

**Council Tax Support Scheme 2025/26
Consultation Report
Published**

“You Said, We Listened”



East Lindsey
DISTRICT COUNCIL

Introduction to this consultation

1. This report contains the responses we received for the Council Tax Support Scheme 2025/26 consultation which took place between 19th September 2024 and 15th November 2024.

An extensive review of the Council Tax Support Scheme had recently been undertaken which meant that some modifications to the scheme were proposed for 2025/26, rather than major changes. These improvements would make the scheme more generous, offering enhanced protection for vulnerable families and more efficient, streamlining processes to reduce administrative costs.

2. The exercise was performed to gain the views of residents on the proposed modifications to the Council Tax Support Scheme for the 2025/26 financial year.

Methodology

3. The consultation, which was available in both hard copy and online, was promoted in a number of ways.
 - A media release was circulated announcing the proposals for the Council Tax Support Scheme 2025/26. The media release also provided residents with details of the consultation exercise being undertaken and details of how to complete or request a paper copy of the consultation.
 - A letter was forwarded to precepting Authorities on 19th September 2024, inviting them to give their views on the proposals for 2025/26.
 - Social media; Facebook and Twitter were also used to inform residents that the consultation exercise was being undertaken.
 - A homepage banner was placed on East Lindsey District Council's website to draw attention to the consultation.
 - An email was sent to 54 groups that represent those individuals with the characteristics identified in the Equality Act. A few of these are listed below:
 - Lincs Care Leavers
 - Disability Lincs
 - Victim Support in Lincolnshire
 - Age UK Boston & South Holland
 - Alzheimer's' Society
 - Deaf Association
 - British Heart Foundation
 - Lincs YMCA
 - ME Lincs
 - Citizens' Advice mid Lincs
 - Boston Salvation Army
 - Boston United Disabled Football Club
 - Edan Lincs (Domestic Abuse)
 - Lincolnshire Rural Support Network
 - The questionnaire was also made available for people to complete on East Lindsey District Council's website.
4. It should be noted that base data has been rounded to the nearest number (so may add up to between 99% and 101%.) No comparisons have been made with the

previous consultation exercise undertaken in 2023 as the questions in the consultation have been revised.

Response Rate

- 143 responses were received.
- In addition, written responses were received from Lincolnshire County Council and the Lincolnshire Police and Crime Commissioner. Their responses are detailed at numbers 14 and 15 in this report.

Results and Analysis

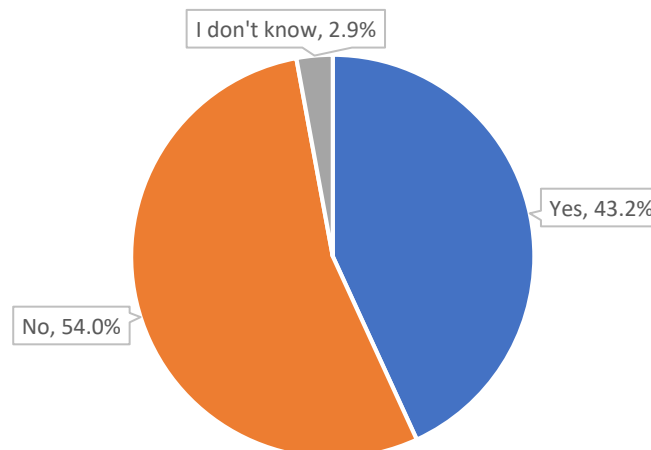
- Proposal A:** All respondents were asked if they thought the Council should increase the maximum CTS for households with children from 75% to 85%.

All respondents were advised that according to recently published DWP estimates, 30% of children in East Lindsey lived in relative low-income households. The proposed change would increase the maximum level of support for households with children to 85%, demonstrating the Council's commitment to respond positively to the concerns over child poverty.

They were also advised that there were 2,443 households with children in receipt of CTS, of which 1,782 received the current maximum 75% CTS award.

The chart below shows that 43.2% of all respondents thought that the Council should increase the maximum CTS for households with children from 75% to 85%, 54.0% of all respondents thought that they should 'not', with the remaining 2.9% stating that they 'did not know' if the Council should increase the maximum CTS for households with children from 75% to 85%.

Proposal A: Do you think that the Council should increase the maximum CTS for households with children to 85%?



