

# Test Valley Borough Council

## Council Tax Support Scheme 2025/26 Consultation

### Contents

<b>Design</b> .....	<b>1</b>
Structure .....	2
<b>Demographics</b> .....	<b>3</b>
Age.....	3
Gender .....	4
Disability.....	5
Council Tax.....	5
<b>Summary</b> .....	<b>6</b>
Supporting the Change .....	7
Question Turnout .....	8
<b>Question Breakdown</b> .....	<b>8</b>
Introductory Questions .....	8
Banded Scheme .....	11
Disability Benefits Protection.....	13
Earned Income.....	15
Minimum Floor .....	17
Capital Limit .....	19
Non-dependent Deductions .....	21
Discretionary Fund.....	23
Other Comments.....	25

### Design

Test Valley Borough Council's Council Tax team undertook a consultation on changes to the Council Tax support scheme for the 2025-2026 financial year. The consultation took the form of a survey, which was live from 2<sup>nd</sup> September to 27<sup>th</sup> October. During this time, 369 responses were received. An additional response, in the form of a letter was also received, these will be noted as an appendix of this report.

### Structure

The survey was comprised of 24 questions, including questions on demographics. The majority of the questions focused on the proposed changes to the scheme. The proposed changes are:

- Banded Scheme
- Disability protection
- Income Assessment
- Minimum Income Floor
- Capital limit
- Non-Dependent Deductions
- Discretionary Fund

For each proposed change, information was provided explaining what the change would entail, and what the potential impact/s might be (benefits and drawbacks). Space was then provided for each change for respondents to write comments on each change.

In each section of the report, the results of each question are analysed. With the analysis are examples of the actual comments received from those taking part in the consultation. These have not been edited before inclusion.

It is to be expected that a greater proportion of respondents who leave comments will raise objections to the proposals or suggest alternate views. Those in support of the proposals are generally more likely to move straight to the next question.

## **Demographics**

### Age

At the end of the survey, respondents were asked demographic questions about for their age, gender and disability.

Responses to the survey can be broken down into the following ages:

Age Demographic	Survey Respondents	Test Valley Population <sup>1</sup>
	%	%
16-24	3.3%	9.9%
25-34	7.7%	11.1%
35-44	15.8%	13.9%
45-54	26.4%	14.8%
55-64	23.6%	17.2%
65+	23.2%	33.1%
Totals	100.0%	100.0%

It should be noted that not all respondents to the survey answered this question. 246 of the total 369 respondents answered. The calculations above are based on the total number of respondents who answered this question.

Each age range was represented in the consultation. The rate of responses from those aged 35-44 is most closely aligned with the population. The age groups most overrepresented were those aged 45-54 and 55-64 with the response rate for these groups significantly higher than the proportion of the population they represent.

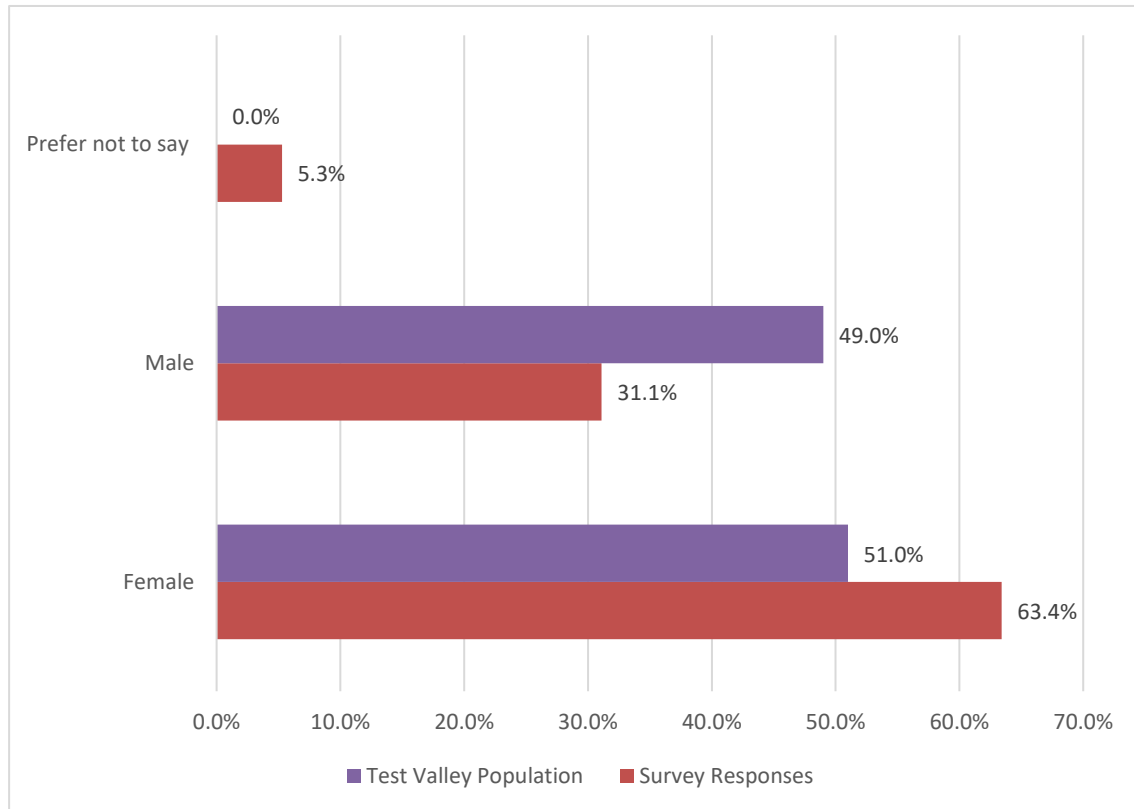
Meanwhile, respondents u16-24 and those 65 and over were underrepresented. Lower response rates from these age groups are common in consultation exercises and reflects that the proposed changes to the scheme which relate to working-age households only.

