The stress has meant that she finds it difficult to concentrate. She has been to the GP to seek help with depression and anxiety and to get counselling.

When she stopped working it took three months to re-establish her full benefits. During this time she got into debt with her council tax, water rates and telephone contract. The council have sent her 3 court summons. She has got to the stage that when she sees a letter that clearly relates to a debt, she panics and does not open it. 'I am so anxious I don't want to open the letter. It is just more negative stuff to add to my list of worries'.

She has agreed that £3 a week should be taken from her JSA to meet the council tax debt and the council have asked her to set up a direct debit for £15 a month. She feels she should have been given more time to adjust and that the court summons should not have been issued so quickly. She said: 'I want them to give more time to people and negotiate over the phone, explaining the options. It would make a real difference.'

b) More information

The interviews evidenced the need for more information, outreach work and advice. This finding was supported by the survey results where 85% of respondents said they were not aware that Council Tax Benefit had been replaced by a local scheme of council tax reduction. Only 15% felt they had been told enough about abolition of Council Tax Benefit and its implications. Camden Council did try and run some outreach sessions but these were not well attended. The council ran two evening workshops/surgeries to explain the scheme and offer assistance when it was first introduced. Despite wide advertising only four residents came to the first event and two to the second.

Camden Council could partner with other advice agencies in the Borough to remedy this. In Tower Hamlets, for example, the council set up one-stop shops, which were welfare reform road shows on Saturday mornings, well-advertised

locally^{xxxii}. Chelmsford has employed two outreach workers who now phone all people falling behind with payments to signpost them to support agencies in order to prevent people from going into court summons^{xxxii}. Liverpool has around 45,000 households of working age on council tax reduction and around 28,000 of these are affected by the bedroom tax, disability, are carers or have children under 5. They have avoided enforcement action and have given individual debt advice to around 8.5% of their council tax payers on benefits to avoid their debt spiralling.

In Camden the situation is further complicated by the number of residents who do not have English as their first language. Accessible information and advice in these cases is even more important. This has already been illustrated in case study one. The Case Study below further illustrates the situation.

Case Study 7: Lack of knowledge about entitlement to council tax reduction

Mr and Mrs Tanto have 5 children under the age of 10 years old. They live in a council flat. Mr Tanto has been working for 14 years over 30 hours per week at a supermarket. His salary is approximately £13,000pa; his wife doesn't work. They are in receipt of benefits: working tax credit, child tax credit, child benefit, housing benefit and council tax reduction although they had not been aware that they were entitled to Council Tax Benefit for a number of years, which is one of the reasons they got into debt. They came to Citizens Advice Bureau in 2014 when they had accumulated a number of debts – rent, council tax and utilities. Their total council tax debt since 2007 had been just over £4,000.

The Council had taken the couple to Court on a number of occasions to recover council tax debts (which has added costs to their debts) and at Court a number of Attachment of Earnings orders were made. Mr Tanto advised that they originally totalled £250 per month (i.e. 23% of his salary). Mrs Tanto said her husband could not afford the bills and buried his head in the sand. Mr Tanto did attend Court on one occasion but English is not his first language and he felt intimidated by the Court process and was not able to follow the technical terms.

Over the years, Mr Tanto spoke to a number of different people at the Council but they said, "You shouldn't rely on the government for these things; you're a fit person and you should work and pay for these things." He said the council were originally unhelpful and did not point out that he could claim council tax benefit: "They should realise they are dealing with humans and not machines." Once they were advised that they were entitled to council tax benefits, this was some help to the couple, however they were limited as to how long they were able to backdate their benefit claim.

He believes he is not alone in his lack of knowledge of the benefits system – many people receive letters without understanding what they mean; sometimes

more than one letter can arrive on the same day with different information about amounts owed. He feels that the "Council expect people's pay day to be the same as the day they pay their bills, however, this is not the case so each month you become overdrawn. It is hard to plan ahead, especially with children, as there is always some unexpected expenditure. Their current debt is around £2,000 and they are still paying this off.

Mr Tanto feels that he would have benefitted from having more information: "the Council should have an Open Day/workshop to help people obtain information about how the benefits system works and what they need to do."

c) In and Out of Benefits

A particular problem arises for residents who go in and out of benefits. This may be because they move from one short-term contract to another as in the case study 8 below. It may also be because of sanctions with benefits which impact immediately on housing benefit and council tax reduction. We have reported separately on the impact of sanctions on our clients: it is devastating^{xxxiii}. Often claimants only find out about a sanction or a problem with a welfare-to-work benefit when an expected payment doesn't materialise. Case study one was an example of this latter problem.

