Council tax support scheme consultation summary report

southampton dataobservatory Data, Intelligence & Insight Team | January 2025



Introduction & methodology

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Summary of feedback on the proposals

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- Potential impact of the proposals
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Proposal 1 | Changing the non-dependent deductions for working-age claimants

- Agreement with the proposal
- Potential impact of the proposal
- Free-text comment themes

Proposal 2 | Removing the second adult rebate for working-age claimants

- Agreement with the proposal
- Potential impact of the proposal
- Free-text comment themes

Proposal 3 | Reducing the threshold working-age claimants become ineligible for support

- Agreement with the proposal
- Potential impact of the proposal
- Free-text comment themes

Proposal 4 | Setting a minimum award of £3 per week for working-age claimants

- Agreement with the proposal
- Potential impact of the proposal
- Free-text comment themes

Proposal 5 | Ignoring small income changes for working-age claimants on universal credit

- Agreement with the proposal
- Potential impact of the proposal
- Free-text comment themes





Introduction & methodology







- Southampton City Council undertook public consultation on draft proposals to change elements of it's council tax support scheme
- This consultation took place between 31 October 2024 and 02 January 2025 and received a total of 1,299 responses
- The aim of this consultation was to:
 - Communicate clearly to residents and stakeholders the draft proposals regarding the proposed changes;
 - Ensure any resident, business or stakeholder who wished to comment on the proposals had the opportunity to do so, enabling them to raise any impacts the proposals may have, and;
 - Allow participants to propose alternative suggestions for consideration which they feel could achieve the objectives in a different way.
- This report summarises the aims, principles, methodology and results of the public consultation; it provides a summary of the consultation responses both for the consideration of decision makers and any interested individuals and stakeholders
- It is important to be mindful that a consultation is not a vote it is an opportunity for stakeholders to express their views, concerns and alternatives to a proposal; equally, responses from the consultation should be considered in full before any final decisions are made
- This report outlines in detail the representations made during the consultation period so that decision makers can consider what has been said alongside other information
- The agreed approach for this consultation was to use an online questionnaire as the main route for feedback; questionnaires enable an appropriate amount of explanatory and supporting information to be included in a structured questionnaire, helping to ensure respondents are aware of the background and detail of the proposals
- Respondents could also write letters or emails to provide feedback on the proposals; emails or letters from stakeholders that contained consultation feedback were collated and analysed
 as a part of the overall consultation
- The consultation was promoted via email bulletins, online and on Southampton City Council's website
- All questionnaire results have been analysed and presented in graphs within this report: respondents were also given opportunities throughout the questionnaire to provide written feedback on the proposals



Methodology

Southampton City Council is committed to consultations of the highest standard, which are meaningful and comply with the *Gunning Principles* (considered to be the legal standard for consultations):

 Proposals are still at a formative stage (a final decision has not yet been made)

2. There is sufficient information put forward in the proposals to allow 'intelligent consideration'

3. There is adequate time for consideration and response

4. Conscientious consideration must be given to the consultation responses before a decision is made

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New Conversations 2.0 LGA guide to engagement

Rules: The Gunning Principles

They were coined by Stephen Sedley QC in a court case in 1985 relating to a school closure consultation (R v London Borough of Brent ex parte Gunning). Prior to this, very little consideration had been given to the laws of consultation. Sedley defined that a consultation is only legitimate when these four principles are met:

1. proposals are still at a formative stage

A final decision has not yet been made, or predetermined, by the decision makers

2. there is sufficient information to give 'intelligent consideration'

The information provided must relate to the consultation and must be available, accessible, and easily interpretable for consultees to provide an informed response

3. there is adequate time for consideration and response

There must be sufficient opportunity for consultees to participate in the consultation. There is no set timeframe for consultation,¹ despite the widely accepted twelve-week consultation period, as the length of time given for consultee to respond can vary depending on the subject and extent of impact of the consultation

4. 'conscientious consideration' must be given to the consultation responses before a decision is made Decision-makers should be able to provide evidence that they took consultation responses into account

These principles were reinforced in 2001 in the 'Coughlan Case (R v North and East Devon Health Authority ex parte Coughlan²), which involved a health authority closure and confirmed that they applied to all consultations, and then in a Supreme Court case in 2014 (R ex parte Moseley v LB Haringey³), which endorsed the legal standing of the four principles. Since then, the Gunning Principles have formed a strong legal foundation from which the legitimacy of public consultations is assessed, and are frequently referred to as a legal basis for judicial review decisions.⁴

1 In some local authorities, their local voluntary Compact agreement with the third sector may specify the length of time they are required to consult for. However, in many cases, the Compact is either inactive or has been cancelled so the consultation timeframe is open to debate

2 BAILII, England and Wales Court of Appeal (Civil Decision) Decisions, Accessed: 13 December 2016.

BAILII, United Kingdom Supreme Court, Accessed: 13 December 2016

4 The information used to produce this document has been taken from the Law of Consultation training course provided by The Consultation Institute







Southampton residents on a low income can apply for a lower amount of council tax, called a council tax reduction. The UK Government makes the rules for how much low-income pensioners can have their council tax lowered by. Southampton City Council (SCC) makes the rules for how much low-income, working-age residents of Southampton could get.

While recognising the value of council tax reductions to residents on low incomes in Southampton, due to the Council's difficult financial situation, SCC are having to look for savings in lots of areas. The purpose of this consultation is to ask for views on possible changes to council tax support for low-income, working-age residents: i.e., the council tax support that SCC is responsible for. The support available for low-income pensioners, decided by the UK Government, will not be affected.

The aims of the proposed changes are to simplify and streamline the existing council tax reduction scheme, which SCC believe would make it easier to manage, ignores small income changes, and improves the customer experience by reducing the number of system notifications people can get. If all the proposals are approved, there are potential savings to SCC of approximately £100,000 a year.

In summary, the proposals are:

- 1) Changing the non-dependant deductions for working-age claimants and moving to a flat rate of £9.78 per week (uprated annually);
- 2) Removing the second adult rebate for working-age claimants;
- 3) Reducing the capital threshold at which working-age residents become ineligible for support from £16,000 to £6,000;
- 4) Setting a minimum award of £3 per week for working-age claimants, and;
- 5) Ignoring small income changes for working-age claimants on Universal Credit (UC).





PROPOSAL 1 | Changing the non-dependent deductions for working-age claimants

A non-dependant is normally any adult who lives with a claimant and is not their partner. Southampton City Council makes a deduction from council tax support based on their income. This is set by the Government for pensioners based on income tiers. Currently the Council chooses to mirror this scheme for working age claimants.

This proposal is to move to a flat rate deduction of £9.78 per week for eligible households, uprated annually. This amount has been calculated by using the average actual cost based on current claimant numbers (716).

This proposal would simplify the administration of the council tax reduction scheme as it would remove the need to check the income of non-dependents in a household. Depending on income levels, some claimants would have a greater reduction than currently received (those on lower incomes) and some would incur more costs than they do currently.

