

Council Tax Support Consultation – 2025/26 Scheme

Results

October 2024

Introduction

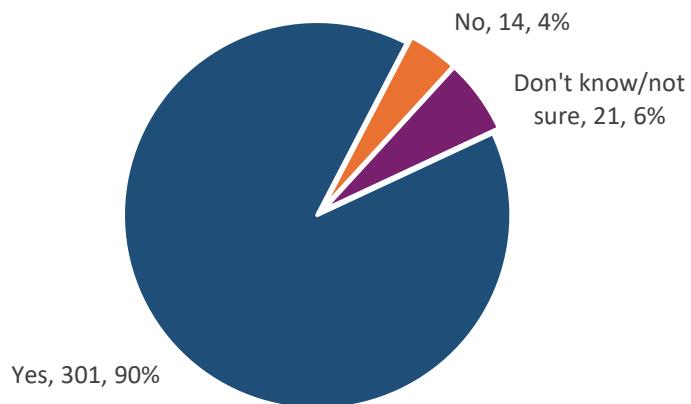
1. South Kesteven District Council (SKDC) is required by law to provide a Local Council Tax Support Scheme. The purpose of this scheme is to offer council tax reductions to those facing financial hardship.
2. It is administered by the Council using national legislation and rules which have been set locally and is only partly funded by the government.
3. To fulfil a legislative requirement to consult on the scheme annually, respondents were asked for their opinion on various parameters including an exemption for those leaving the care system and a discount for special constables.
4. 336 individuals responded to the annual Council Tax Support consultation, which took place during the month of September 2024.

The Council Tax Support Scheme:

5. Central to SKDC's Council Tax Support Scheme are two principles. These are:
 - A cap of 80% on entitlement for all applicants of working age. This means anyone of working age eligible for help paying their Council Tax will be entitled to claim for help with **up to but no more than** 80% of their bill.
 - Pensioners and vulnerable persons eligible for help paying their Council Tax are protected by legislation.
6. The first question asked respondents if they agreed with these principles. Nine out of ten respondents agreed with them, as illustrated below in the table and pie chart:

	No	%
Yes, I agree with these principles	301	89.6
No, I don't agree with these principles	14	4.2
I don't know if I agree or disagree with these principles	21	6.3
	336	100.0

Q1. Do you agree with these principles?



7. When asked why they didn't agree with the principles of the Council Tax Support Scheme, some respondents objected to the 80% threshold. A few objected to the scheme on principle, as illustrated by the quotes below:

"I believe that help should be available to the maximum of 100% should the claimant need support."

"If you cannot afford the tax, it should be 100% deduction, even 20% is too high for some people."

"More Stringent checks should be in place so that other 'nonessential' things have to be sacrificed BEFORE any council Tax deduction should be considered."

8. SKDC's current scheme also has the following amendments to Council Tax technical restrictions for all Council Taxpayers. These have been made because of changes to legislation. They are: -

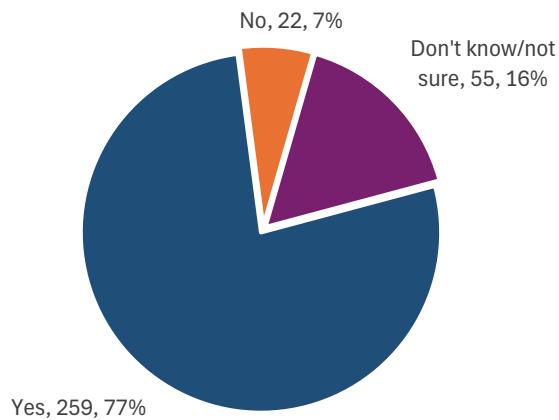
- Introduction of changes to the properties which are unoccupied and unfurnished: -
 - 100% discount for one month;
 - 25% discount for the following 5 months;
 - 100% charge thereafter.
- Introduction of additional premiums to properties empty over 2 years, plus the original charge: -
 - 200% premium – empty between 2 and 5 years.
 - 300% premium – empty between 5 and 10 years.
 - 400% premium – empty over 10 years.
- Unoccupied discount of 100% for the first month.
- Council Tax premium of 100% for a property classed as a second home (i.e. any dwelling that is furnished and is no-one's sole or main residence)

9. The Council is proposing to continue with these levels of discounts and premiums.

10. When asked if they thought these discounts and premiums should continue to apply, three quarters of respondents thought that they should, as illustrated below:

	No	%
Yes, I think the discounts and premiums should continue	259	77.1
No, I don't think the discounts and premiums should continue	22	6.5
I don't know if the discounts and premiums should continue	55	16.4
	336	100.0

Q3. Do you think these discounts and premiums should continue in 2025/26?



