

Council Tax Support Review

A presentation from SDAIS

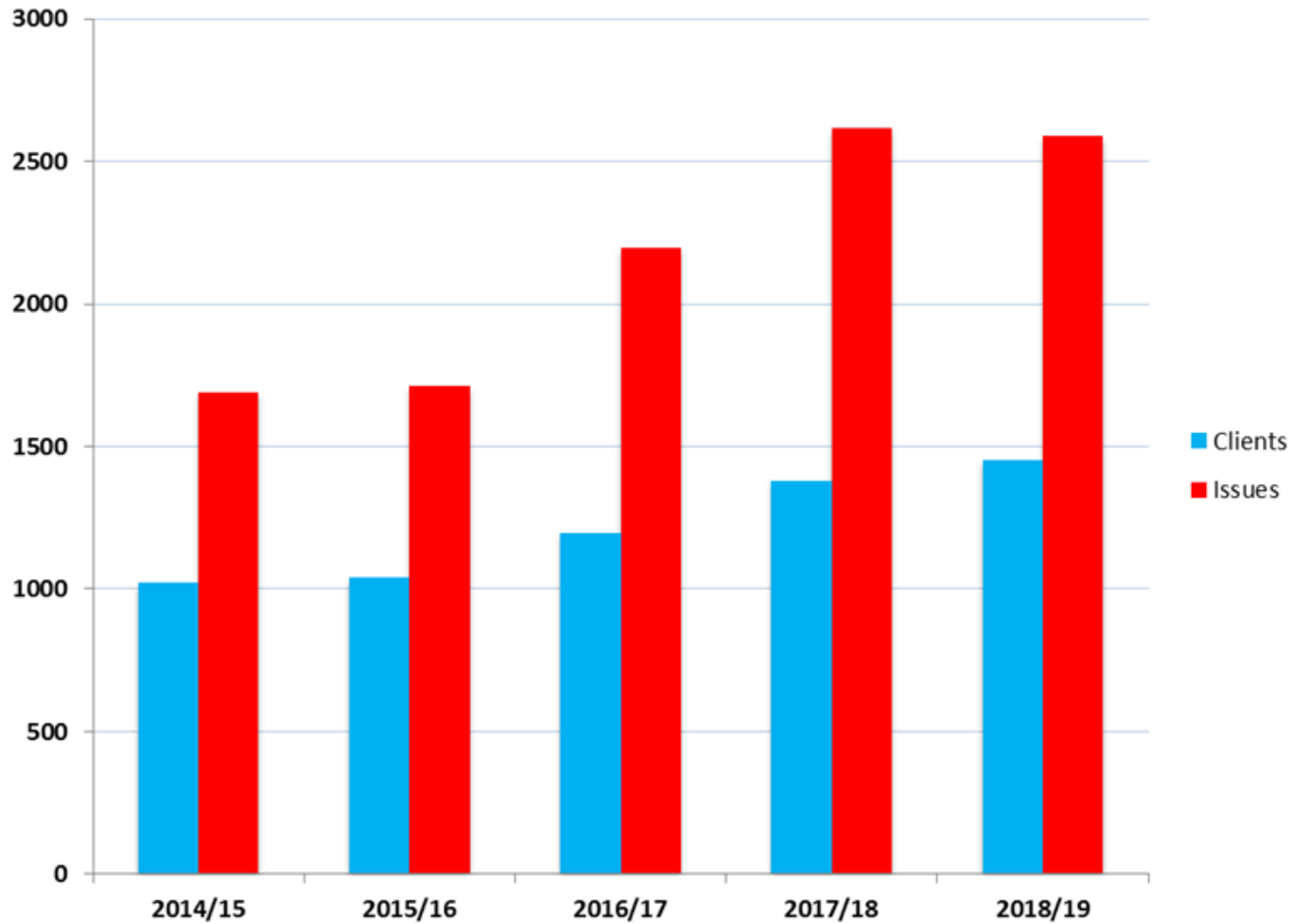


SDAIS Council Tax Data