PROPOSAL 2 | Removing the second adult rebate for working-age claimants

Second adult rebates are discounts currently given where low income second adults live with an applicant whose income is too high for them to qualify for the main, meanstested council tax reduction scheme. It effectively acts as a replacement for the Single Adult Discount for the applicant. A percentage discount is applied according to the income of the second adult in bands from 25% to 7.5%.

The second adult rebate is calculated where, if there is more than one other adult living in the household, the income of all the other adults is added together.

The proposal is to remove this part of the scheme, a measure that would affect 101 working-age households.

The average change per household would be £437.14 per year. However, if the household needs support with council tax and they are eligible, they would still be able to claim via the main council tax reduction.





PROPOSAL 3 | Reducing the capital threshold at which working-age claimants become ineligible for support

The current scheme has a capital limit of £16,000. This allows households to hold capital up to this value and retain entitlement to council tax reduction.

The proposal is to reduce this limit to £6,000 for working-age residents. Currently, this would affect 12 households if applied to all working-age households who are not receiving income replacement benefits (not including Universal Credit). Simplifying and streamlining the existing scheme will make it easier to administer.

PROPOSAL 4 | Setting a minimum award of £3 per week for working-age claimants

The proposal is for all working-age households receiving a discount on their council tax of less than £3 per week will no longer be entitled to a council tax reduction, resulting in their awards being reduced to £0. This means these households would start receiving a full council tax bill. This would affect 269 households, with an average change per household of £98.71 per year.

PROPOSAL 5 | Ignoring small income changes for working-age claimants on universal credit (UC)

Currently, every time someone on Universal Credit has a change in income this results in a new council tax and benefit notification being sent. This creates extra administration for SCC and frustrates customers, as some receive multiple notifications often on a four-weekly basis as Universal Credit awards fluctuate.

The proposal is to ignore small changes in income of £3 per week or less for customers on Universal Credit. This would reduce the number of reassessments for these households, as well as provide some stability and so improve the customer experience. Any capacity freed up would be reinvested into preventative work and early intervention with arrears to prevent debt escalating.

Who are the respondents?

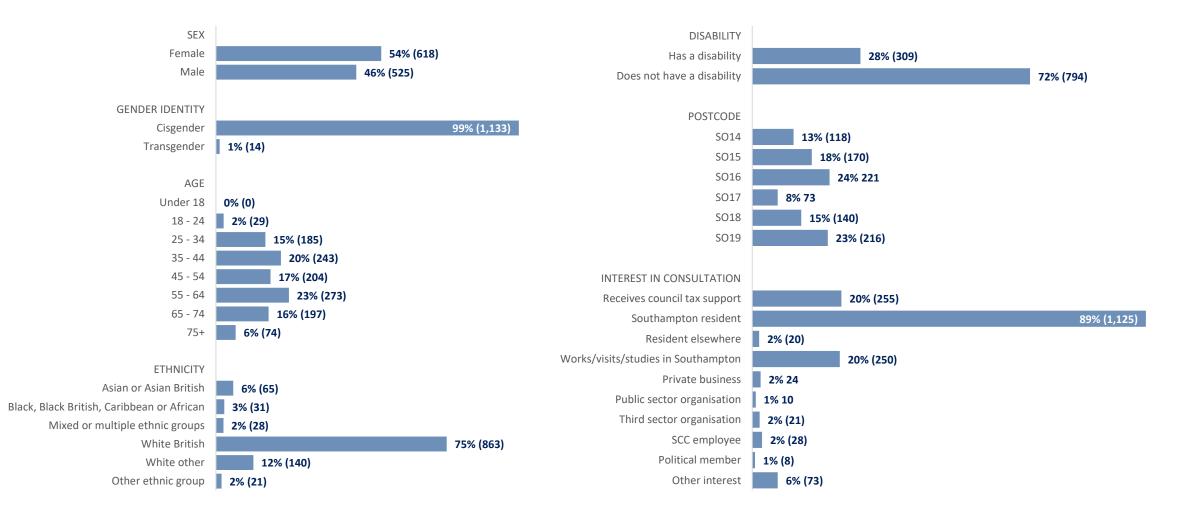
1,286 survey

13 email

1,299 total



Total responses Graphs on this page are labelled as percentage (count).





Summary of feedback on the proposals







31% 20% Agreement 18% 22% 51% 31% 1,239 18% 11% 25% 30% Impact 14% 34% 1,239

PROPOSAL 1 - CHANGING THE NON-DEPENDENT DEDUCTIONS FOR WORKING-AGE CLAIMANTS

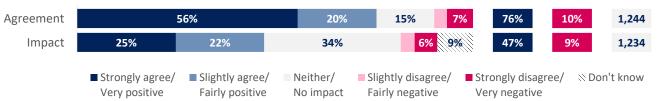


PROPOSAL 2 - REMOVING THE SECOND ADULT REBATE FOR WORKING-AGE CLAIMANTS

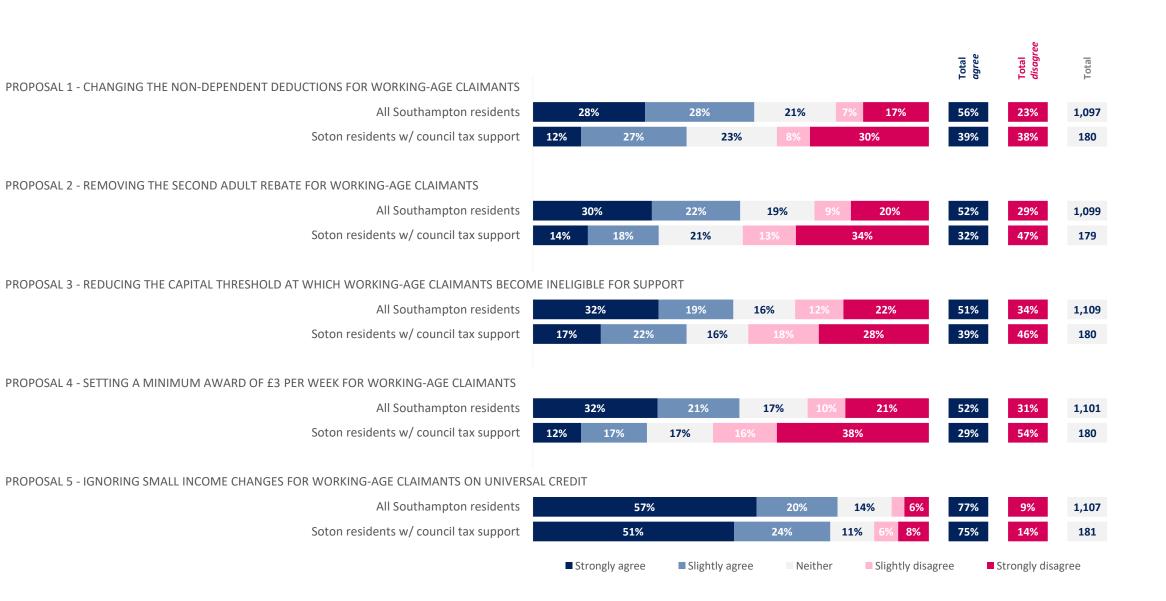
PROPOSAL 3 - REDUCING THE CAPITAL THRESHOLD AT WHICH WORKING-AGE CLAIMANTS BECOME INELIGIBLE FOR SUPPORT

