

Dear Darren

Please find Citizens Advice Barnet's response to the Council Tax Support schemes proposed changes:

Council Tax Support proposed changes - Citizens Advice Barnet response

We understand the reasons behind Barnet Council's decision to change the current Council Tax Support scheme however we are extremely concerned about the impact this will have on vulnerable adults, many of whom are our clients. From April 2018 to September 2018 4% of our clients experiencing benefit problems specifically had issues with Council Tax Support and 19% of clients with debt issues had Council Tax debts.

Our thoughts on the proposed changes are as follows:

Income Band Scheme

The banding calculations are unreasonable and need to be revised. A client cannot be expected to see a 20% reduction in the amount of CTS they receive, just by earning any amount of money. This would mean if a client earns even £10 they would then move from the 72% maximum CTS band to the 52% CTS band, which seems wholly illogical. Should the <£500 banding be removed and in line with the nil income category up until the point they earn £500? Then should the other bandings all be moved/revised? The scheme surely does not wish to penalise those who work earning less than £500 per month, which in itself is a very low income. This change creates a deterrent to work, even if earning a small amount which is against the whole premise of UC and encouraging claimants to work.

Reduce the maximum capital limit

This reduction seems unfair in light of all other means tested benefits having a capital limit of £16k, with a tariff income applied from £6k. Should the same scheme that is applied to other means tested benefits not be applied under the CTS scheme?

Simplify non-dependant deductions

This appears logical and easier than the current outdated scheme that was under the old rules.

Apply a minimum income floor

Although this is applied in UC we believe it is wholly unfair to make an assumption that someone is earning a minimum amount when they may not be doing so. We are campaigning about this element of UC as it is fundamentally unfair. Applying a minimum income floor again creates another deterrent to work and stifles enterprise.

No longer offset childcare costs

This option makes little sense for those with childcare costs (which we know can be quite high). If childcare costs are not offset those with childcare costs covered by UC or WTC would likely see no CTS award which seems wholly unfair. Those with childcare costs not offset by other benefits will be heavily penalised and this, again, disincentivises work.

We would like to know if the budget for the Council Tax Discretionary Relief Scheme will be increased in light of these changes? There is no indication that this schemes budget will be increase.

Thanks,
Charlene

Charlene Marks
Head of Services and Quality