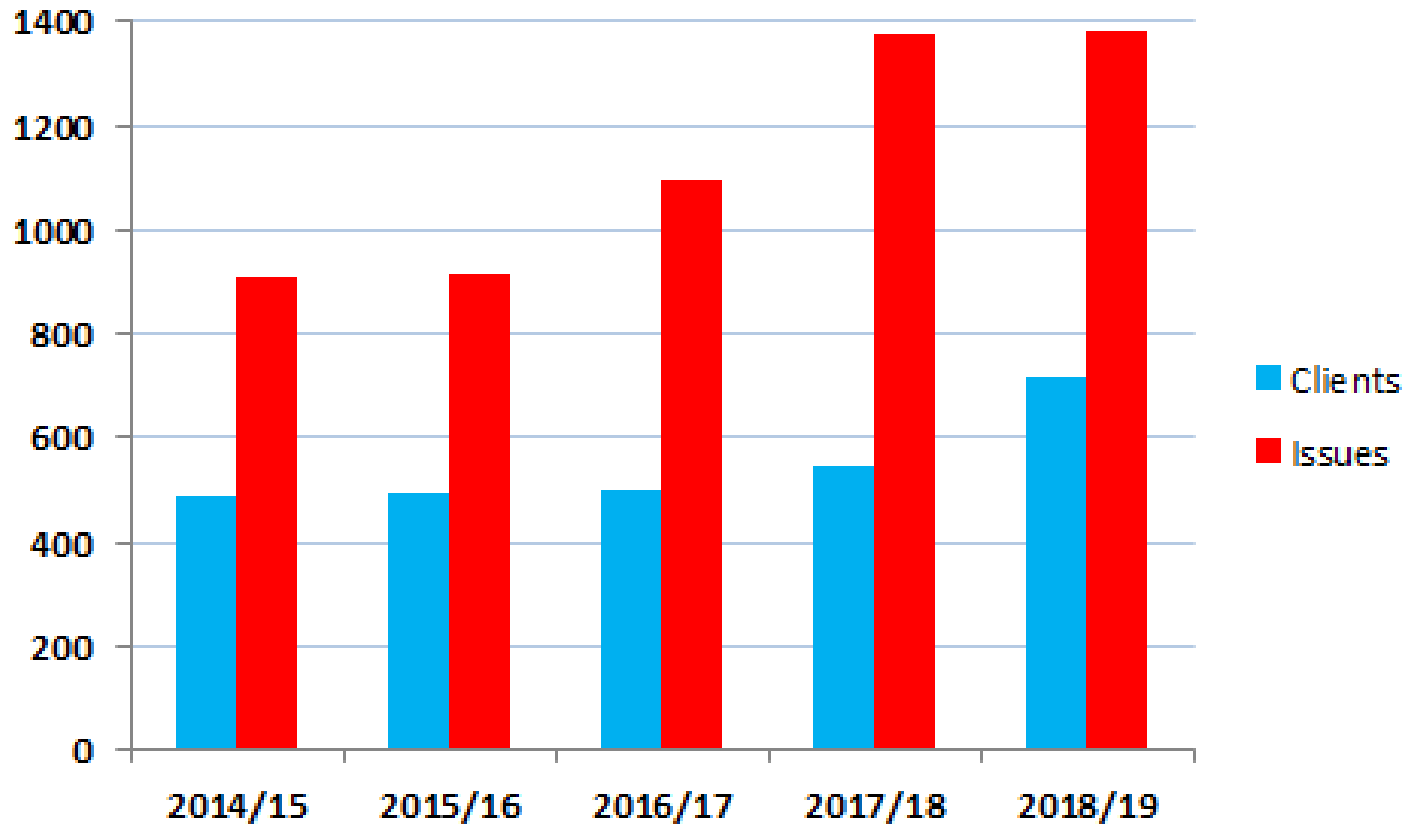
SDAIS records three categories of data about Council Tax;

- **Benefits** – (40%)
- **Debt** – (59%)
- **Tax** – (1%)