PROPOSAL 4 - SETTING A MINIMUM AWARD OF £3 PER WEEK FOR WORKING-AGE CLAIMANTS

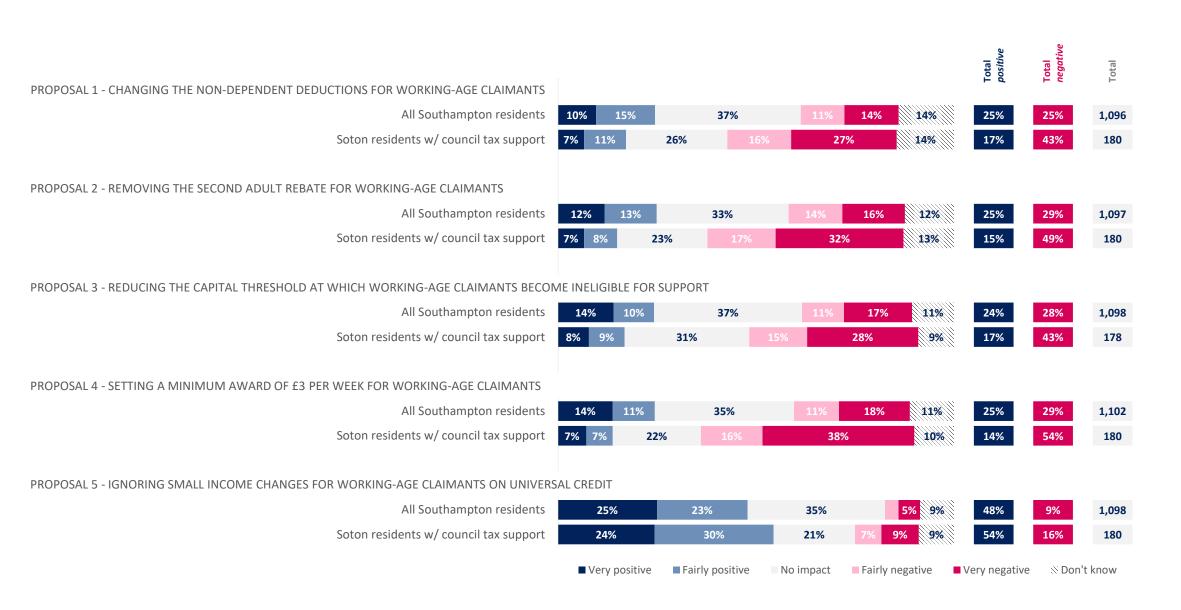
PROPOSAL 5 - IGNORING SMALL INCOME CHANGES FOR WORKING-AGE CLAIMANTS ON UNIVERSAL CREDIT





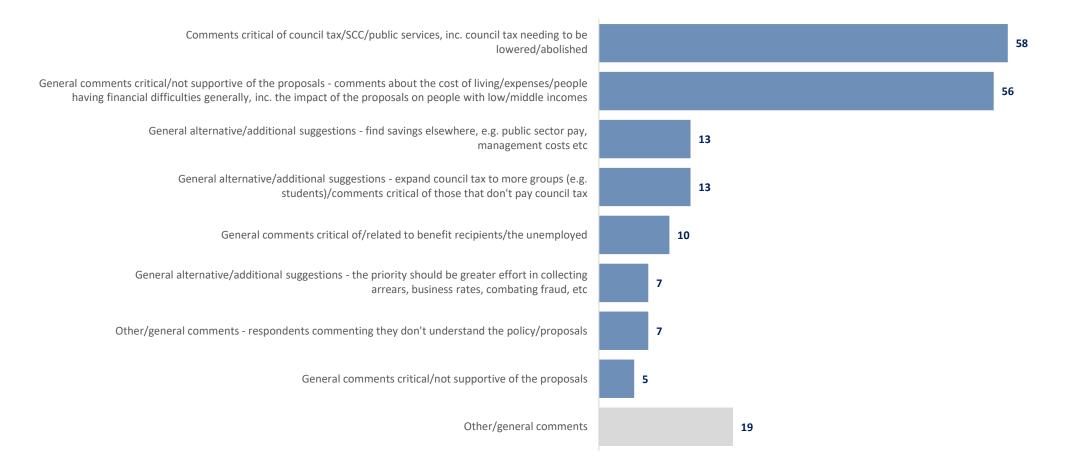








*Number of comments per theme.





Feedback on the proposals

PROPOSAL 1 | CHANGING THE NON-DEPENDENT DEDUCTIONS FOR WORKING-AGE CLAIMANTS



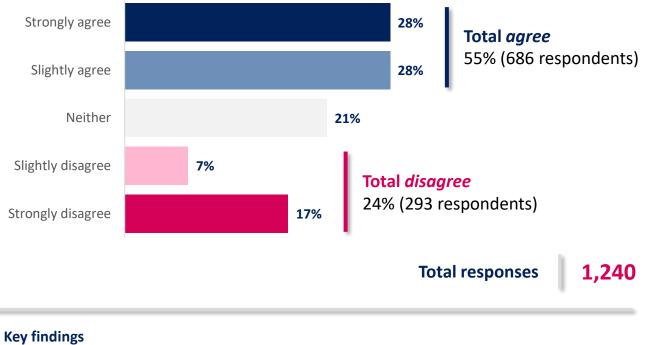
Proposal 1 | Changing the deductions for working-age claimants page one of three



Question 1 | To what extent do you agree or disagree with this proposal?



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- 55% of respondents overall agreed with this proposal, with similar numbers saying neither (21%) as said disagree (24%)
- In terms of respondents that currently receive council tax support, similar numbers said agree (39%) as said disagree (38%)
- Sentiments were broadly similar across breakdowns, with those saying agree to the greatest extent being . respondents aged 65+ and respondents that don't have a disability (both 62% agree)
- Aside from current recipients of council tax support, the group responding disagree to the greatest extent were respondents with a disability (31% disagree)
- Additionally, male respondents had a greater strength of feeling over this proposal than female, with 35% of men saying that they strongly agreed compared to 23% of female respondents that said the same: this was similarly reflected between White British and Ethnic minority respondents, where the former responded strongly agree at 25% compared to 36% for the latter

