

## Council Tax Reduction Scheme for 2023-24

This consultation ran for 6 weeks from 7 September 2022 until 19 October 2022.

The online questionnaire received 96 responses from members of the public in relation to the three proposed changes.

### **Proposal 1: To increase the maximum Council Tax Reduction that a customer can receive from 80% to 100% of their Council Tax liability.**

“Do you agree with this change to the scheme?”

Yes 56

No 34

Don't Know 6

“If you disagree, what alternative would you propose?”

31 people gave the following responses:

- Many on low incomes have difficulties with budgeting and prioritisation priority bills, rather than have the issues of paying 20% of their council tax bill. This support does not support those that are on low incomes and miss out on being eligible for universal credit by a few pounds who are the ones that struggle the most to pay their council tax bill in full.
- Because you will come knocking on the doors of those who pay or reduce services even more
- Stay as it is
- "I am a council tax payer (Band E)
- My husband and I both work full time (min wage) we do not get any council tax help but with the cost of living and 2 children (one we are supporting at university) we are struggling
- I would be better off not working and receive benefits- this shouldn't be the case! Work should always be the best option.
- I would prefer you giving a discount to people like us too. Our energy bills are through the roof, mortgage rates rises, food and everything else going up "
- That a continued contribution should remain whether it is the current 20% or reduced to 10 - 15%. Everyone should pay something as that is fair
- Keep it at 80% that is more than fair and still allows council to take some money to avoid it costing those who do not qualify for a reduction
- Suspend the debt recovery scheme and review in 1 year. By increasing the levels, you are paying out more and receiving less. Those that can & do pay should continue. to.
- Reduce it for families that have two parents working full time trying to make ends meet and not claiming any benefits instead of always looking after the low income
- Maintain current system. There needs to be a personal link between the demand for new/improved services and the payment for these. Total exemption from tax is prejudicial to the individual's responsibility towards society at large.

- Remain with the current scheme. It is important that people who receive benefits from council tax contribute to the costs of those benefits, even if that contribution is only nominal.
- "I am in a low income bracket yet receive no help towards the ever increasing costs to run a home. Even though part of my benefit is made up of low income I receive no help because of my life savings being over the threshold.
- My low income remains the same and I am now financing daily living costs from the little savings I have. Sooner or later the savings will be below the threshold but my income will still be low. The system only works for some and not all."
- You are not considering those adults who are not income based for assessment of benefits. Those of us that are only £11 over any limit get no help at all. I am objecting as I can't afford an increase
- Reduce to 50% the maximum allowance. Include in any calculations emergency payments of all types.
- People should still have to contribute to their council tax, regardless. Even if this is a smaller percentage. A total discount encourages poor money management.
- Raise income tax thresholds
- Keep as it is
- Cannot agree or disagree at this stage
- I don't like the idea of just writing off council tax accounts outstanding. It just encourages some people not to pay. Pensioners such as ourselves who pay their way, don't have a huge income but don't qualify for pension credits end up paying for others (some of which could probably pay) and end up having other services reduced or hacked to pay for it all.
- "That a contribution is paid and if not paid they lose a sliding percentage of their reduction.
- This will encourage payment of the lower amount.
- Quicker acknowledgement of arrears so that default is limited to two payments before assistance given to recover debt! "
- "Stop giving handouts to free loaders. These people just want life handed to them on a plate and when they dont pay hard working people have to pay more Council Tax to make up for it.
- Make them pay 100% and give up their fags, booze etc"
- For people who are in arrears, set up a type of repayment scheme that is more manageable for them
- "As a pensioner these planned changes would not affect me. Such benefits would undoubtedly be useful for those on low income whom we must consider - fortunately, there appear to be many ways they can seek help. However, by helping this group we are continually putting the burden on others. Surely we should also consider those who have and continue to work hard in an endeavour to improve their standard of living. It often seems there is very little consideration given to this group. I feel we should leave the council tax system as it is."
- Who makes up the shortfall to the Council's income for the delivery of services? People on lower incomes use the same services as everyone else and these need to be paid for. Maybe the Government should step and and support the public sector appropriately by returning the central support grant.
- Give discounts without take in consideration means test benefits and do the discounts automatically by band for everyone
- No aTERNATIVE, everyone should pay something
- I would propose that the minimum income floor (MIF) should not be used to calculate eligibility for reduction but actual income. If someone is earning over the MIF then the

reduction should not be needed. Applying this is pushing people who are already struggling into further poverty and debt, as there has been a cost of living emergency declared in North Devon, I see that this would dramatically help.

- You are basically saying that you are unable to collect overdue payments so you are going to make changes so that these people aren't asked to pay anything so there will be a saving because there won't be any money to collect
- Because you will find a way to make the rest of us pay, when services were cut during Covid you didn't cut Council Tax, I am a pensioner but you continue to increase year after year, the monthly amount is extortionate !!!
- People should have the core services covered but should not have access to pools and library's or the tip until they pay the full rate
- Leave as is
- I don't necessarily propose an alternative but wonder where the funds are coming from taken into account the budget deficits and wonder how a 100 percent reduction will be funded.