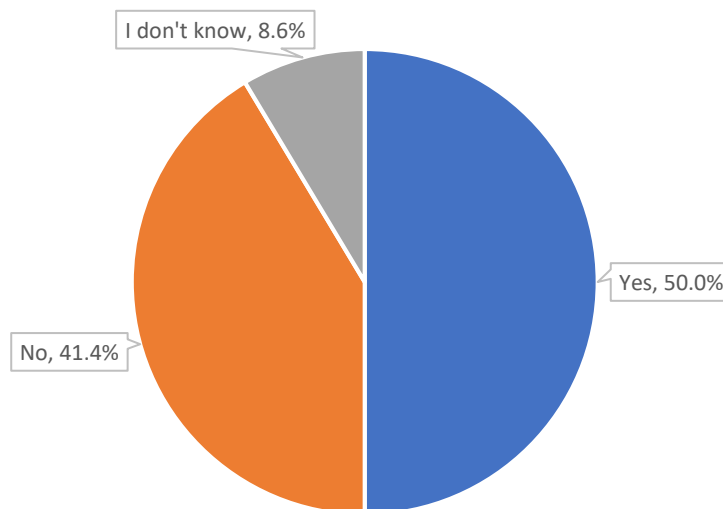
8. **Proposal B:** All respondents were asked if they thought that the Council should remove the 'earnings disregard' for Universal Credit claims.

All respondents were advised that the 'earnings disregard' was the income ignored when assessing eligibility for benefits, letting people keep more of their earnings.

Research had shown that disregarding income significantly helped with reducing barriers to work. The Department for Work and Pensions would already have regard to 'earnings and disregard' in its calculation of the Universal Credit award, and, under its current scheme, East Lindsey applied a further 'earnings disregard' in its calculation of Council Tax Support for Universal Credit recipients. The proposed change would see the full amount of the Universal Credit award included in the CTS calculation. This would make the scheme simpler and more efficient to administer.

The chart below shows that 50.0% of all respondents thought the Council should remove the 'earnings disregard' for Universal Credit claims, 41.4% of all respondents thought it should 'not', with the remaining 8.6% stating that they 'did not know' if they Council should remove the 'earnings disregard' for Universal Credit claims.

Proposal B: Do you think that the Council should remove the earnings disregard for Universal Credit claims?



9. **Proposal C:** All respondents were asked if they thought that the Council should introduce a standard £10 rate for non-dependant deductions.

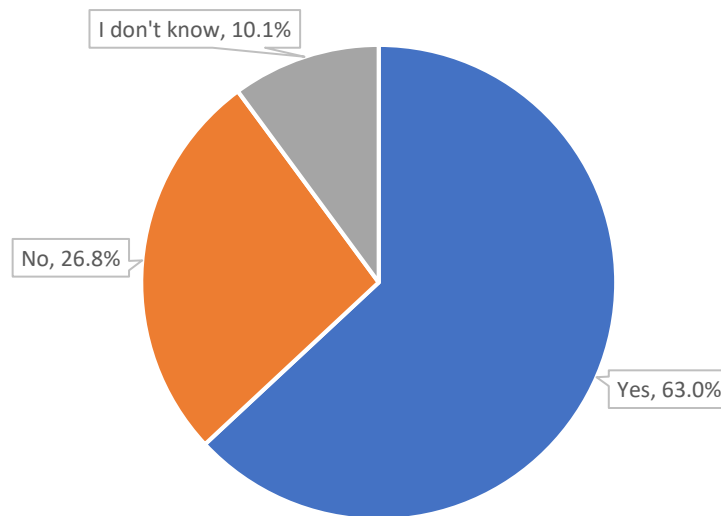
All respondents were advised that under the current scheme an applicant's entitlement to CTS could be reduced when other adults (non-dependants) lived in the premises (other than the applicant or partner). The charges varied from £4.90 to £15.10 per week depending on the circumstances of the non-dependant.

They were also advised that introducing a standard rate of £10 per week would

remove the need to obtain evidence relating to non-dependants, in turn simplifying the claim process for the customer, and improving administration efficiency.

The chart below shows that 63.0% of all respondents thought that the Council should introduce a standard £10 rate for non-dependant deductions, 26.8% of all respondents thought they should not, with the remaining 10.1% stating that they 'did not know' if the Council should introduce a standard £10 rate for non-dependant deductions.

Proposal C: Do you think that the Council should introduce a standard £10 rate for non-dependant deductions?