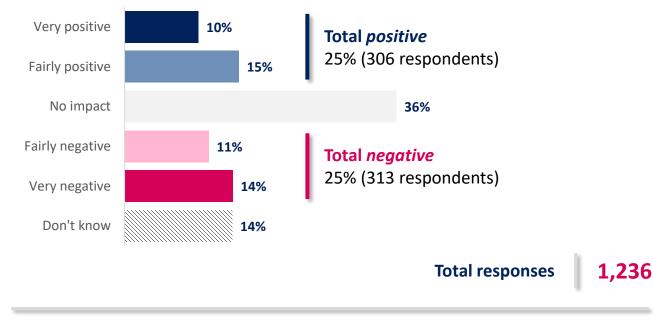
kdowns					Total <i>agree</i>	Total disagree	Total
Female	23%	33%	21%	15%	56%	22%	602
Male	35%	23%	19%	18%	57%	24%	513
18 - 34	26%	27%	22% 9	% 16%	53%	25%	209
35 - 44	27%	28%	18%	19%	55%	26%	233
45 - 54	27%	27%	21%	21%	53%	26%	199
55 - 64	28%	26%	20%	19%	54%	26%	269
65+	31%	32%	23%	9%	62%	15%	265
White British	25%	30%	21%	16%	56%	23%	845
Ethnic minority groups	36%	23%	21%	15%	59%	20%	275
Has a disability	20%	25% 2	24%	24%	45%	31%	304
Does not have a disability	32%	30%	19%	13%	62%	19%	771
SO14	28%	23%	24%	19%	50%	25%	115
SO15	31%	26%	20%	16%	57%	23%	166
SO16	26%	27%	25%	16%	53%	22%	218
SO17*	19%	31%	25%	18%	50%	25%	72
SO18	28%	31%	14% 10)% 16%	59%	26%	138
SO19	28%	33%	20%	14%	61%	19%	211
All Southampton residents	28%	28%	21%	17%	56%	23%	1,097
lents w/ council tax support	12% 27	% 23%	8%	30%	39%	38%	180

Strongly agree Slightly agree

Neither Slightly disagree Strongly disagree

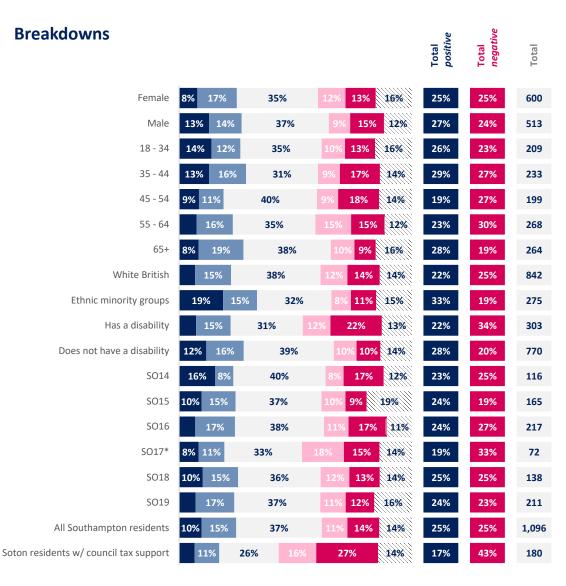


Question 2 | What impact do you feel this may have on you, your business or the wider community?



Key findings

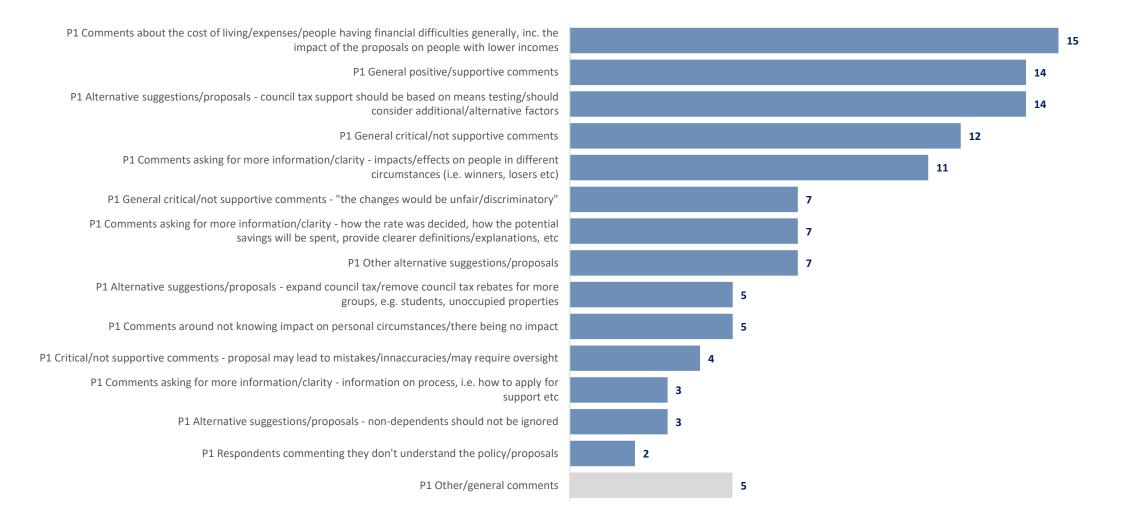
- Similar numbers of respondents overall said that this proposal would have a *positive* impact if implemented as said that it would have a *negative* impact (both 25%) – the most popular response was *no impact* at 36% (*don't know* and *no impact* together make up 50% of responses)
- This pattern was broadly reflected across most breakdowns: the only breakdowns where no impact was not the most popular response was with ethnic minority respondents (32% no impact, 33% positive impact), respondents with a disability (31% no impact, 34% negative impact) and existing recipients of council tax support (26% no impact, 43% negative impact)



■ Very positive ■ Fairly positive ■ No impact ■ Fairly negative ■ Very negative ⊗ Don't know



Free-text comments: number of comments per theme.





Feedback on the proposals

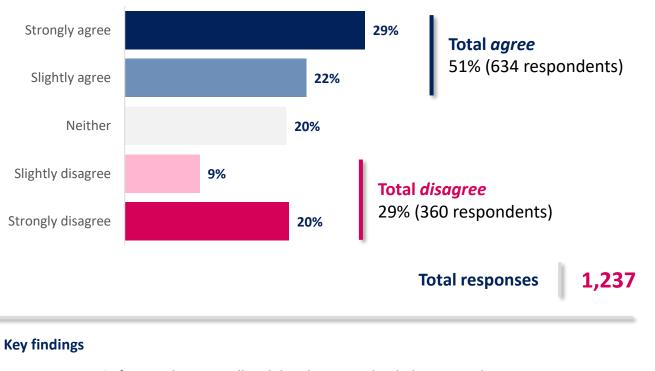
PROPOSAL 2 | REMOVING THE SECOND ADULT REBATE FOR WORKING-AGE CLAIMANTS



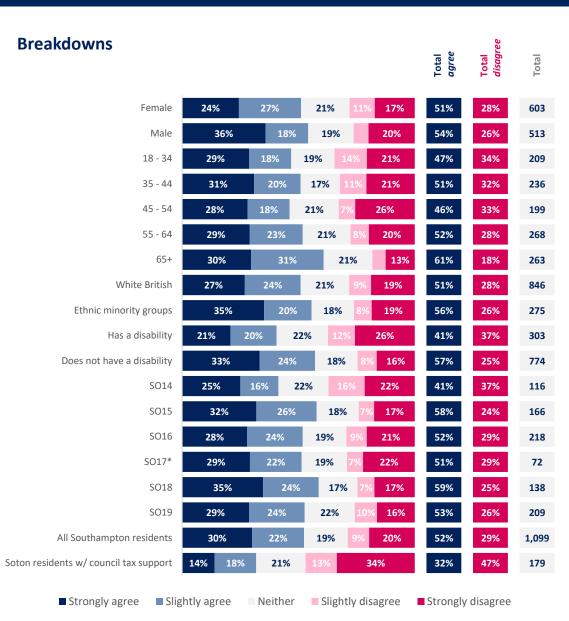
Proposal 2 | Removing the second adult rebate for working-age claimants page one of three

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Question 4 | To what extent do you agree or disagree with this proposal?