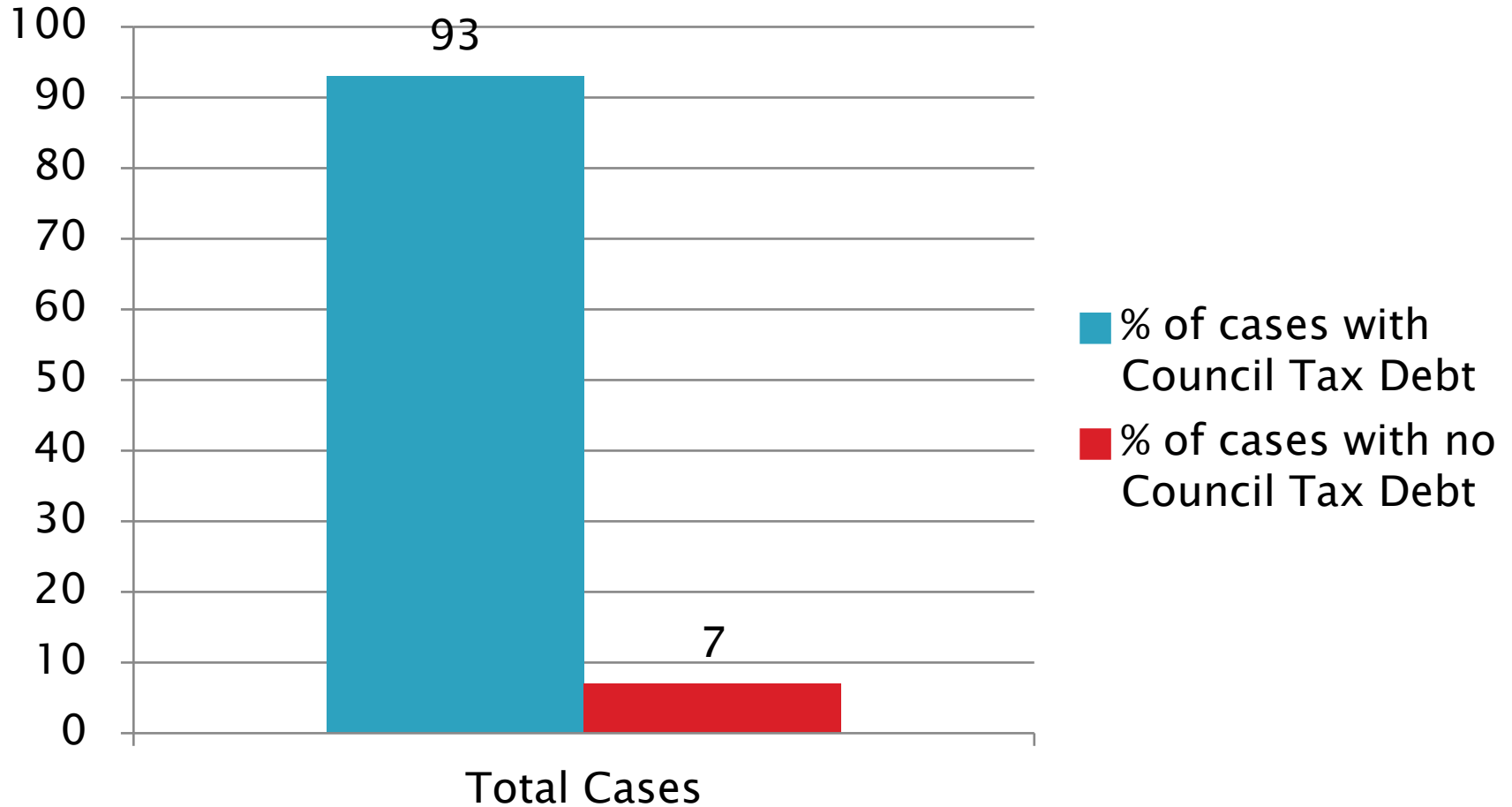
Clients and Enquiries




Clients with Council Tax Debts



Council Tax Debt Cases Snapshot (January – March 2019)