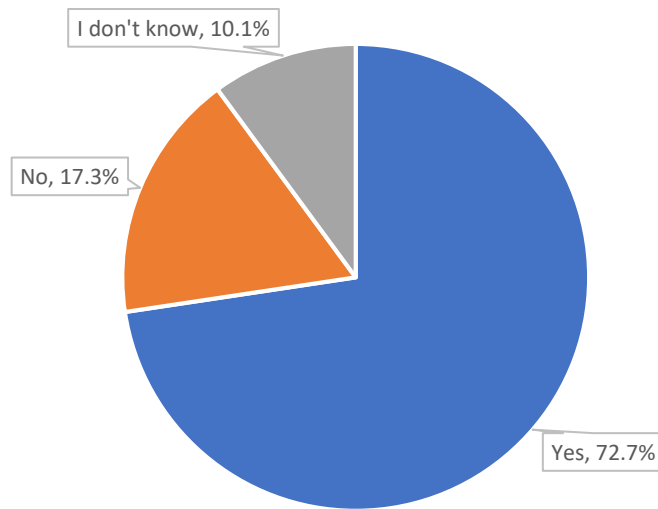


- 10. **Proposal D:** All respondents were asked if they thought that the Council should introduce a minimum weekly award of £1.00 per week.

All respondents were advised that under the current scheme, CTS would be awarded and Council Tax bills updated even when the CTS amount was a few pence per week. Many small changes, especially those under £1.00, could make it difficult for Council Taxpayers to keep track of their claims. By streamlining administration, the Council aimed to simplify the process, reducing confusion for claimants, and ensuring a smoother, more efficient experience for managing their support. This change would mean that if entitlement to CTS was below £1 per week, there would be no CTS award made.

The chart below shows that 72.7% of all respondents thought that the Council should introduce a minimum weekly award of £1.00 per week, 17.3% thought they should not, with the remaining 10.1% stating that they 'did not know' if the Council should introduce a minimum weekly award of £1.00 per week.

Proposal D: Do you think that the Council should introduce a minimum weekly award of £1.00 per week?



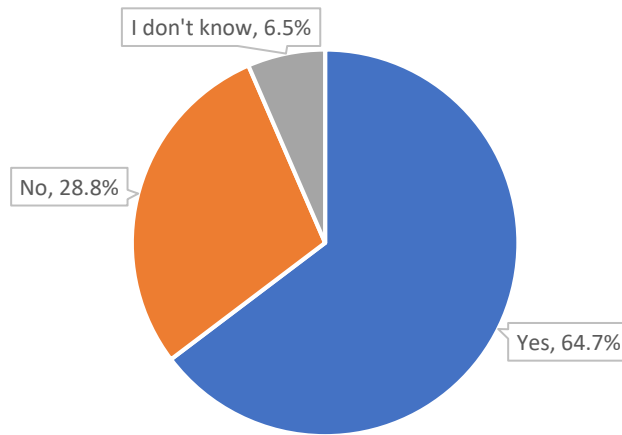
11. **Proposal E:** All respondents were asked if they thought that the Council should increase the threshold for earnings changes to £30 per week (£130 per month), with discretion.

All respondents were advised that the current threshold was £15 per week (£65 per month). The National Living Wage was now £11.44 per hour, and the Real Living Wage was £12 per hour. As a result, if someone worked just over an extra hour a week, they may lose some of their Council Tax Support (CTS).

The proposed change meant that while some households may benefit, others might receive less support, as earning just below the threshold would not automatically increase their CTS. However, the Council had the flexibility to adjust CTS on a case-by-case basis, either by customer request or during routine checks. The proposed adjustment would also help reduce the cost of re-issuing bills for small changes and give households more certainty when planning their budgets.

The chart below shows that 64.7% of all respondents thought that the Council should increase the threshold for earnings changes to £30 per week (£130 per month) with discretion, 28.8% thought they should not, with the remaining 6.5% of all respondents stating that they 'did not know' if the Council should increase the threshold.

Proposal E: Do you think that the Council should increase the threshold for earnings changes to £30 per week (£130 per month), with discretion?

