

## **PRESENTATION TO BATH & NORTH EAST SOMERSET COUNCIL BY THE BATH AGAINST CUTS CAMPAIGN, 12 SEPTEMBER 2013**

### **FOCUS : IMPACT OF COUNCIL TAX SUPPORT SCHEME AND BEDROOM TAX**

- Most people on low income who were exempt from council tax now have to pay up to 22% of this tax under the new Council Tax Support scheme introduced by Bath & North East Somerset Council in April this year
- For people trying to survive on very low incomes, the payment of council tax will result in their being unable to afford essentials such as food or heating for themselves and their families. The Citizens Advice Bureau recently reported a 78% increase in the last 6 months in people needing food banks to keep going. Bath CAB has found that people in Bath alone have accumulated debts of over £9 million in just 18 months. Many of these will be people who have been caught up in changes in welfare benefits, particularly the payment of council tax and the bedroom tax, both of which were introduced in April 2013
- Nearly 6 million people nationally are now paying council tax they cannot afford. Meanwhile, the government has cut income tax for people earning £150,000 or more from 50p to 45p in the pound. This means that 13,000 of the richest people in Britain will receive a tax cut of £100,000 each this tax year
- The payment of council tax by those least able to afford it will plunge people into greater poverty and debt. It will also cause homelessness and criminalise people because of the legal sanctions involved in the non-payment of arrears. These include county court summonses, fines, the use of bailiffs, eviction and ultimately prison
- Many of the people affected by the changes in council tax have also been hit by the introduction of the bedroom tax which has involved losses of between 14% and 25% of housing benefit for people on low income
- The policy on council tax exemption was introduced by a number of councils, including Bath & North East Somerset, because of central government cuts of 10% to local authorities' funding. However, some councils such as Bristol City Council, have found ways of avoiding placing this extra charge on people who are amongst the poorest in the community. Bristol Council has also agreed a 'no evictions' policy for people in arrears due to the bedroom tax.

### **We call on the council to : -**

- 1) restore council tax benefit to all those who previously benefited from the scheme
- 2) establish a working group to examine the impact of the introduction of the council tax support scheme and the bedroom tax
- 3) agree a 'no eviction' policy for residents in arrears for either council tax or the bedroom tax.