Case study 8: Short term contracts causing benefit payment delays

The nature of Jennie's work in arts management means she is often on short term contracts and part time contracts. Each time she goes back into work, her housing benefit and council tax benefit are stopped. Occasionally mistakes are made and this results in over and under payment. Also it takes time to get benefits re-established and this causes major problems.

She was employed for some periods in 2013. She was unemployed for the whole of 2014. She was then employed for two very short periods (one in March, one in April) in 2015. After the April job, it took until June 2015 to re-establish her JSA payments and until July to get the full back payments as Job Centre Plus made mistakes. Meanwhile she accumulated debts.

Earlier this year, she received a bill for council tax, (payments for the last bill were being taken from her benefits but stopped when her claim was being queried). She then received notification that she was behind with payments. She emailed the Council to inform them of her circumstances and to say she would pay when she received her back payments. She never had a response or a proposal for a payment plan. The next thing she received was a court summons. She will be able to clear her debts through a Debt Relief Order. However, in an ideal world she believes, council tax reduction should cover the full council tax when people are on benefit. She would like the council to communicate by email or phone and to be a little more sympathetic to people and offer a solution. If

they have to write a letter, it should contain options for those in debt not just a demand for payment. She felt when she spoke to people there was no sympathy- it was just 'you owe us the money, if you don't pay these are the consequences'. She said: 'If you are in debt you are not going to miraculously find more money because you have been threatened. There is no magical pot of money. It doesn't work like that. If I had paid this I would have had to go without something else essential - food or electricity. I don't socialise, I walk or cycle everywhere. I haven't got any children and I can't imagine what it is like for those who have. The council officers believe if they turn on the screw they will get their money. They don't understand what it means to be really skint. It means you have no money for food.'

Jennie is helping some non-English speaking refugee neighbours who have got into similar difficulties. She concluded: 'I've got to the stage where it makes me quite angry. I'm quite self-sufficient. I can ring people up. But can you imagine how terrifying it is to feel your home is under threat and you are being taken to court for people who do not have a very high command of English.'

Conclusions

Camden Council has tried to minimise the impact of the government cuts to the council tax reduction scheme. It has limited the charge to 8.5%; no court costs were taken from those who paid within the first year even if they missed some payments; cases are reviewed individually after non-payment following the liability order; an extra letter is sent to those eligible for the reduction scheme when no payment is received within 14 days of the liability order; court and liability costs are at the lower end of the scale compared to many other councils; the Council is responsive to waiving the court charges when the Citizens Advice Camden is involved and explains the problems and when, as a result of an engagement, a payment plan is set up; there is a discretionary payment support scheme. The council has a legal duty to enforce the collection of council tax and the cut was imposed by the Government and was not the choice of the Council. The Council has a good collection rate and is currently of the opinion that the scheme is working as well as could be expected with limited protest.

However, the relatively small charge does not take away from the fact that the amounts are not insignificant for those on low incomes. Our research has evidenced that some residents are still not aware of how the council tax reduction scheme works. People in debt have been the hardest hit by the council tax reduction scheme as the Council will ultimately take court action when they are in arrears, which adds both stress and more costs to their already difficult situations. It is particularly difficult for those vulnerable residents who have limited understanding of the English language, systems and court processes. While most council officers are helpful and try to make the system work and council officers clearly do not have the time to phone the 4,000 or so residents on council tax reduction who are in arrears, the research revealed an impersonal process based on letter writing, some lack of listening from council officers and one case of not considering information the council already held. In particular the research revealed the need for a more personalised approach and for individual debt counselling support. The process of recovering debt should be reformed in order to reduce significantly the number of summons currently issued and to end the use of bailiffs. There is a disproportionate burden of liability and court costs being borne by those on benefits, thereby hitting those who find it hardest to pay. Engaging in legal processes, in particular using bailiffs, for very small debts is usually unnecessary and has successfully been ruled out by other local authorities. There is evidence that those who do not use bailiffs have higher collection rates.^{xxxiv}

Finally the discretionary payment system is very poorly used and only 4 residents had access to it last year.

In the reports we have looked at there is evidence of further good practice that Camden Council could consider. Zacchaeus/CPAG recommend that councils should work with other local authorities that have achieved significant reductions in numbers of court summonses and use of bailiffs, in order to share best practice. We put forward a set of detailed recommendations below.