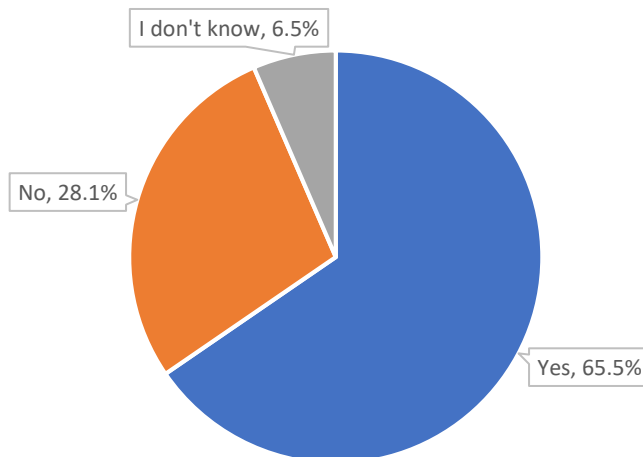


12. **Proposal F:** All respondents were asked if they thought that the Council should introduce a Discretionary Exceptional Hardship Payment Fund.

A Discretionary Exceptional Hardship Payment Fund would provide short-term assistance to Council Tax Support claimants facing additional hardship, offering extra financial help while directing them to other resources and opportunities to maximise their income.

The chart below shows that 65.5% of all respondents thought that the Council should introduce a 'Discretionary Exceptional Hardship Payment Fund', 28.1% of all respondents thought the Council should not, with the remaining 6.5% of all respondents stating that they 'did not know' if the Council should introduce a 'Discretionary Exceptional Hardship Payment Fund'.

Proposal F: Do you think that the Council should introduce a Discretionary Exceptional Hardship Payment Fund?

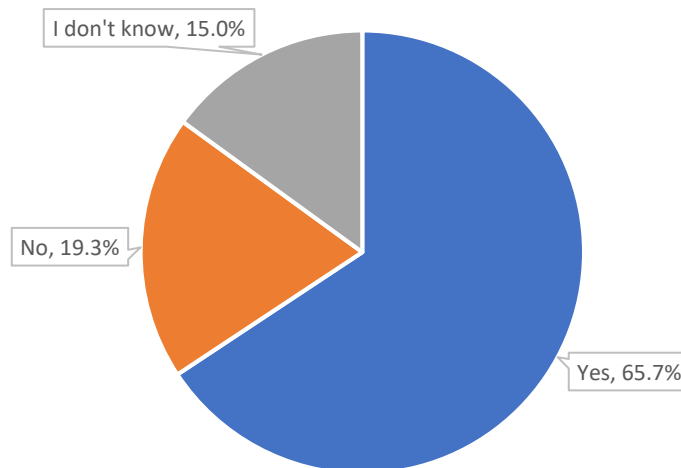


13. **Proposal G:** All respondents were asked if they thought that the Council should update the 2025/26 scheme in line with DWP uprating.

The proposal would be consistent with previous years, aligning the scheme with the DWP's annual update of allowances and premiums for 2025/26.

The chart below shows that 65.7% of all respondents thought that the Council should update the 2025/26 scheme in line with DWP uprating, 19.3% thought that the Council should not, with the remaining 15.0% of all respondents stating that they 'did not know' if the Council should update the 2025/26 scheme in line with DWP uprating.

Proposal G: Do you agree that the Council should update the 2025/26 scheme in line with DWP uprating?



Responses from precepting authorities

14. A response was received from the Office of the Lincolnshire Police and Crime Commissioner supporting the proposals which both simplify the scheme for claimants and are likely to lead to efficiencies in administering the scheme.
15. A response was also received from Lincolnshire County Council (LCC) stating that as a major preceptor, any changes to the scheme can have a significant impact on the council tax received by LCC, which in turn can impact on the services LCC is able to provide to Lincolnshire residents. In response to the proposed changes to the scheme, LCC is supportive of the move to modernise the scheme, making it simpler for the council taxpayer, and to generate operational efficiencies. They do not support the change to vary the level of support to families. Whilst they recognise the need to support those groups most vulnerable in our community, the government is providing continued funding to support anyone who is vulnerable and not able to pay for essentials via the Household Support Fund. The proposed change to the scheme will reduce the income LCC receives from council tax, which in turn will reduce the budget available to spend on services LCC provides to

vulnerable groups and other essential services such as highway maintenance. It is assumed that the introduction of an Exceptional Hardship Fund, will be managed outside of the council tax support scheme, with no impact on council tax collected on LCC's behalf as a precepting authority.

Contact:

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