

READING BOROUGH COUNCIL

POLICY COMMITTEE

13 JUNE 2022

COUNCILLOR QUESTION NO. 1

Councillor McElroy to ask the Lead Councillor for Corporate Services and Resources:

Use of Bailiffs

I have received the following from a constituent.

I want to raise with you the issue of council bailiff use. According to government figures, across the country, £4.4 billion is now owed in council tax arrears. Hundreds of our friends and neighbours are facing a debt crisis as the impact of the cost-of-living increases and the pandemic continue. I want you do more to support people in debt and that includes ending bailiff use. This is one of the most stressful things that people struggling with debt can experience and there is no evidence that it means more council tax arrears are collected. I'm calling on you to end Bailiff use in Redlands and support residents to get out of debt and write off debts where they can't be paid.

Personally, I am opposed to anything that criminalises debt or treats debtors like criminals. I understand bailiff use was suspended at one point, but then restarted again. Could the Lead Councillor please update us on current policy related to this issue of bailiff use and supporting residents to get out of debt?

REPLY by Councillor Terry (Lead Councillor for Lead Councillor for Corporate Services and Resources):

The key is to help people to avoid moving into debt in the first place. That's why we amended our Local Council Tax Support scheme this year so that we deliver more support to the people most in need.

It's also why we make sure that frontline staff have the right knowledge and information to give accurate advice to those Council Taxpayers who may have limited understanding about the support that is available. This helps to ensure that everyone pays the right level of council tax, which can be crucial in supporting those who are potentially financially vulnerable. A resident's bill can be reduced by a wide range of discounts and exemptions that reflect individual circumstances. These are actively promoted on each Council Tax bill.

We've also adopted the Citizens Advice Council Tax Protocol and our Council Tax collection processes all operate in accordance with that Protocol.

The Revenues and Benefits team regularly review their signposting and referrals processes to maximise the opportunities to guide people towards free debt advice, where appropriate. This information is contained within all Council tax bills.

The team have also developed localised reminders that are delivered through multiple platforms, including text messaging, and we're looking to extend this further using informal email reminders.

Where residents fail to respond to a bill, or miss an instalment, the team will carefully consider the options available to them in their attempt to engage with the individual.

Soft text reminders will be issued prior to any statutory reminder process.

It is only where attempts to engage billpayers have not succeeded following the statutory reminder process, that the team consider the option of applying for a liability order.

The team have a range of options open to them following a missed instalment, and they always seek to use these options before referring a case to enforcement agents. The team would always look to agree an affordable repayment plan, failing that an attachment to benefit/earning would be preferable, with enforcement agents as a last resort.

Council staff work with both internal and external debt advisors at any point in the collection process, and they make continued efforts to engage and support our residents alongside any application for a liability order. For instance, after a court summons is issued, the team offer an automatically generated repayment plan in order to try to avoid further enforcement action.

The team will always consider an individual's circumstances when taking any form of enforcement action and seek to work with the individual for the best outcome.

COUNCILLOR QUESTION NO. 2

Councillor White to ask the Lead Councillor for Corporate Services and Resources:

Tackling the cost of living crisis

With everything getting more expensive and gas and electricity bills going through the uninsulated roof, the £150 Council Tax Energy Rebate is a drop in the ocean but better than nothing. How many Reading households not on a direct debit does the Council estimate to be eligible for this money and how many of our residents not on a direct debit have applied so far? How is the Council making people aware of how to apply?

REPLY by Councillor Terry (Lead Councillor for Corporate Services and Resources):

The Revenues and Benefits service have estimated that just under 60,000 households are eligible for the Council Tax Energy Rebate scheme, this represents 80% of all Reading households.

Of the 60,000 eligible households, 67% pay by direct debit. 39,636 Residents have received their payment as a result of the Council holding their Direct Debit details, with funding of £5,945,400 distributed.

It is estimated that applications will be required from just under 20,000 households. The non-Direct Debit application process opened on 23 May 2022. To date, just over 3,300 applications have been received through the online portal, which represents 16% of applications required. Over 90% of the applications made have been submitted by residents directly through the portal, with others being made over the phone with our Customer Contact Centre.

A leaflet advising residents of the scheme was included in the relevant Council Tax bills issued in March 2022. At that time, full details of how the scheme would be administered were not yet known, but it does go towards ensuring broad awareness.

There is a dedicated web page with the scheme details, which can be found here: <https://www.reading.gov.uk/council-tax/council-tax-rebate-announced-3-2-22/>

Full details of the scheme, and the application process for those eligible residents not on Direct Debit, were also included in the residents' e-newsletter issued on 1 June 2022 (which has a distribution list of over 100,000 addresses). Posters are being put up in libraries across the Borough and coverage has been considerable in local print and broadcast media.

The Revenues and Benefits service will be commencing targeted communications as they see the number of applications decline.

Where an email address is held for a potential applicant, details will be issued electronically. Where no form of electronic communication is held, a letter will be issued.

Before the scheme ends later in the year, further targeted communication attempts will be made. Should these prove unsuccessful in prompting an application, the £150 payment will be credited to their Council Tax account - ensuring universal coverage for those eligible.