11. When asked to describe why they didn't agree with the discounts and premiums, respondents were either against charging those owning empty properties or thought if the householder could afford more than one property, they should pay for it. This is illustrated in the quotes below:

“Seems unfair to charge unoccupied properties when they receive no services”

“Should be no charge for empty properties”

“They are wealthy enough to own an empty property”

“If they can afford a home not to be lived in, they should pay council tax”

Exemption for young people leaving the care system:

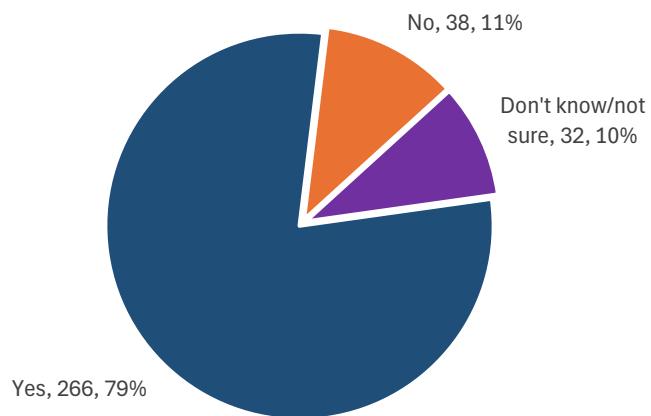
12. In South Kesteven all young people leaving the care system are currently exempt from paying Council Tax in properties they rent or own, until they are 25.

13. The Council is proposing to continue to apply this exemption.

14. Eight out of ten respondents thought all young people leaving the care system should continue to be exempt from paying Council Tax for owned or rented properties, until they are 25. This is illustrated in the table and graph overleaf:

	No	%
Yes, I think the exemption should continue	266	79.2
No, I don't think the exemption should continue	38	11.3
I don't know if the exemption should continue	32	9.5
	336	100.0

Q5. Do you think this exemption should continue in 2025/26?



15. When asked why they didn't support this exemption, most comments were centred around the amount of income being earned. Subjecting the care leavers to means testing to justify an exemption was also a popular suggestion, as illustrated here:

“No exemption - should be based on income”

“If working they should pay Council Tax based on their income”

“They should be means tested if in full time work”

“Why isn't this means tested?”

Special Constable Discount Scheme:

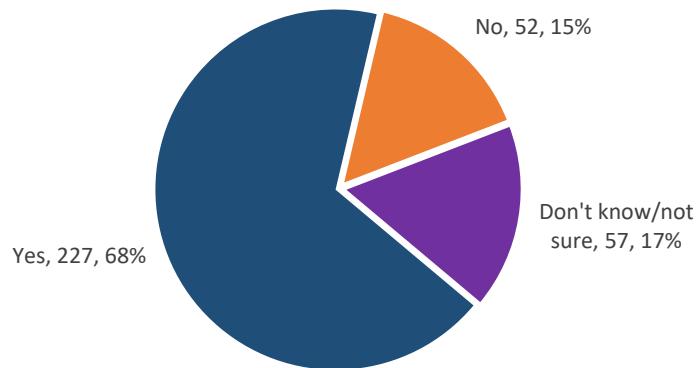
16. In South Kesteven, Special Constables can make an application for a 25% Council Tax discount for each eligible Special Constable in the household (up to 50%).

17. The Council is proposing to continue with this discount.

18. Just over two thirds of respondents thought the Special Constable Discount Scheme should continue to operate in 2025/26, as illustrated overleaf:

	No	%
Yes, I think the scheme should continue	227	67.6
No, I don't think the scheme should continue	52	15.5
I don't know if the scheme should continue	57	17.0
	336	100.0

Q7. Do you think a Special Constable Discount should continue to be available in 2025/26?



