

## **City of York Council: Council Tax Debt Recovery - Snapshot Conversations 2022**

Healthwatch York were asked by The City of York Council (CYC) to carry out an evaluation with residents about their experiences of dealing with Council Tax debt. The interviewees had agreed to be interviewed and their contact details were supplied for the research by CYC. This document offers material collected from 9 people (out of 20 possible participants 9 agreed to be interviewed) who had received advice from the Council Tax Support Worker. The telephone interviews took place December 2022 and January 2023. All responses have been anonymised.

### **What were the main reasons that caused you to be behind with your payments?**

These are some of the reasons mentioned by different individuals that caused them to fall behind with their payments:

- Moving to a new property and having to pay for two properties at the same time, which became unaffordable.
- Losing a driving job and having a reduced income, which made it difficult to make ends meet.
- Being off work for several months due to a major operation, and not realizing that their former flat mate had stopped paying rent and council tax, which resulted in arrears.
- Losing council tax support due to earning over a certain amount during overtime, and not realizing that the support had stopped, which led to arrears.
- Becoming unemployed due to redundancy, which affected their ability to pay rent and council tax.
- Canceling the direct debit for council tax due to financial difficulties.
- Experiencing health issues and being unable to work, which affected their income and ability to pay bills.
- Receiving a bonus that affected their Universal Credit and council tax payments, resulting in arrears.

*“I moved home, so I was paying for the property I lived in then and the new property and it just wasn't affordable.”*

*“I was delivery driving at one point and then I got a driving ban, unfortunately, so that was a lot of income gone, my income was halved, and I think I just fell behind, I was doing a part time job, but it wasn't as many hours, so I was just struggling to make ends meet.”*

*“x years ago, I had a major operation on my right leg, and I was off work for about 4 months. I assumed my council tax was being paid, but this is where it gets frustrating for me, but basically when I moved into the place there were two of us, but she decided she wanted to go her own separate way. The account was in arrears, but I didn't know that. I used to transfer x amount of wages every week into an account, and she dealt with all the bills. I didn't know that she hadn't been paying rent or Council Tax. It's only when she left that I found out, I knew nothing about it. Because I was living on my own, I assumed that it would have been automatically adjusted, but it wasn't, they thought there were still two people living here.”*

*“So basically, my council tax support claim stopped one month because I earned over a certain amount because I worked overtime. Now I'm so far behind my council tax because I didn't have that support for all those months that I didn't realise that I wasn't getting it. It was May, last year (2022) is when it stopped. Initially it was Universal Credit fault for not updating City of York Council Tax. It was only because I picked up overtime.”*

*“I don't know what's happening now because I'm unemployed, I was made redundant, CYC pay my rent.”*

*“I can't actually remember; I think that I cancelled the direct debit because I knew that I couldn't afford to pay so I missed a few months.”*

*“Health has been really bad. She had a heart attack in 2014. She used to work full time. But she had a stent fitted and has been in and out of hospital with angina. It got so bad that she had a triple heart bypass and had unstable angina. She now can't work. And she's gone from full time to nothing.”*

*“Problem for her was that she took a bonus. She did some overtime, and it affected her Universal Credit, which then affected her council tax. So, she ended up in arrears. She didn't know that it had happened. So, it happened in the summer. And it affected her payments.”*

## **How did being in arrears with your Council Tax have an impact on you personally?**

Being in arrears with Council Tax can have various personal impacts on individuals, including stress, anxiety, worry, and financial difficulties. It can also have a negative impact on mental health, particularly if an individual already suffers from mental health problems. For some, it can also trigger past traumatic experiences, making the situation even more challenging to deal with. The stress and worry of being in arrears can affect a person's overall well-being and make it difficult for them to focus on other aspects of their life. Additionally, receiving letters or communication about arrears can be scary and intimidating, adding to the stress and anxiety of the situation.