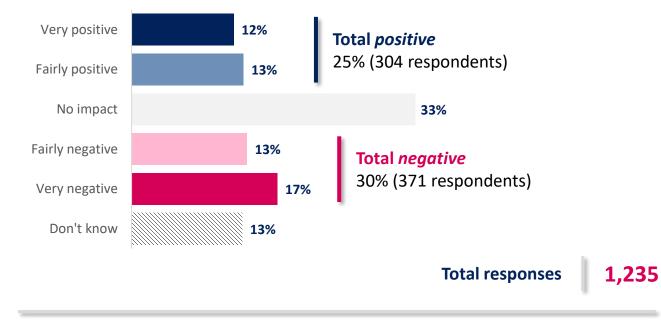


- 51% of respondents overall said that they *agreed* with this proposal
- Agree responses increase moving up the age breakdowns, from 47% of 18-34 year-olds to 61% of respondents aged 65+ responding agree
- Respondents that don't have a disability responded *agree* 16% points more than respondents with a disability, 57% to 41%, with the latter breakdown broadly split evenly between *agree* and *disagree* (41% and 37% respectively)
- Only current recipients of council tax support responded *disagree* to a greater extent than *agree*, 47% to 32%



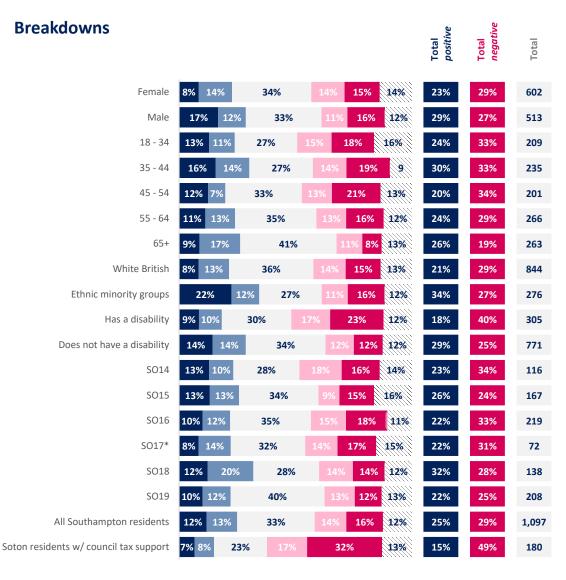


Question 5 | What impact do you feel this may have on you, your business or the wider community?



Key findings

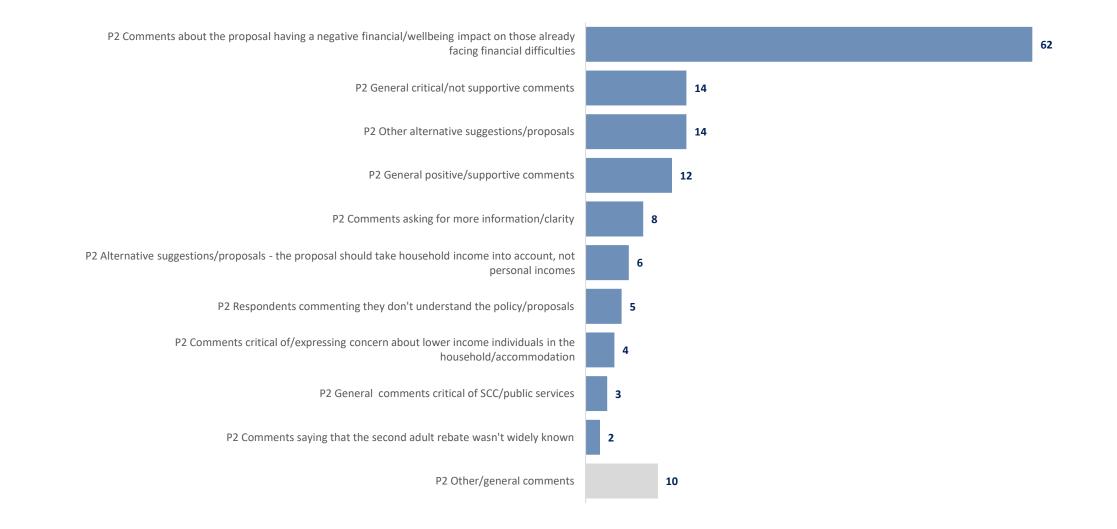
- Similarly to proposal one, here respondents were broadly split between *positive* and *negative* on the potential impacts of this proposal if implemented (25% and 30% respectively), with the most popular responses being *no impact* and *don't know* (46% together)
- Again, breakdowns were also broadly similar, with some standouts being male respondents responding *positive* impact to a greater extent than female (29% to 23%), ethnic minority respondents responding *positive* impact to a greater extent than the White British breakdown (34% to 21%), respondents without a disability likewise responding *positive* to a greater extent than those with a disability (29% to 18%), and Southampton residents overall responding *positive* to a greater extent than respondents that currently receive council tax support (25% to 15%)
- Respondents with a disability and those currently receiving council tax support also both responded *negative* impact to the greatest extent over other breakdowns, at 40% and 49% respectively



■ Very positive ■ Fairly positive ■ No impact ■ Fairly negative ■ Very negative ⊗ Don't know



Free-text comments: number of comments per theme.





Feedback on the proposals

PROPOSAL 3 | REDUCING THE THRESHOLD WORKING-AGE CLAIMANTS BECOME INELIGIBLE FOR SUPPORT

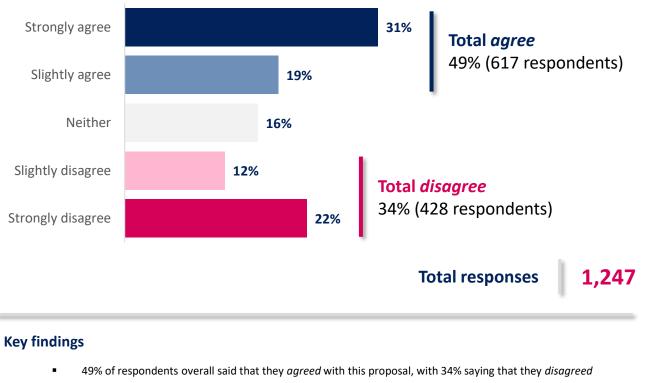


Proposal 3 | Lower the threshold working-age claimants are ineligible for support page one of three

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Question 7 | To what extent do you agree or disagree with this proposal?