It is worth noting that the London Borough of Tower Hamlets in the end decided not to charge the residents who had previously received council tax benefit at all. "Tower Hamlets council estimated that in order to fully recoup the cut through passing it on to claimants this would mean an average of £3 per week per household for former claimants of council tax benefit. However, the council also anticipated that this would result in 'hidden costs' – a decrease in collection and an increase in associated costs of recovery, the cost of collecting small amounts from more people, the costs of a bespoke ICT solution and administrative costs associated with designing, delivering and testing the scheme."^{xxxv} This solution will become more relevant as we move towards universal credit, removing housing benefit from local authority control and increasing the administrative costs of the council tax reduction scheme.

Recommendations

The four main recommendations are highlighted in the executive summary. This section includes these recommendations and also some more detailed points. The main recommendations are aimed primarily at Camden Council. The advice agencies in the Borough also have an obligation to improve their support in this area and to reach out to those who are vulnerable.

Recommendations for central government

1. The Government should review the operation of the Council Tax Reduction Scheme

This report has shown that even in a Borough like Camden, which has limited its charge, there are growing problems of debt. The lack of local control over council tax as a whole aggravates this situation.

2. The government should enable councils to make an attachment to benefits order without a liability order

The report shows that certain residents would find it easier to have up to £3.70 deducted from their benefit for the council tax they owe rather than make payments themselves out of their benefits. For those that chose this option, the government should allow local authorities to make an attachment to benefits without a liability order.

3. The government should ensure that the timing of benefit payments is consistent

Residents find that the inconsistencies over the timings of their benefits makes it hard for them to set up arrangements such as direct debits, which would prevent them missing council tax payments. Government should ensure consistency and discuss overdraft fees charged by the banks for those on benefit with direct debits affected by a late payment.

4. The Government should address the stop/start benefits problems faced by those who go in and out of work or whose circumstances change

The administrative bureaucracy that comes into play when circumstances change for those on benefits e.g. they go in or out of work, hamper their ability to make council tax payments. Frequently their in/out of work benefits stop

immediately once their situations change, with the follow-on of housing benefit and council tax reduction also stopping until the individual has sent through all relevant paperwork. The problem will persist for council tax reduction even when universal credit is implemented. This can not only be confusing for individuals but also very time consuming as benefits can be stopped or suspended for weeks until their claims can be fully investigated. In order to assist those in receipt of benefits not getting into debt as a result of this, there needs to be a simpler system which draws on the information held by the various government agencies.

Recommendations for Camden Council

5. The Council should review the 8.5% minimum charge on council tax with a view to lowering it

We welcome the fact that Camden Council is not going to raise the 8.5% charge. In order to calculate a reasonable charge for future years the council should ensure that it has proper records on the impact of the charge on those who are on benefits: i.e. it needs to collect separate data on arrears, collection rates, court costs for those receiving council tax reduction. It should also gather data on the full cost to the Council of collection (including ICT costs and debt recovery) and analyse this in relation to the income generated from those on council tax reduction scheme. The Council at this stage are satisfied that the scheme is generating income and the hardship it has caused is manageable but whether the charge should be lowered or abolished should be kept under annual review.

6. The Council should reform its debt recovery policy

a) Don't engage bailiffs

A policy should be adopted never to send in bailiffs for council tax payers on welfare to work benefits. The amount being recovered does not warrant the stress caused by this type of enforcement. Four London Boroughs (Islington, Bexley, Brent and Southwark) have already adopted this policy^{xxxvi}.

b) Be flexible in negotiating payment plans

Someone on welfare to work benefits is never going to be able to pay an annual lump sum, unless they borrow money elsewhere or are lucky enough to have support from family and friends. The Council will come to an arrangement to pay at any stage in the recovery process providing they are contacted. This policy is welcome and flexibility over payment plans must be retained.

c) Place accounts on hold and try to make verbal contact or send a text message to encourage the household who has got into arrears to engage with Citizens Advice Camden or other advice agencies

This would make a substantial difference to the number of summons issued and to the stress experienced by households who are 'too poor to pay'. Citizens Advice would welcome discussing a process whereby those in arrears are referred through text messages to the agency with a booked appointment. The agency could then help them by providing debt counselling and support. We believe this would ultimately save the council money and ensure debts did not accumulate, thereby reducing the stress of residents on benefits. This will also help ensure that those in arrears are not further burdened with the costs of being taken to court or given liability orders.

d) To ensure that the principle of proportionality applies where recovery charges are made

In the last resort, with persistent debtors, court summons may be necessary but charges should be reviewed to reflect the amount outstanding and the fact that courts only charge the council a few pounds for issuing the liability order.