*“I mean, it was a bit stressful, because obviously, you have to pay that. And that's, that's a biggie, you. So, it was a little bit stressful, and kind of wondering where, how I'm gonna get the money. You know, how I'm gonna survive and pay my debt off. I think it was a case at the time that I had to pay these two months Council Tax and I'm skint.”*

*“Well, I couldn't understand how I owed that much, the largest issue was they knew I'd been sick, well I'd jumped through the hoops with them, and I just assumed my full rent would be paid, but it wasn't because there are two names on the tenancy agreement.”*

*“Well, it's made me worried, it's stressed me out and I mean I suffer from mental health issues as it is, so the council tax situation has not made it better at all. It's my made my head go a bit...”*

*“I've got severe mental health problems; PTSD, borderline personality disorder...and getting that letter really scared me.”*

## **How did you first become aware that you were behind?**

For some people it was a letter from the council, while for others it was due to issues with their benefits or changes in circumstances. It is unfortunate that some people did not receive any help or support when they received the letter, and that the experience was quite stressful for many. It is important that local councils communicate with their residents clearly and respectfully and offer support and advice when needed.

*"It was a shock when I got the letter."*

*"I think it <the letter> was pretty easy to understand. Everything was explained well, I mean I can be a bit slow at times on the uptake. I think it was pretty easy to understand. I can't remember what it said. But yeah, I think I understood it."*

*"<I got a> letter from the court. Initially it was Universal Credit's fault for not updating, I got a letter and things and I spoke to them but every time I rang the City of York Council up and I spoke to somebody all they advised was to cancel my direct debit so that my payment wouldn't be taken out."*

*"As far as I know I'm not behind with my payments but I'm not sure, I've had no letter or reminders about my Council Tax."*

*"When she got the letter, there was no offer of help. And it was very blunt. The lesser could have been better. It could have told you what you're entitled to. Overall, the City Council should be more efficient when you ring you get passed from pillar to post. And you don't get an ounce of respect at all. It's like you're something they've stood on. With not an ounce of respect. It's alright for them. They're in full time jobs."*

## **What was your first response to the letter?**

The first response for many respondents was to contact CYC to discuss the matter and to inquire about options if they were unable to make the next payment. People also sought assistance from Citizens Advice and a court representative to help explain their situation and figure out a solution. One

individual expressed concern and panic about the situation, particularly when the letter stated that they wanted the full amount due to missed payments. Despite emailing the City Council and following up with promises of a call back, one respondent did not receive a response.

*“I rang them (CYC) up because I didn't realise about the single occupancy. I couldn't change it because I was still living at my old address at the time.”*

*“I think it was a helpful lady at the council tax office...asking what would happen if I didn't pay this next payment and she was very helpful.”*

*“I went to Citizens Advice, and they put me in touch with a Court Representative, so she was at Court with me and explained everything that had gone on.”*

*“I knew I was getting behind that because obviously I got into contact with them, and I was forever telling them ‘look what I do’ because I can't afford the payments that I'm being asked for. Obviously, they were getting back in touch with me, and they just said, ‘oh well if you can't afford these payments then you'll just have to wait for it to go to court’. Which isn't what I wanted to do.”*

*“I panicked, I really panicked. Because it said, ‘because you missed two payments or something, we now want the full amount.’”*

*“She did email the City Council after she got the letter, but got nothing, no reply got nothing back. One of the problems with the City Council is they're not quick at getting back.”*

### **What happened next with your council tax arrears?**

Some respondents were initially told to pay what they usually pay for council tax, with the understanding that they would receive a refund if they overpaid. One respondent asked for their ex-partners name to be taken off the council tax agreement so that they could receive the benefit they were entitled to but were told that the council policy was to keep both names on the agreement while the account was in arrears. Another respondent was not accepted for discretionary

support and was unable to afford the high payments that the council was expecting them to make. They were advised to cancel their direct debit and pay what they could when they could. One respondent was struggling financially as a single parent and had to rely on food bank vouchers to make ends meet. Another spoke to their local area coordinator, who helped to resolve the issue. One respondent was contacted by an agent who was trying to take the money back through an enforcer. The person refused to talk to the agent and eventually only received one reply from the City Council stating that there was nothing they could do.