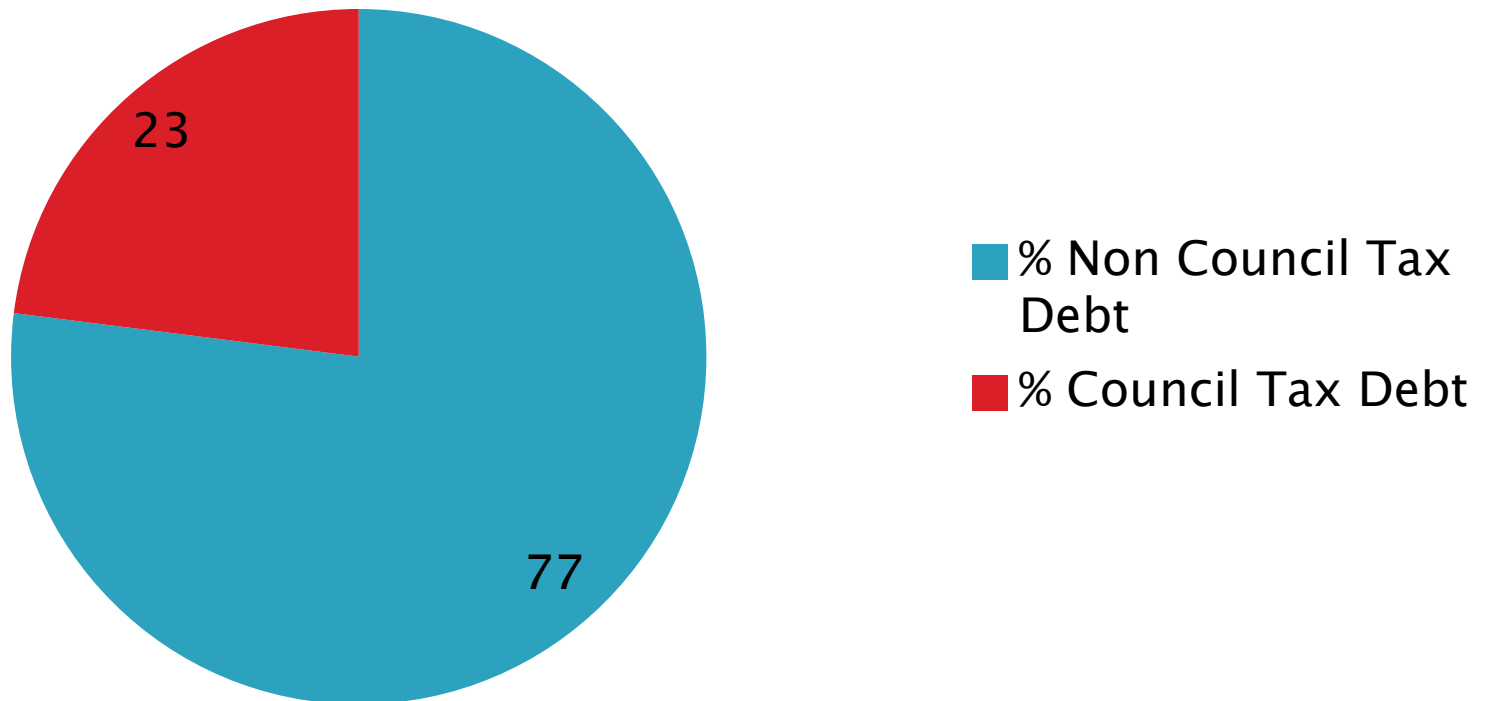


Council Tax Debt Cases

- 14% of those cases presented with only Council Tax debt
 - The average Council Tax debt was £1426