## **Proposal 2: To disregard emergency increases in national welfare benefits.**

"Do you agree with this change to the scheme?"

Yes            71

No             10

Don't know   15

"If you disagree, what alternative would you propose?"

15 people gave the following responses:

- either a % of the additional income should be taken into account or all of it
- What is the degree of negative affect when emergency payments are made. Those that can & do pay should continue to. Those that receive the extra benefit will still benefit.
- "The increases should be disregarded.
- A great deal of claimants are on low income but are disregarded because they have savings or because their National Insurance contributions are up to date. Their benefit is still made up because of low income but no help is offered until their life savings are exhausted. Then in old age they are told to sell their belongings to pay for the health care that they may need. "
- As previously stated
- To continue with existing policy
- Emergency increases are just that, to cover a sudden increase in the cost of living. Making people pay more council tax won't help, but they SHOULD still contribute to encourage good money and responsibility management.
- Increase income tax thresholds
- Reduce handouts to freeloaders
- "As a pensioner these planned changes would not affect me. Such benefits would undoubtedly be useful for those on low income whom we must consider - fortunately there appear to be many ways they can seek help. However by helping this group we are continually putting the burden on others. Surely we should also consider those

who have and continue to work hard in an endeavour to improve their standard of living. It often seems there is very little consideration given to this group. I feel we should leave the council tax system as it is."

- Give the benefit for everyone without means tested benefits and taking in consideration the tax band
- I would propose that the minimum income floor (MIF) should not be used to calculate eligibility for reduction but actual income. If someone is earning over the MIF then the reduction should not be needed. Applying this is pushing people who are already struggling into further poverty and debt, as there has been a cost of living emergency declared in North Devon, I see that this would dramatically help.
- It is very important especially during these difficult times to understand that North Devon Council are not obliged to apply the minimum income floor to their council tax reduction scheme. Their use of the MIF is driving people who rely on seasonal work and self employment into poverty. Not all councils use the MIF to calculate entitlement to Council Tax Reduction and it is therefore a postcode lottery. The MP for North Devon has declared a Cost of Living Emergency in North Devon and if the council were to stop using the MIF to calculate CTR, it would help stop local families from falling into desperate poverty. Thank you for your time.
- Disagree with keep letting people off paying and making pensioners pay more.
- Get a job, or a better paid job
- You say there are no drawbacks but that in itself can't be correct. There are no drawbacks to persons in receipt of the support but people who are not in receipt will end up funding this so the drawback is to those not in receipt.

### **Proposal 3: The scheme will disregard certain crisis payments paid to taxpayers (Local Welfare Provision).**

"Do you agree with this change to the scheme?"

Yes            73

No             11

Don't know   12

"If you disagree, what alternative would you propose?"

17 people gave the following responses:

- "disregard but if their financial circumstances change the money should be repaid"
- I agree assuming that the current council tax reductions (80%) remain in place.
- I propose to continue with the current scheme. Where central government introduces crisis payments, it is important that residents of our area receive them too. No one should be discriminated against on the basis of where they live.
- Yes to no adverse effects on low income households. Even though there are many low income households not all are included in your council tax reduction schemes. If you can disregard payments perhaps savings that vulnerable residents have should be disregarded in order for them to benefit from schemes such as council tax reduction.
- I think it should be done by house banding. Those on banding c and below should get help
- Continue with existing policy.

- The taxpayer should absolutely get help!
- Increase income tax thresholds
- In principal, sounds good. However, our discount is based on the fact that our physically disable son lives with us. How would we be effected?
- The same reasons apply to this question as in my first. We shouldn't just write off outstanding accounts. Defer yes, write off NO
- reduce handouts
- "As a pensioner these planned changes would not affect me. Such benefits would undoubtedly be useful for those on low income whom we must consider - fortunately there appear to be many ways they can seek help. However by helping this group we are continually putting the burden on others. Surely we should also consider those who have and continue to work hard in an endeavour to improve their standard of living. It often seems there is very little consideration given to this group. I feel we should leave the council tax system as it is. "
- I would propose that the minimum income floor (MIF) should not be used to calculate eligibility for reduction but actual income. If someone is earning over the MIF then the reduction should not be needed. Applying this is pushing people who are already struggling into further poverty and debt, as there has been a cost of living emergency declared in North Devon, I see that this would dramatically help.
- you say no drawbacks but you will find a way to pass the increase to others
- Sorry disagree and think people should be more responsible for themselves ie don't have children if you can't afford them.
- Get a job and stop sponging off the rest of us
- I agree that having a banded scheme gives claimant certainty and reduces administration costs.