7. The Council should improve its communication policy by:

a) Adapting processes to ensure those whose English is poor understand the tax and support system

Two of our case studies reveal problems for those whose first language is not English. The council could review procedures for those with poor English and make use of community and family support that is available.

b) Working work with other agencies on outreach and preventing debt

The council should consider outreach advice sessions working with the advice agencies in Camden in appropriate locations: foodbanks, community centres for specific ethnic groups etc. All council documents/website pages should be reviewed with advice agencies to promote the advice that is available more actively. Demands for payment of arrears should be reviewed to encourage engagement with advice agencies and explain the payment options more simply. See also Recommendations to advice agencies below.

8. The Council should review the operation of the discretionary payment scheme

The discretionary payment scheme is hardly used. There are three policy options for the council each of which would require some changes in the CTRS. Either they could abolish the scheme and instead increase the discounts to specific groups. The Children's Society is calling on councils to exempt care leavers (those who at 18 are leaving local authority care) under 21 and Lambeth exempts carers and those affected by the total benefit cap. Alternatively they could improve knowledge about the scheme and its accessibility and use. Perhaps the best option would be to amalgamate the scheme with discretionary housing payments, the social fund and any charitable funds in this area as has been done in Islington's resident welfare scheme administered by Cripplegate.

9. Temporary housing

An issue raised in the report '*Too poor to pay*' occurs when Camden provides temporary accommodation for homeless households in an adjacent Borough. The council tax charge in the Boroughs where Camden is placing its residents are all well above the 8.5% rate within Camden (Barking and Dagenham 25%; Brent and Barnet 20%; Haringey 19.8%, Enfield 19.5% and Waltham Forest 16%). Zacchaeus 2000 has found that frequently the stress of such homelessness and temporary housing in a different borough, combined with the fact that they are used to a greater subsidy in Camden, means that the household fails to apply for council tax reduction – or, even if it does, it does not pay its liability, and thus runs up a debt and receives a summons^{xxxvii}. Camden needs to address this issue by providing specific advice and support in this area.

Recommendations for advice agencies

10. Advice agencies should be more active in engaging with the council in order to support residents who have got into council tax arrears

Advice agencies should ensure that their literature clearly directs residents to the appropriate agency and is available at key stages in the process. They should work with the council to offer appointment times for those who have got into debt and they could run advice sessions with those who have got into arrears at critical times to avoid court action.

11. Advice agencies should meet regularly with the council tax recovery team and consider annual reports to scrutiny.

Appendix



Join the debate

Help us make your views on Council Tax Support count

We would be very grateful if you would fill out this questionnaire to help us assess the impact of the new Council Tax Reduction scheme in Camden. This will help us influence future support.

Council Tax Support replaced Council Tax benefit from April 2013. Under the new scheme, in Camden everyone is expected to pay 8.5% of the full Council Tax Bill when they may not have had to pay anything before. We are looking at the how the changes have affected people.

Please answer the following questions about how the changes to the scheme have affected you and send the complete form back to us or leave it at the CAB office. It should only take a few minutes.

We have enclosed a prepaid envelope for you to send back your completed survey. Forms need to be **returned by 12 June**. Thank you.

Q1. Were you aware that Council Tax Benefit (a national benefit) has now been replaced by Council Tax Support (a local authority benefit)? Tick all that apply

No	
Yes	
I knew the scheme had changed but didn't realise it was now a local benefit	
I knew the scheme had changed but didn't realise previously that it was a national benefit	

2. Did you receive Council Tax Benefit before April 2013?

Yes and all my Council Tax was covered	
Yes but I still paid some towards my Council Tax	
No	

Q3. Do you feel that you had been told enough about the abolition of Council Tax Benefit and its replacement by council tax support?

Yes	
No	

Q4. How much Council Tax do you have to pay now?

(Please give details)	per week/month/year - please circle
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Q5. Have you been affected by any of the following Welfare Reforms? (please tick more than one if appropriate)

Bedroom Tax/ Under-occupation rules		Reduction in housing benefit due to the local housing allowance	
Benefit Cap		Changes to Employment Support Allowance	
Reduction in housing benefit due to your age (Under 35)		Other - please give detail	
Sanctions			

Q6 Do you receive discretionary housing payments?