- Again, responses by breakdown follow a similar pattern to the previous two proposals: respondents that don't have a disability responded agree 13% points more than respondents with a disability, 55% to 42%, with the latter breakdown broadly split evenly between agree and disagree (42% and 43% respectively)
- Current recipients of council tax support responded *disagree* to a greater extent than *agree* by 7% points, 39% to 46%
- Between the age brackets of 35 44 and 55 64, the number of respondents saying they agree with the . proposal goes down from 55% to 45%, with the 18-34 and 65+ brackets appearing as outliers to this trend, these breakdowns responding 50% and 52% agree respectively

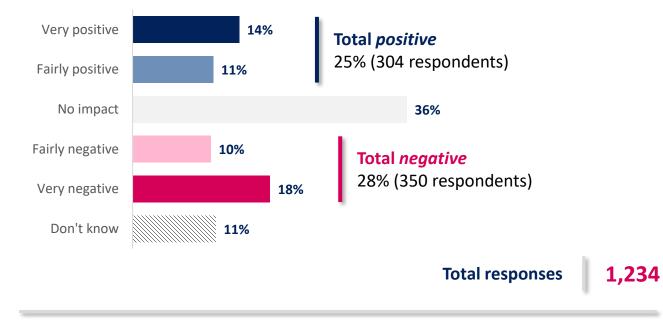
Breakdowns						Total <i>agree</i>	Total <i>disagree</i>	Total
Female	27%	22%	15%		21%	49%	36%	607
Male	36%	16%	16%	9%	22%	52%	31%	518
18 - 34	35%	15%	15%		21%	50%	35%	210
35 - 44	35%	20%	14%	9%	23%	55%	32%	240
45 - 54	31%	19%	18%	12%	19%	50%	32%	201
55 - 64	25%	20% 1	.5% 1	4%	26%	45%	41%	269
65+	32%	20%	16%	11%	21%	52%	32%	266
White British	29%	21%	15%	13%	22%	50%	35%	853
Ethnic minority groups	37%	15%	17%	12%	19%	53%	30%	278
Has a disability	24%	18% 15	% 15	%	28%	42%	43%	306
Does not have a disability	35%	19%	15%	6 12%	6 18%	55%	30%	780
SO14	34%	18%	13%	14%	21%	52%	35%	117
SO15	32%	19%	16%	11%	21%	51%	33%	168
SO16	28%	22%	17%	11%	22%	50%	33%	218
S017*	19%	28%	22%	4%	26%	47%	31%	72
SO18	28%	18%	14% 1	.4%	25%	46%	40%	138
SO19	33%	17%	16%	14%	20%	50%	34%	212
All Southampton residents	32%	19%	16%	12%	22%	51%	34%	1,109
Soton residents w/ council tax support	17% 23	2% 16%	18 %	6	28%	39%	46%	180

■ Strongly agree ■ Slightly agree

Neither Slightly disagree Strongly disagree

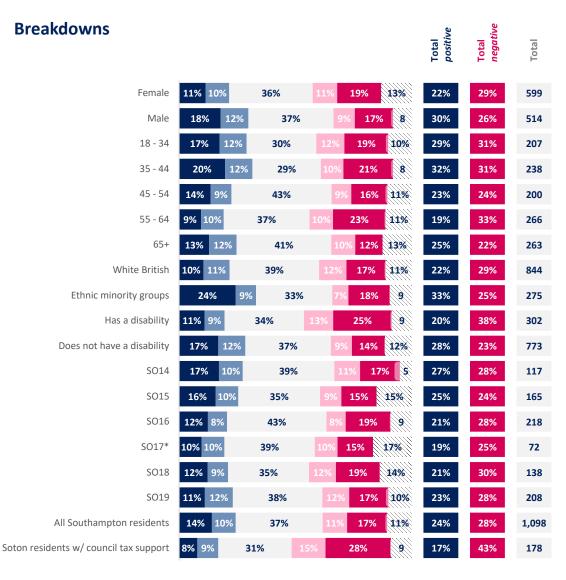


Question 8 | What impact do you feel this may have on you, your business or the wider community?



Key findings

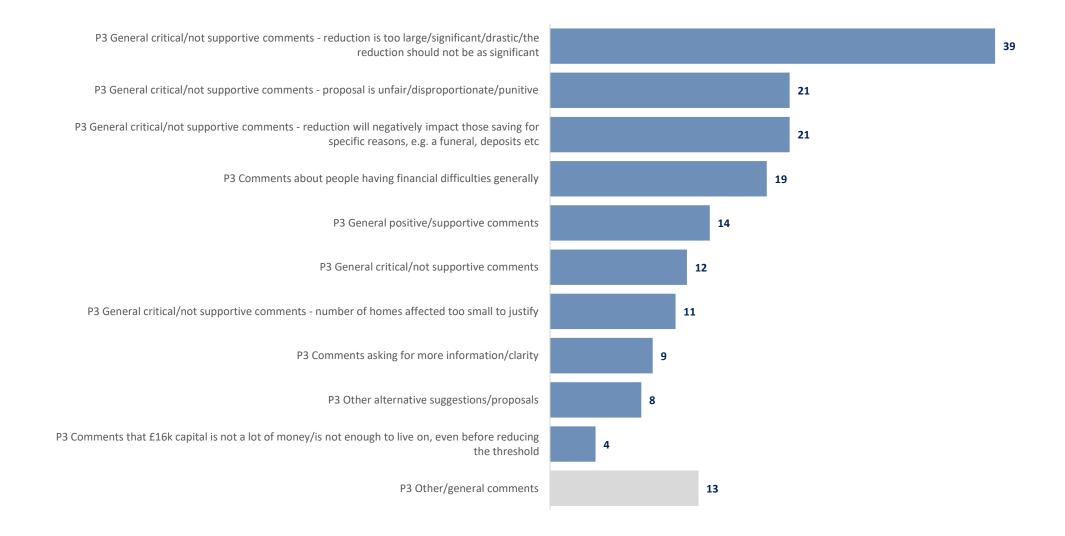
- Similarly to the previous proposals, here respondents were again broadly split between *positive* and *negative* on the potential impacts of this proposal if implemented (25% and 28% respectively), with the most popular responses being *no impact* and *don't know* (47% together)
- Again, breakdowns were also broadly similar, with some standouts being male respondents responding *positive* impact to a greater extent than female (30% to 22%), ethnic minority respondents responding *positive* impact to a greater extent than the White British breakdown (33% to 22%), respondents without a disability likewise responding *positive* to a greater extent than those with a disability (28% to 20%), and Southampton residents overall responding *positive* to a greater extent than respondents that currently receive council tax support (24% to 17%)
- Respondents with a disability and those currently receiving council tax support also both responded *negative* impact to the greatest extent over other breakdowns, at 38% and 43% respectively



■ Very positive ■ Fairly positive ■ No impact ■ Fairly negative ■ Very negative ⊗ Don't know

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Free-text comments: number of comments per theme.