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<sup>1</sup> Hampshire County Council's 2022 Small Area Population Forecast for Test Valley. Further information about these forecasts can be found on the HCC website: <https://www.hants.gov.uk/landplanningandenvironment/facts-figures/population/estimates-forecasts>.

## Gender

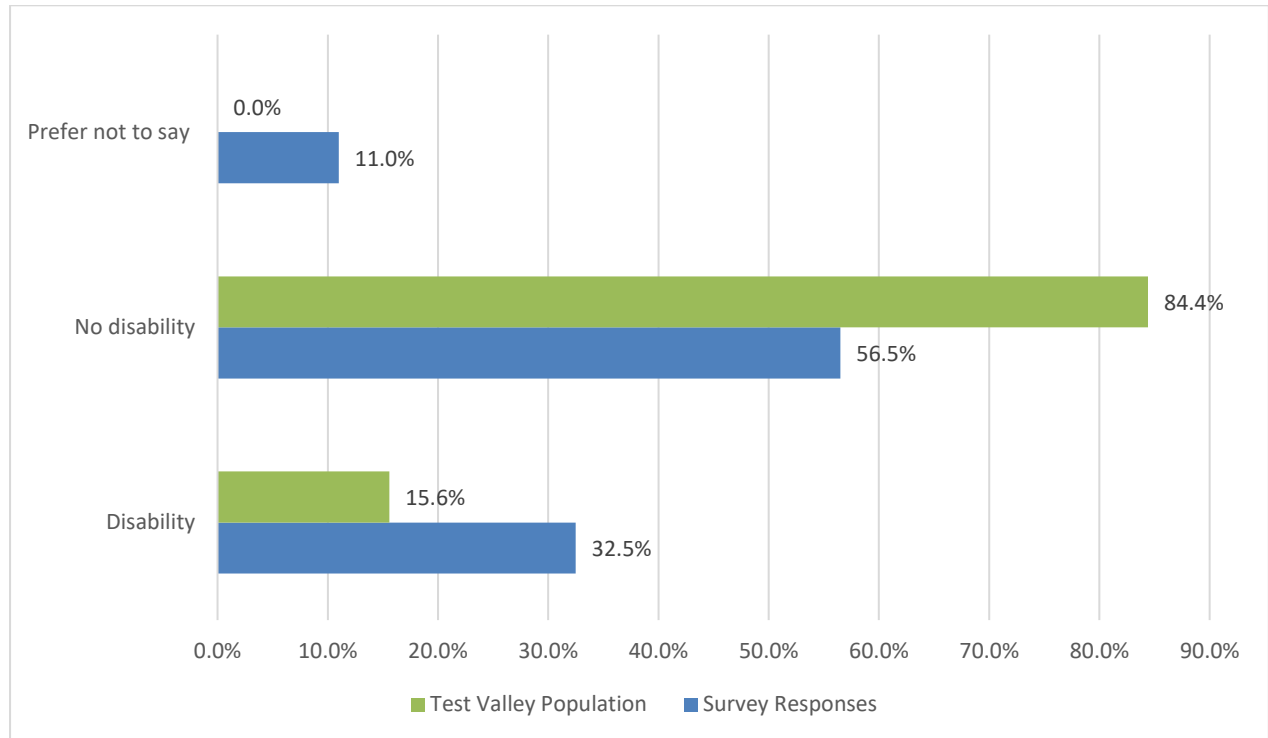
Respondents were asked their gender. 246 of the total 370 respondents answered this question. 63.4% identified as female, 31.3% identified as male and 5.3% answered 'prefer not to say'.



In Test Valley, the percentage of the population who identify as female is 51.0%, and male is 49.0%. Female identifying respondents were overrepresented in this consultation, which is common in consultation exercises.