19. When asked why they didn't support special constables being awarded a discount on their council tax, respondents' reasons were varied. They included the nature of the role (i.e. because it is voluntary), why they are treated differently to householders in other roles and the view that a discount should be awarded based on household income, not the job people hold.

“Being a Special Constable is voluntary. There are many people who volunteer in our society and I fail to see why a Special Constable should be deemed more deserving than anybody else who gives their time and energy.”

“Why? What about those in caring professions, nurses, doctors, fire service...”

“Many more people are on lower wages but don’t get this discount.”

War Pension and Armed Forces Compensation Disregard:

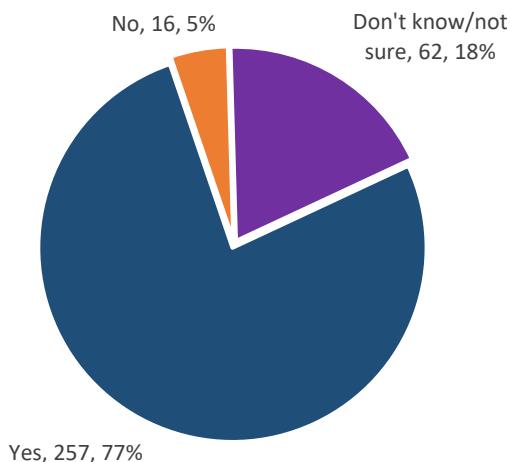
20. South Kesteven District Council does not currently include War Pension and Armed Forces Compensation within the calculation of income for Council Tax Support. It disregards these amounts in the calculations it undertakes.

21. The Council is proposing to continue to apply this disregard.

22. Respondents were asked if they thought the Council should continue to disregard War Pension and Armed Forces Compensation for both Housing Benefit and Council Tax Support calculations. Just over three quarters thought that they should, as illustrated below:

	No	%
Yes, I think the Council should continue to apply this disregard	257	76.7
No, I don't think the Council should continue to apply this disregard	16	4.8
I don't know if the Council should continue to apply the disregard or not	62	18.5
	335 ¹	100.0

Q9. Do you think this approach should continue in 2025/26?



23. When asked why they felt they were unable to support this approach, the comments made were like comments made under other scheme parameters. Some respondents used the opportunity to state why they supported this approach. Examples of each are detailed below:

“Don't agree”

“It's discrimination. Do you disregard compensation payments for work related accidents or car accidents?”

“As the son of a war veteran, I think they deserve any help they can get for the service they have given to their country in the country's time of need.”

The alignment of the value of the capital tariff limit and disregard for working age claimants to the pension age claimant values – introduced from 1 April 2024:

24. South Kesteven District Council has aligned the capital tariff limit and disregard of working age claimants to that of the pension age claimant values with effect from 1 April 2024 – these being a capital tariff of £1 for every £500, and a disregard of £10,000.

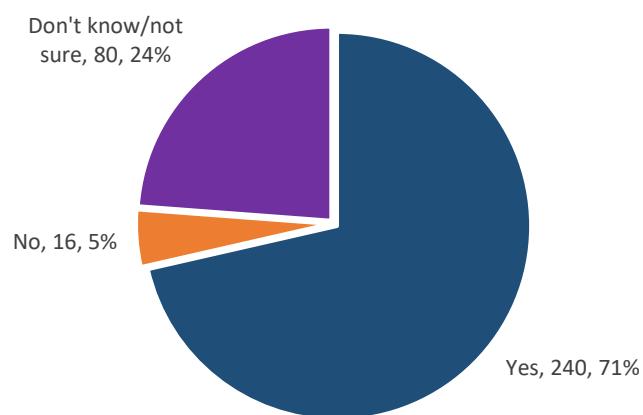
25. The Council is proposing to continue to align working age capital tariffs to pension age.

¹ One respondent didn't answer this question.

26. When asked for their opinion on the alignment of the capital tariff limit and disregard for working age claimants to the pension age claimant values, and if this approach should continue in 2025/26, seven out of ten respondents were in agreement. This is illustrated in the table below:

	No	%
Yes, I think this approach should continue	240	71.4
No, I don't think this approach should continue	16	4.8
I don't know if this approach should continue or not	80	23.8
	336	100.0

Q11. Do you think this approach should continue in 2025/26?