Feedback on the proposals

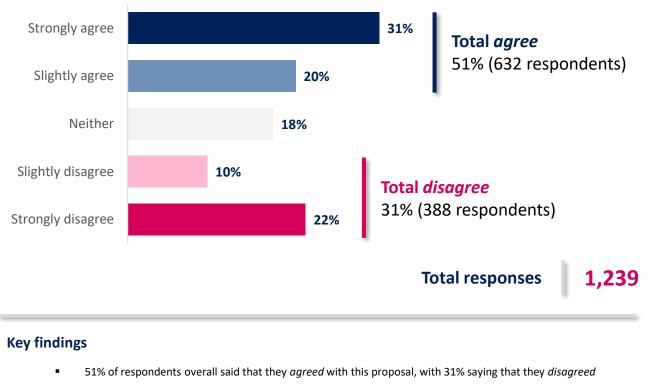
PROPOSAL 4 | SETTING A MINIMUM AWARD OF £3 PER WEEK FOR WORKING-AGE CLAIMANTS



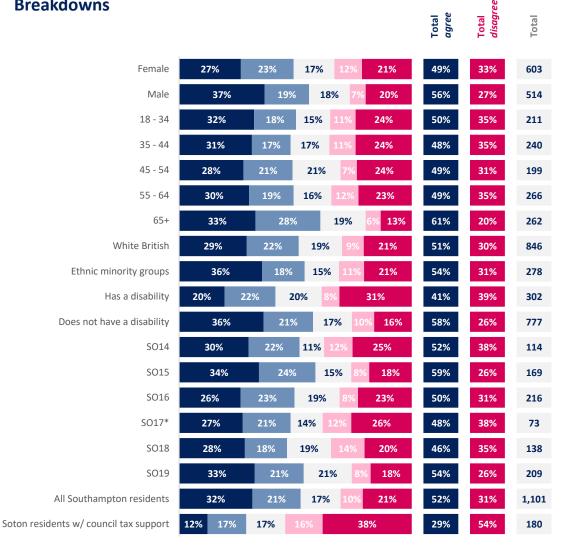


Question 10 | To what extent do you agree or disagree with this proposal?





- Responses by breakdown follow a similar pattern to the previous proposals: respondents that don't have a disability responded agree 17% points more than respondents with a disability, 58% to 41%, with the latter breakdown broadly split evenly between agree and disagree (41% and 39% respectively)
- Current recipients of council tax support responded *disagree* to a greater extent than *agree* by 25% points, 54% to 29%
- Respondents aged 65+ responded agree to the greatest extent of the age breakdowns at 61%, and again men . responded agree to a greater extent than women, 56% to 49%, with a 10% point difference in numbers of strongly agree responses by sex

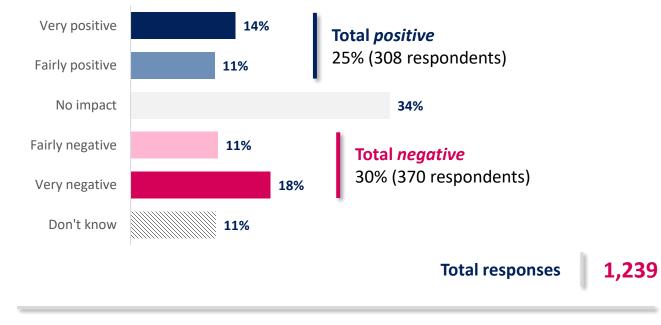


Slightly agree Neither Slightly disagree Strongly agree

Strongly disagree

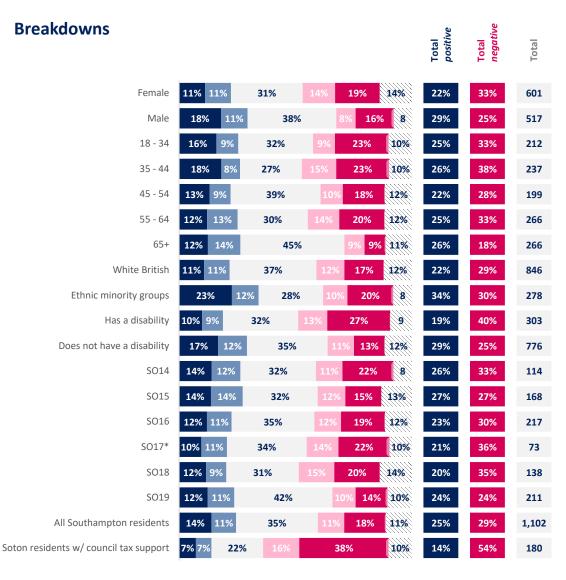


Question 11 | What impact do you feel this may have on you, your business or the wider community?



Key findings

- Respondents were again broadly split between *positive* and *negative* on the potential impacts of this proposal if implemented (25% and 30% respectively), with the most popular responses being *no impact* and *don't know* (45% together)
- Again, breakdowns were also broadly similar, with some standouts being ethnic minority respondents
 responding *positive* impact to a greater extent than the White British breakdown (34% to 22%), respondents
 without a disability likewise responding *positive* to a greater extent than those with a disability (29% to 19%), and
 Southampton residents overall responding *positive* to a greater extent than respondents that currently receive
 council tax support (25% to 14%)
- Respondents with a disability and those currently receiving council tax support also both responded *negative* impact to the greatest extent over other breakdowns, at 40% and 54% respectively

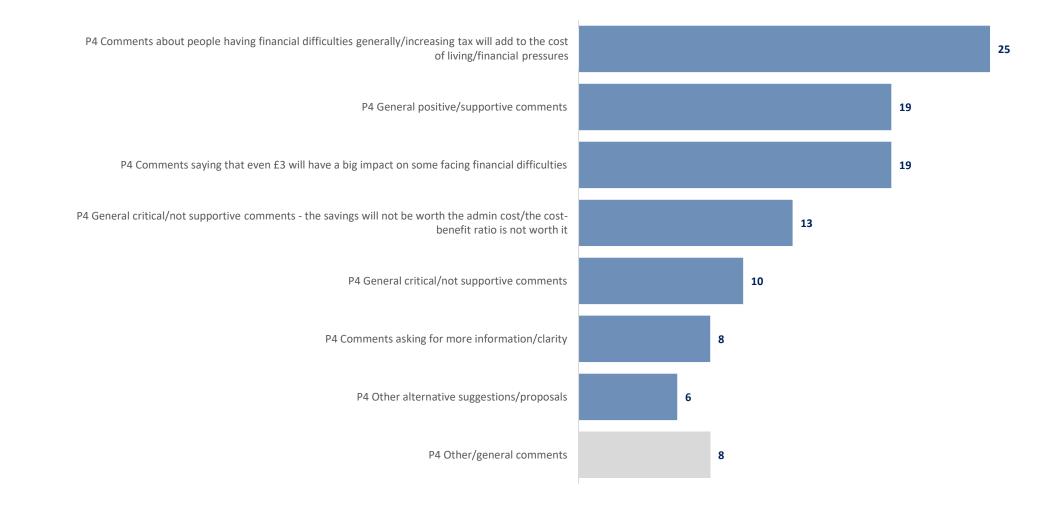


■ Very positive ■ Fairly positive ■ No impact ■ Fairly negative ■ Very negative ⊗ Don't know

*Less than 100 respondents; **less than 50 respondents.