 - 35% of cases had no CTS / CTR in place.
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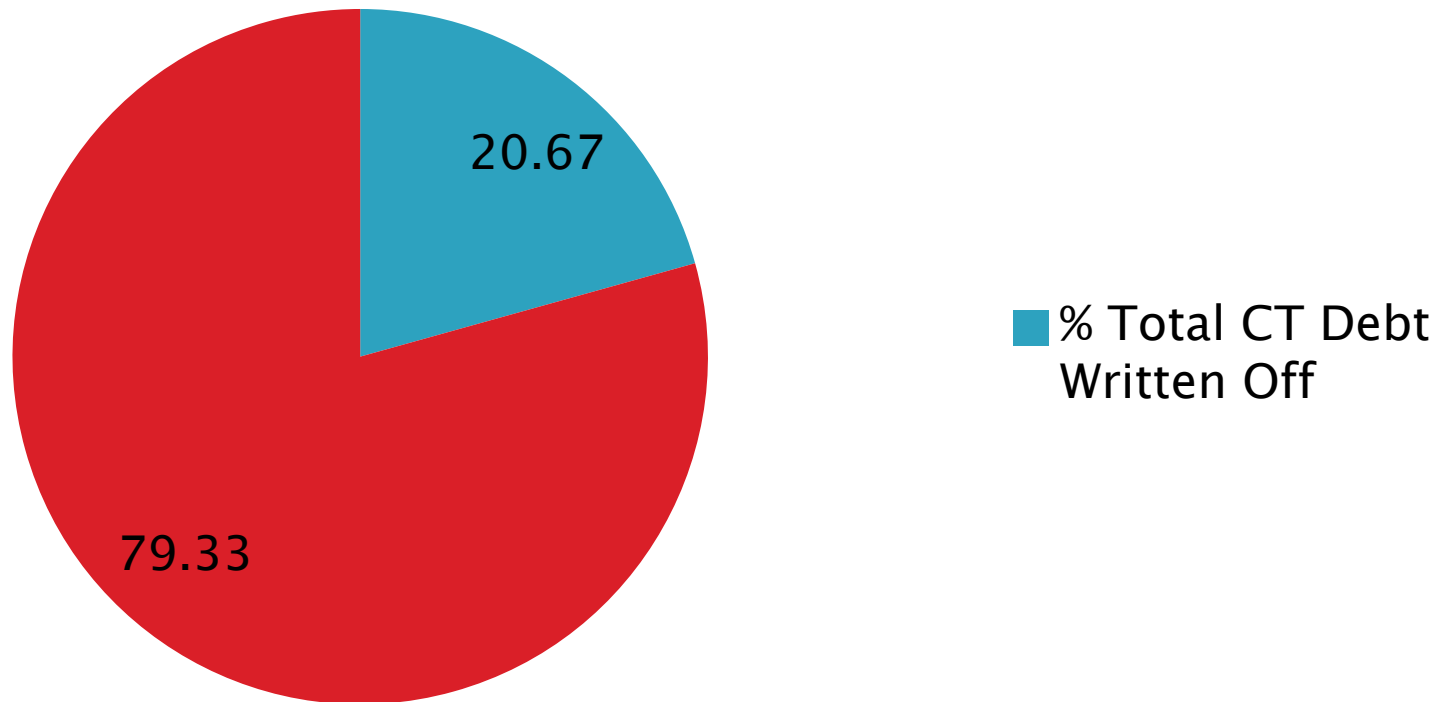
Council Tax Debt Cases