27. When asked to comment on this element of the scheme, there was no consistency across the comments. Some respondents argued for a higher capital tariff limit. Some wanted a higher capital tariff limit but only for pensioners. Others weren't sure what they were being asked. Examples of each of these are shown below:

“Capital Limit should be higher than £10,000.”

“Tariff limit should be higher for pensioners.”

“Don't know what this means, so can't answer.”

The Discretionary Payment Scheme:

28. South Kesteven District Council also operates a Discretionary Payment Scheme.

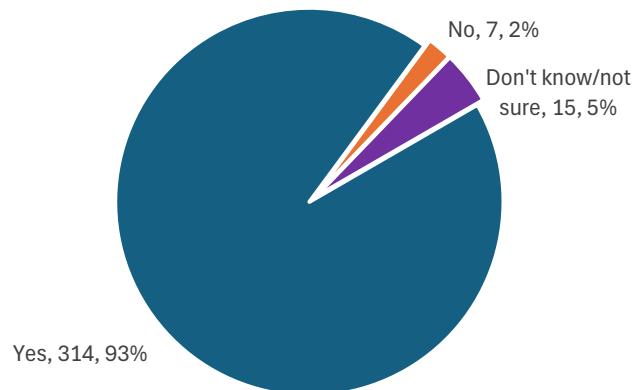
29. This scheme has been designed to offer additional support to those struggling to pay their Council Tax and offers limited short-term assistance to those in receipt of Council Tax Support who need further help.

30. The Council is proposing that this scheme should continue to operate.

31. There was really strong support for this initiative, with over 90% of those responding to the survey stating that they think the Discretionary Payment Scheme should continue to operate. This level of support is illustrated below:

	No	%
Yes, I think the Discretionary Payment Scheme should continue	314	93.5
No, I don't think the Discretionary Payment Scheme should continue	7	2.1
I don't know if this scheme should continue or not	15	4.5
	336	100.0

Q13. Do you think this scheme should continue in 2025/26?



32. The main reason cited by respondents who didn't support the Discretionary Payment Scheme was around managing cash flow – in particular prioritising spending. This is illustrated in the quotes below:

“Some people take advantage of this that don’t prioritise their cash flow”

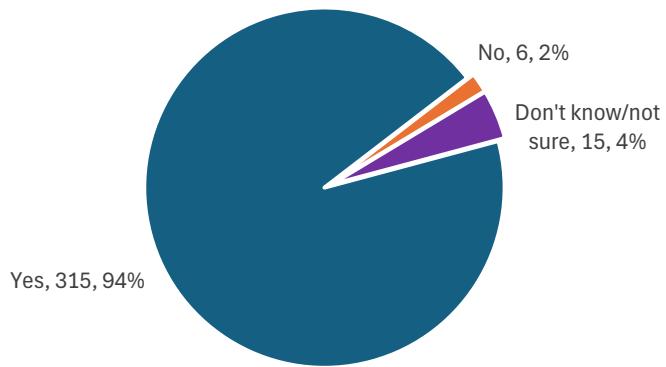
“I have a very low income but by prioritising how my income is spent, I can manage my bills without difficulty.”

33. The final question included in the survey asked respondents if they thought that the Council had worked hard to ensure that its Council Tax Support Scheme is fair, protects pensioners and those in vulnerable groups, and responds to local concerns.

34. When asked if they thought SKDC's Council Tax Support Scheme is fair, protects those in vulnerable groups and responds to local concerns, over 90% of respondents said yes, they thought it was. The distribution of responses is detailed in the table below:

	No	%
Yes, I think SKDC's Council Tax Support Scheme is fair	315	93.8
No, I think SKDC's Council Tax Support Scheme is unfair	6	1.8
I don't know if SKDC's Council Tax Support Scheme is fair or unfair	15	4.5
	336	100.0

Q15. Do you think SKDC's Council Tax Support Scheme is fair, protects those in vulnerable groups and responds to local concerns?