Free-text comments: number of comments per theme.





Feedback on the proposals

PROPOSAL 5 | IGNORING SMALL INCOME CHANGES FOR WORKING-AGE CLAIMANTS ON UNIVERSAL CREDIT

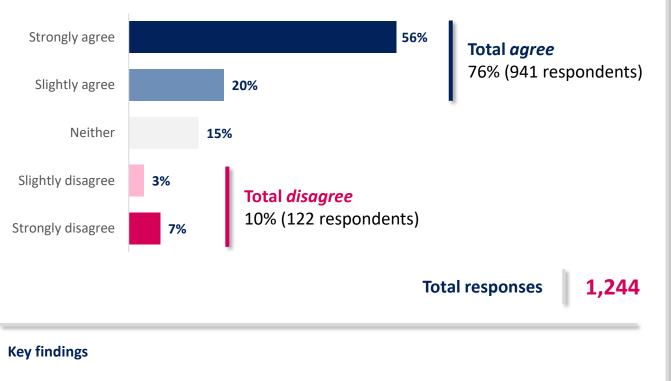


• Proposal 5 | Ignoring small income changes for working-age claimants on UC page one of three

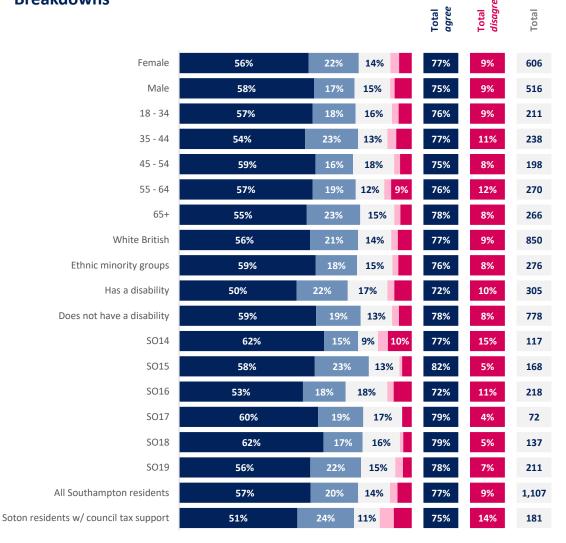
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Question 13 | To what extent do you agree or disagree with this proposal?





- Proposal five was the most popular proposal among respondents, with 76% saying they agreed, including 56% that strongly agreed
- All breakdowns responded *agree* 72% or more, again including at least 50% or more saying *strongly agree*

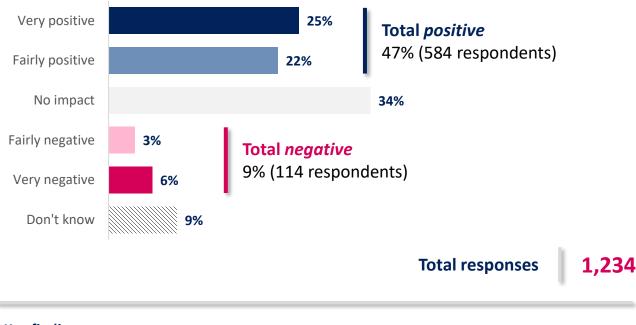


■ Strongly agree ■ Slightly agree ■ Neither

Slightly disagree

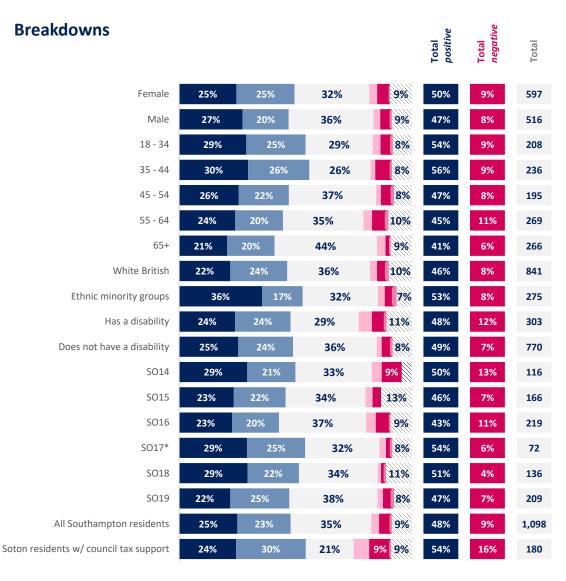
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Question 14 | What impact do you feel this may have on you, your business or the wider community?



Key findings

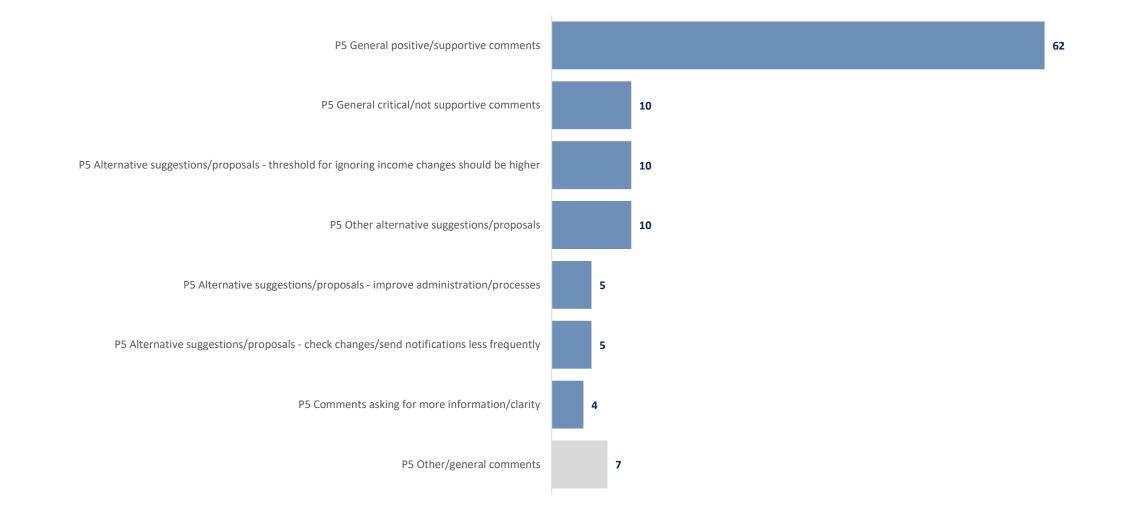
- Proposal five was also the proposal that respondents said would have a *positive* impact to the greatest extent at 47%, and was also the only proposal were more respondents said it would have a *positive* impact than said it would have no impact at all (47% to 34%)
- All breakdowns similarly responded *positive* to a greater extent than *negative*, with recipients of council tax support and 18 – 34 year-olds responding *positive* to the greatest extent, both at 54%



■ Very positive ■ Fairly positive ■ No impact ■ Fairly negative ■ Very negative ⊗ Don't know



Free-text comments: number of comments per theme.



Source: Council tax support scheme consultation, Oct 2024 - Jan 2025