*“They said pay what you usually pay and if we owe you, we'll obviously just give it to you back, but then obviously it turned out that I owed them. So, it was quite a bit of a shock. I think she gave my details to <CYC Officer>.”*

*“I said why don't they take her name off so I can get the benefits I'm entitled to; why don't they take her name off and get the benefits and then title to. The representative in accounts said, and I quote; 'its council policy to keep both names on the agreement while the account is in arrears.' As far as I'm aware now the rent is only in my name. <CYC Officer> went through everything with me”*

*“So now I've not been accepted (for discretionary support) and that's just made me even more stressed out about it because it's going to go to court because I cannot afford the payments that they are expecting. I'm willing to pay something. I'm just not willing to pay that high amount of what they are expecting me to pay. They told me to cancel my direct debit if I can't afford to make the payments but just chip away whatever I can and when I can. I can't, you know I'm a single parent. I'm working as hard as I can to pay for the bills at the moment in the property, which is costing an absolute bomb at the moment, especially on electricity. I'm even having to get foodbank vouchers to help me out at the moment.”*

*“I spoke to my local area coordinator, and she said I'll be able to get this resolved for you and then that was it.”*

*"The next thing that happened was that they'd got in touch with an agent and an agent was trying to get the money back <with> an enforcer to take the money back. And she won't talk to an agent, she won't have anything to do with them. So, at that point, she just ignored the agent and didn't answer. She would have paid the city council and would have spoken to the city council, but nobody reached out to her. She would have paid them, but she would not pay an agency. So, she gave no reply. She emailed the City Council again, and eventually did get one reply back to say that there was nothing that they could do."*

### **What help did you receive?**

Many respondents received help from the project worker <City Council Officer> regarding their council tax arrears. The officer provided information about the options available if the person didn't pay, including going to court and spreading the money owed over the next year. This helped to relieve some stress, although some people ultimately decided to pay the arrears instead of taking any further action. One respondent spoke to the project worker a couple of times, and the worker suggested increasing their monthly payments instead of panicking or pleading with the council. One respondent felt that the council didn't understand their situation, but they know that they owe the money. One respondent was waiting for further advice from the project worker.

*"<City Council Officer> tried to help, but by then I'd already got a summons to court."*

*"<City Council Officer> told me what I could do, if I don't pay, he talked me through it, because I could go to court, and then nothing will really happen in court and you spread the money that you owe over the next year, or something like that. So, it's not too big of a deal, that was helpful to kind of relieve some stress. I didn't end up taking that route; I just ended up paying it and just getting out of the way and then making myself a little bit short money-wise."*

*"<City Council Officer> came to visit me and we went through everything and to be honest I've not heard a great deal from xxx since, so I don't really know what's going on."*

*"I spoke to <City Council Officer>, he said not to panic, we'll just increase your monthly payments. She's not going to beg or plead with them. She just wants them to understand the situation."*

*"She didn't understand the system and they didn't understand her situation. She knows that she owes the money."*

*"She's currently waiting for further advice from <City Council Officer>."*

### **Was the problem resolved?**

*"<City Council Officer> did apply for me and they came back saying I was entitled to it, but by then they'd put the court costs on top of the money, so <City Council Officer> said she is entitled to the Council tax support, but because it was a bit late, they said I had to pay it. I had to share with <City Council Officer> what comes in and what goes out and they asked if £10 per month would be ok for me to pay it back and they agreed on that."*

*"Now I'm back driving again and making money, so everything is now alright."*

*"I just don't know what's happening now because <City Council Officer> from Council tax support was supposed to ring me on the 30th of December to make sure that I got paid so that I had enough money to last me over Christmas and food, but he never rang. Because this when I got the letter to say I hadn't been accepted a couple of weeks before Christmas. So, I've no idea what's going on."*

*"I said can you spread the cost of it over the monthly payments and he said yeah, and they just did it. I was only behind by £60 or something. So, it used to be £20 a month and they increased it to £28 until April."*

*"What she'd like to happen is that she'd like the city council to help her. She would have offered it and would have found a way forward. But they haven't asked."*