Yes	
No	

Q7. Do you feel you are able to pay the contributions to your Council Tax bill?

Yes, easily	
Yes, with difficulty	
No	

Q8. How have you managed to cover the increased costs to your council tax bill?

(please tick more than one if appropriate)

Increased income	
Cut back on non essential items	
Cut back on essential items e.g. food, fuel	
Loan from family/friends	
Overdraft	
Credit card	

Payday loans	
Other loan	
Loan sharks	
Foodbank	
I am not paying the extra	
Other – please give details	

Q9. What has been the impact of having to pay an amount towards to your Council Tax Bill? (please tick more than one if appropriate)

No effect	
Better at budgeting	
Difficulty paying bills	
Difficulty affording food	
Relationship problems	
Difficulty in finding work	
Worsening health	

Causing stress/worry	
Build up of debt	
Homelessness	
Needed to get advice	
Rent arrears	
Other – please give details	

Q10. Do you have any Council Tax arrears now? (please tick all that are relevant)

No	
Yes	
This is the first year I have had arrears	

Q11. If you are in arrears, what has been the maximum amount of your arrears?

Amount of arrears (just the arrears- do not include extra costs)	£
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Q12. Have the Council taken further action as a result of your arrears? (please tick all that are relevant)

Council have issued a Liability Order	
Negotiated a payment plan with you/ deducted from benefits/earnings	
Council have instructed bailiffs	
Council have offered you financial support	

Council have written off some or all of your debt	
Other – please give details	

Q13. Have these actions incurred any additional cost for you (fees, bailiff charges etc.)?

Yes	
No	

If yes, how much were these extra costs and what has been the impact of these additional costs on you?

--

Q14 If the Council has instructed bailiffs, did they discuss with you an alternative way of recovering the debt?

Yes	
No	

Q15 If bailiffs were instructed, how did you find the conduct of the bailiffs?

--

Q16. What else might the Council have done to support you in paying for your Council tax?

--

Q17. Do you think it is fair to ask everyone to pay at least 8.5% towards their Council Tax before they start to receive support?

Yes	
No	

If you think it is not fair, who do you think should not have to pay and why (e.g. those with a disability, carers, unemployed)?

--

Q18. Is there anything else you'd like to tell us about Camden Council's Council Tax Reduction scheme?

--

Q19 Would you be willing to talk to us further about your experience of council tax support?

Yes	
No	

If yes, please give details below

Name	
Email	
Telephone number	

Q20 Do you live in the London borough of Camden?

Yes	
No, Please name the Borough in which you live	

Q21. Finally, please tell us about your family. This helps us to know if particular problems are affecting people in particular circumstances.

1. Ethnic Origin	4. Age	7. Marital status	
White British	16 - 24	Single	
White Other	25 - 34	Married / cohabiting / civil partnership	
White & Black African	35 - 49	Married but separated	
White & Asian	50 - 64	Widowed	
White & Other	65 or over	Divorced	
Asian Indian			
Asian Pakistani	5. Your Housing	8. Monthly Household Income	
Asian Other	Owned (no mortgage)	Under £400 per month	

Black Caribbean	Buying (mortgage)	£400-£599	
Black African	Shared ownership	£600-£999	
Black Other	Council Tenant	£1,000-£1,499	
Chinese	Other social tenant	£1,500-£1,999	
Any other	Private tenant	£2,000-£2,499	
Prefer not to say	Rent-free - with job	Over £3,000	
	Relatives/friends house		
2. Gender	Hostel	9. Disability and health	
Male	Homeless	Not Disabled	
Female	Forces' Housing	Disabled	
	Other	Long term health condition	
3. Your Occupation		Prefer not to say	
Employed over 30 hrs	6. Living in your household		
Employed under 30 hrs	Couple	10. Cause of disability/ long term health condition	
Self Employed	Couple and child /children under 18	Mental health problem	
Unemployed	Couple and child / children 19+	Sight -blind/sight impaired	
Retired	Single	Hearing-deaf wholly/partially	
Student/training	Single person and child / children under 18	Other physical impairment	
Carer - elderly/disabled	Single person and child / children 19+	Cognitive problems (e.g. dementia, autism)	
Looking after children	Other adults only	Learning difficulty	
Not working due to disability/sickness	Other - with children under 18	Prefer not to say	
Other	Prefer not to say		
Prefer not to say			