Total Amount of Debt – £555,770



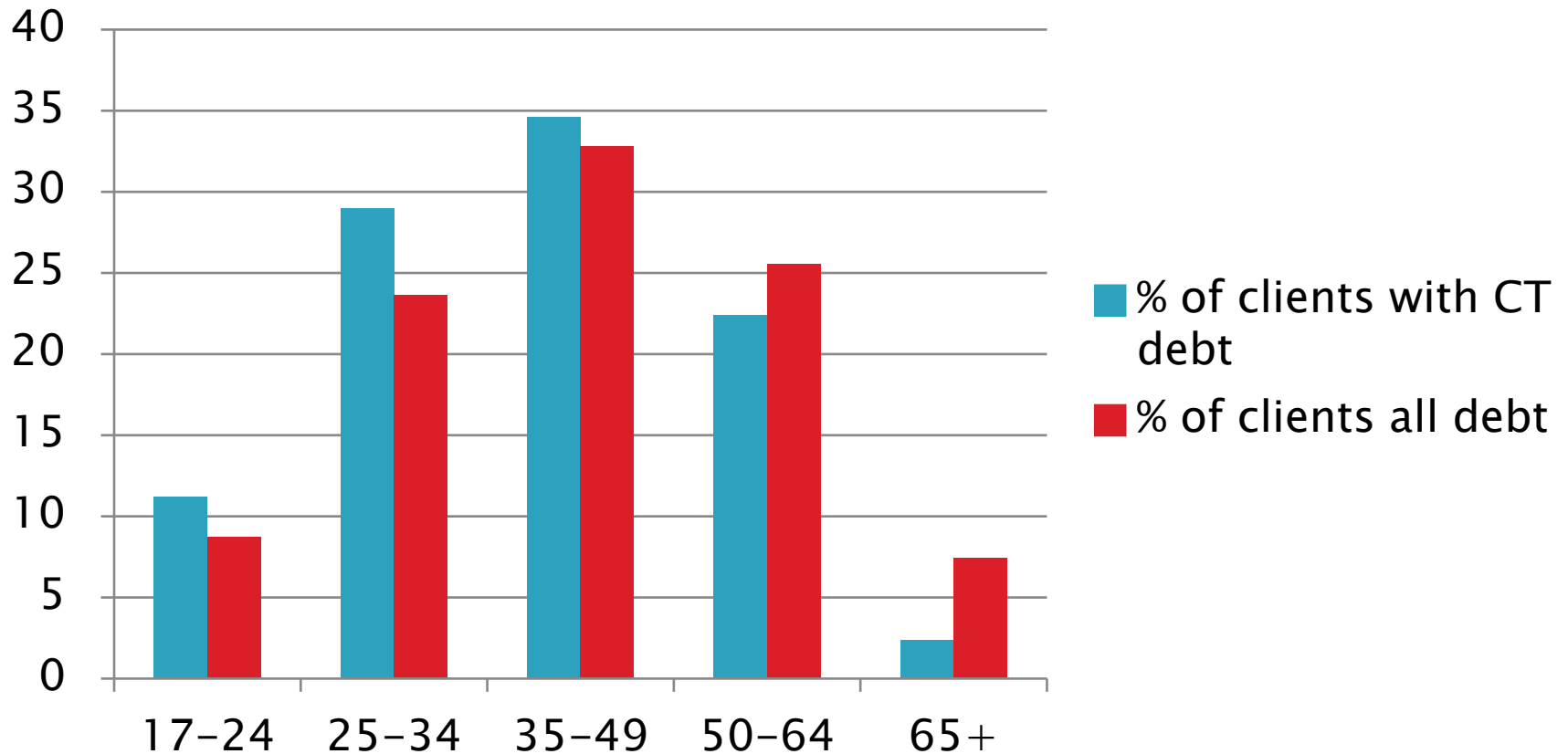
Council Tax Debt Cases

Council Tax Debt Written Off – £25,959

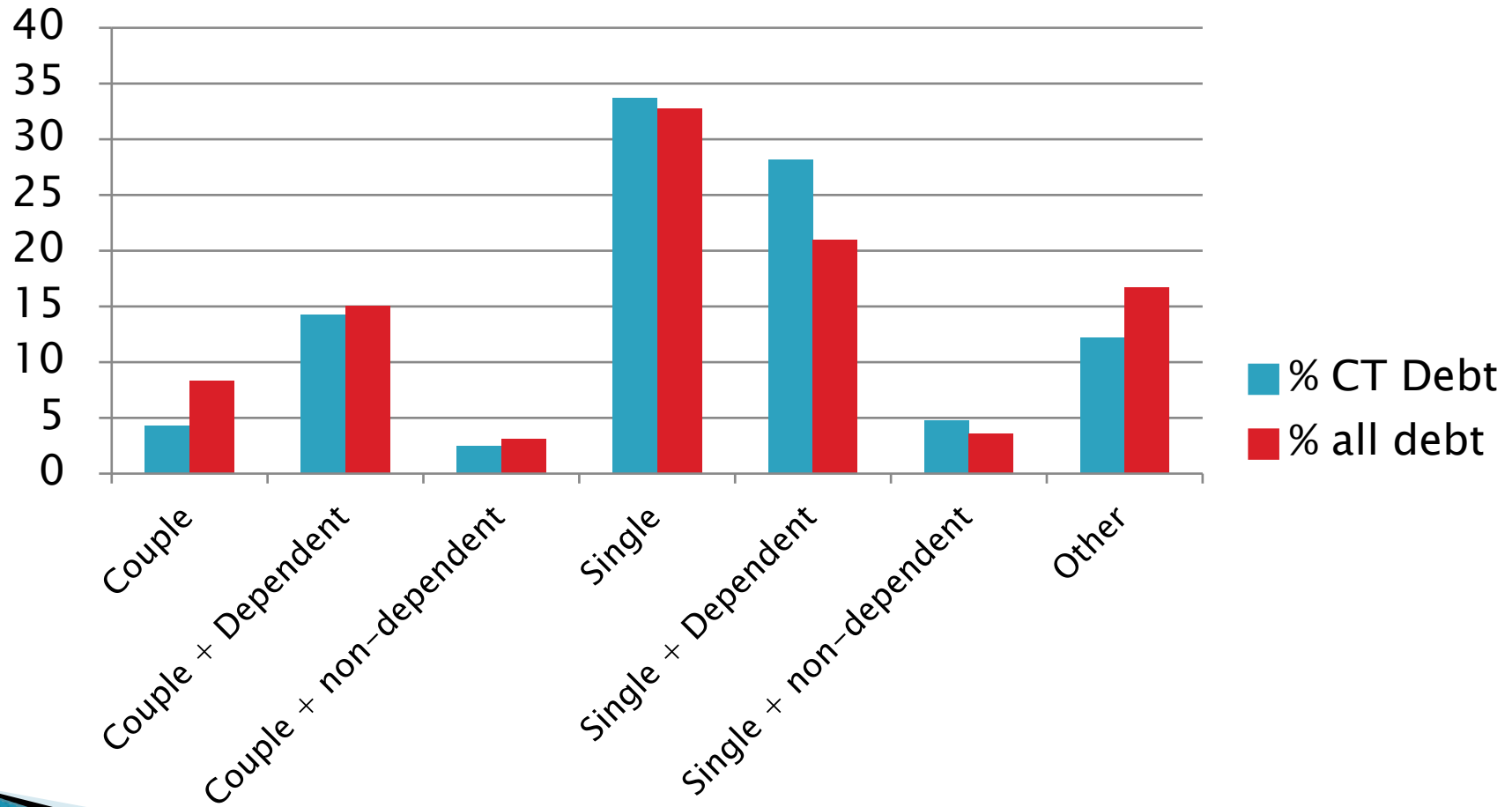


Debt Data 2018/19 – Age Profile


Age of clients with CT Debt



Debt Data 2018/19 – Household Profile



Council Tax Debt Client Profile Summary

- Female
 - Aged 35–49
 - Single person
 - Private tenant
 - White British
 - No health problems or disabilities
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Council Tax National Picture

- National Citizens Advice research indicates that the number of Council Tax issues have risen by 50% since 2013. (52% in Stockton)
- Welfare Reform and Work Act 2016 working age benefits were frozen for a period of 4 years.
- From April 2015 to April 2019 Council Tax bills in the Stockton area Band D) have increased by 21%
- Benefit claimants have not seen the same increase in income

Benefit Income

Personal Allowance (legacy benefits):

- Single and under 25 – £57.90 per week.
- Single and aged 25 or over – £73.10 per week.

Personal Allowance Universal Credit:

- Single and under 25 – £251.77 per month (£58.10 per week)
- Single and aged 25 or over – £317.82 per month (£73.34 per week)

SFS Guidelines on expenditure

2019 Figures	First Adult	Additional Adults	Children under 16	Children 16-18
Communications and leisure	£206	£138	£52	£101
Housekeeping	£336	£231	£116	£207
Personal	£89	£61	£30	£78
Total	£631	£430	£198	£386


Council Tax Support – Non-dependent deductions

Non-dependent level of income	Amount of deduction made
Less than £207.70 per week	£4.00 per week x 1/7
£207.70 to less than £360.10 per week	£8.10 per week x 1/7
£360.10 to less than £447.40 per week	£10.20 per week x 1/7
Over £447.40 per week	£12.20 per week x 1/7

Council Tax – S13A discretionary reduction

- Section 13A of the Local Government Finance Act 1992 provides discretionary power to reduce the amount of council tax + a person has.
- When a person is facing severe hardship, or has fallen into arrears due to adverse circumstances, a S13A application may be considered.
- In the period of January to March 2019 0% of applications for S13A support that SDAIS made for clients were unsuccessful.

Understanding Council Tax Correspondence

- Clients frequently report that they are having trouble understanding the calculation of their Council Tax bill and Council Tax Support.
 - A concern raised included the calculation of earnings when the calculation included 'other adjustments' without any explanation.
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SDAIS – Recommendations

- Consider additional support for claimants who are under 25 and in receipt of an income based benefit.
- Consider further support for claimants in receipt of an income based benefit.
- Revision of non-dependent deductions to apply a flat rate for each non-dependent regardless of income.
- Clear guidance on when a section 13A discretionary deduction will be made.
- Clear explanation of council tax billing and how a council tax support calculation has been made.

End