35. When asked why they didn't think that SKDC's Council Tax Support Scheme was fair, protects those in vulnerable groups and responds to local concerns, several respondents said that they didn't have enough information to answer the question. This is illustrated in the quotes below:

"How on earth would anyone be able to answer this without a huge amount of more detailed information."

"Don't know enough about the scheme to comment"

36. The seventeenth question on the survey asked respondents to identify if they had filled out the survey on behalf of an organisation. One parish council responded. The other two names supplied were the names of people.

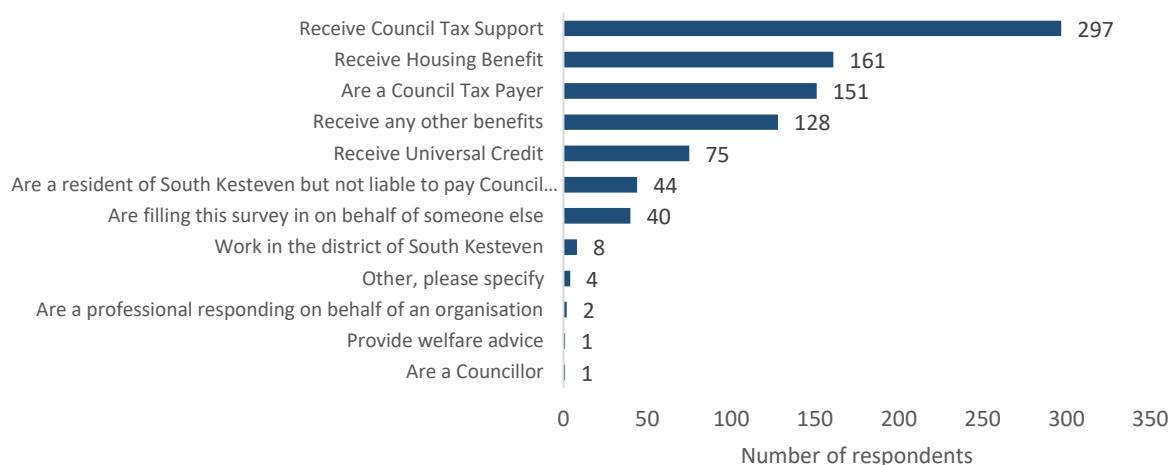
37. The final question on the survey asked people to identify if they:

- Received Council Tax Support, Housing Benefit or Universal Credit or any other benefits
- Are a Council Taxpayer
- Are filling in the survey on behalf of someone else
- Are a councillor, provide welfare advice or are a professional filling it in on behalf of an organisation
- Are a resident of South Kesteven but are not liable to pay Council tax
- Work in the district

38. The purpose of this was to establish that the views of those who might be subject to this scheme are reflected in the responses received. The table below shows the number of respondents who ticked each of these choices. The graph presents the information in numerical order.

	No	%
Receive Council Tax Support	297	88.4
Receive Housing Benefit	161	47.9
Receive Universal Credit	75	22.3
Receive any other benefits	128	38.1
Are a Council Taxpayer	151	44.9
Are filling in the survey on behalf of someone else	40	11.9
Are a councillor	1	0.3
Provide welfare advice	1	0.3
Are a professional on behalf of an organisation	2	0.6
Are a resident of South Kesteven but not liable to pay Council Tax	44	13.1
Work in the district	8	2.4
Other, please specify	4	1.2
	336	100.0

Q18. SKDC would like to know if you.....



39. The consultation closed on 30 September 2024.

Conclusion

40. This consultation illustrates support for the parameters of SKDC's Council Tax Support Scheme. The number and percentage of respondents agreeing with each of the constructs of the scheme ranged from 227 (67.6%) for the Special Constable Discount Scheme to 314 (93.5%) in favour of the Discretionary Payment Scheme.
41. Support for the scheme overall was also very high. 315 respondents (93.8%) thought that SKDC's Council Tax Support Scheme was fair, protects those in vulnerable groups and responds to local concerns.
42. Most respondents were in receipt of benefits. 297 (88.4%) were in receipt of Council Tax Support.
43. Cabinet, CMT and the Head of Revenues, Benefits, Customer and Community are asked to note the contents of this report.

Report prepared by Deb Wyles

Communications

16 October 2024