Thank you very much for taking the time to help

Please return the completed form in the enclosed envelope, or to:

Gina Cutner, Citizens Advice Camden, 141a Robert Street, London, NW1 3QT



References

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- ^{vi} <https://www.citizensadvice.org.uk/about-us/policy/making-welfare-work-locally/>
- ^{vii} Interview Cllr Theo Blackwell, Cabinet Member for Finance.
- ^{viii} Camden Council (2015) Council Tax Reduction Scheme 2015/2016 (FIN/2015/02)
<http://democracy.camden.gov.uk/documents/s39006/Item%2009%20-%20The%20Council%20Tax%20Reduction%20Scheme%202015-16.pdf>
- ^{ix} Interview with Cllr Theo Blackwell, Cabinet Member for Finance
- ^x Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, page 17.
- ^{xi} Information supplied by Jacqueline Hephherd ,Taxation Manager (Recovery), email 23/09/15.
- ^{xii} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, Page 13.
- ^{xiii} Table 2: Council tax - collection rates - England : 2010-11 to 2014-15
<https://www.gov.uk/government/statistics/collection-rates-for-council-tax-and-non-domestic-rates-in-england-2014-to-2015>
- ^{xiv} Freedom of Information request response for Ms Natalie King March 2015
<https://www.whatdotheyknow.com/request/256547/response/635214/attach/3/Response%209990185.pdf>
- ^{xv} Response to freedom of information request by Mr Kerron Cross 24 February 2015
<https://www.whatdotheyknow.com/request/251902/response/621804/attach/3/Response%209938038.pdf>
- ^{xvi} Information from Taxation Recovery Manager, Camden Council. 19 September 2015.
- ^{xvii} Email from Mark Tate Head of Council Tax and Business Rates 14/08/15
- ^{xviii} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, p18.

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- ^{xix} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000. P 12.
- ^{xx} Response to freedom of information request by Mr Kerron Cross 24 February 2015 clarified by council officers on 23 September 2015.
- ^{xxi} Response to freedom of information request by Mr Kerron Cross 24 February 2015
- ^{xxii} Lucy Capron and David Ayer (March 2015) *The Wolf at the Door: How council tax debt collection is harming children*, The Children's Society.
- ^{xxiii} Response to freedom of information request by Mr Kerron Cross 24 February 2015.
- ^{xxiv} Information from Taxation Recovery Manager, Camden Council. 19 September 2015.
- ^{xxv} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000.
- ^{xxvi} Money Advice Trust (2015) *Stop the Knock*
<http://www.moneyadvicetrust.org/media/news/Pages/Stop-The-Knock-2015.aspx>
- ^{xxvii} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000. p13-14.
- ^{xxviii} Residents who suffer from severe mental impairment get a discount on council tax or do not pay any council tax if they live alone.
- ^{xxix} Theo Barry Born, Sabrina Bushe, Tom MacInnes and Adam Tinson (June 2015) *Managing the challenges of localised Council Tax Support. What are the options for councils?* New Policy Institute p23
- ^{xxx} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, Table 2.1, p 12
- ^{xxxi} Theo Barry Born, Sabrina Bushe, Tom MacInnes and Adam Tinson (June 2015) *Managing the challenges of localised Council Tax Support. What are the options for councils?* New Policy Institute p40
- ^{xxxii} Theo Barry Born, Sabrina Bushe, Tom MacInnes and Adam Tinson (June 2015) *Managing the challenges of localised Council Tax Support. What are the options for councils?* New Policy Institute p21.
- ^{xxxiii} See press release '*Benefits Scroungers, Jobcentre Plus Failures or a Punitive System? Warning! You may find this press release disturbing!*'
<http://www.camdencabservice.org.uk/about-camden-cab/campaigns/press-releases-contact/>
- ^{xxxiv} Money Advice Trust (2015) *Stop the Knock*
<http://www.moneyadvicetrust.org/media/news/Pages/Stop-The-Knock-2015.aspx>

^{xxxv} Theo Barry Born, Sabrina Bushe, Tom MacInnes and Adam Tinson (June 2015) *Managing the challenges of localised Council Tax Support. What are the options for councils?* New Policy Institute, p16.

^{xxxvi} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, Table 2.1, p 12.

^{xxxvii} Sam Ashton, Marc Francis and Megan Jarvie (July 2015) *Too Poor to Pay: The impact of the second year of localised council tax support in London*, CPAG with Zacchaeus 2000, p 16.