### Disability

Respondents were asked if they consider themselves to be disabled under the 2010 Equality Act. 246 people answered this question. Of that figure, 32.5% answered 'yes', 56.5% answered 'no' and 11.0% answered 'prefer not to say'



In Test Valley, 15.6% of the population identified themselves as having a disability, as defined by the Equality Act 2010.

People who identify as disabled were overrepresented in this survey, by around 50%.

### Council Tax

246 respondents answered the question 'are you, or someone in your household, getting a Council Tax reduction at this time?'

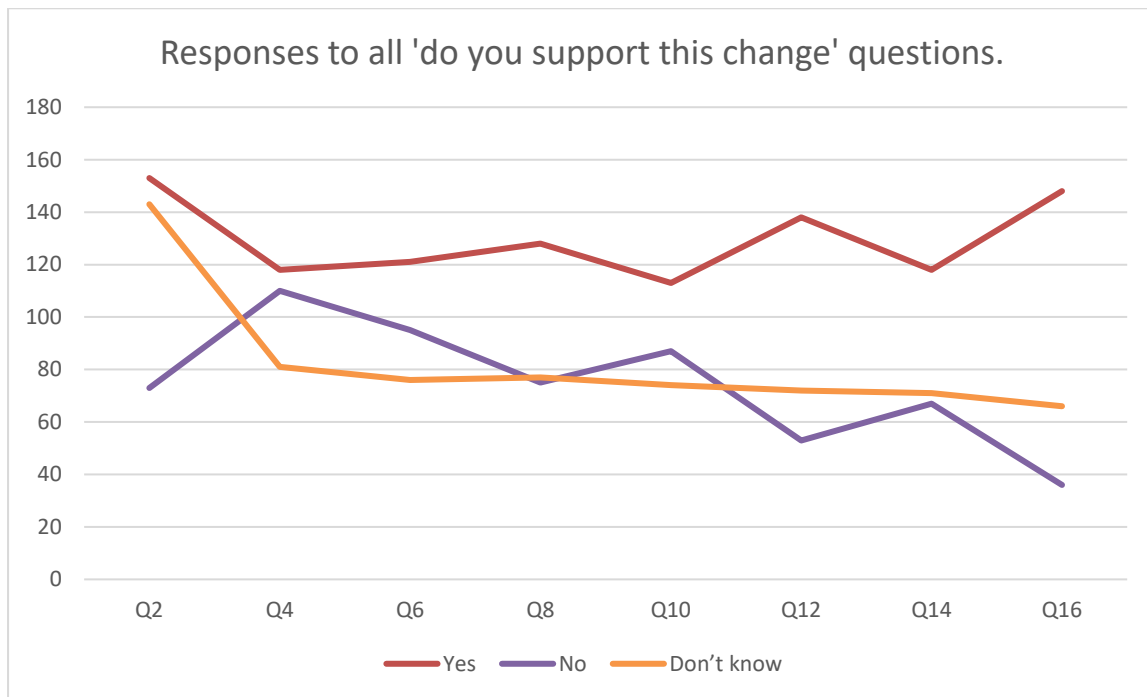
52.9% of respondents answered 'yes', 39.8% answered 'no' and 7.3% answered 'don't know.' The majority of respondents, or someone in their household are currently receiving a Council Tax reduction.

## Summary

### Supporting the Changes

8 questions in total asked respondents if they supported changing the scheme, 7 focused on specific aspects (Q4, Q6, Q8, Q10, Q12, Q14 and Q16) and 1 (Q2) asked the question about the scheme as a whole.

Below is a line graph which maps answers to these questions.



Each question received different response rates, which Q2 being the highest, and Q16 being the lowest.

	Q2 – should we make changes to our scheme	Q4 – Banded Scheme	Q6- Disability Benefits Protection	Q8 – Earned Income	Q10 – Minimum Floor	Q12 – Capital Limit	Q14 – Non-Dependent Deductions	Q16 – Discretionary Fund
Yes	153	118	121	128	113	138	118	148
No	73	110	95	75	87	53	67	36
Don't know	143	81	76	77	74	72	71	66
<b>Total</b>	<b>369</b>	<b>309</b>	<b>292</b>	<b>280</b>	<b>274</b>	<b>263</b>	<b>256</b>	<b>250</b>

## ANNEX 4

Turning the above raw figures into percentages provides a more comparable data set.

	Q2	Q4	Q6	Q8	Q10	Q12	Q14	Q16
Yes	41.46%	38.20%	44.40%	45.70%	41.20%	52.50%	46.10%	59.20%
No	19.78%	35.60%	32.50%	26.80%	31.80%	20.20%	26.20%	14.40%
Don't know	38.75%	26.20%	26.10%	27.50%	27.00%	27.40%	27.70%	26.40%

In every question, the majority of people answered that they supported the change/s. Questions 16 (discretionary fund) and 12 (capital limit) had the highest rates of approval. At 59.2% and 52.5 % respectively.

The responses to Question 4 (banded scheme) are the most varied, with those who answered 'yes' being in the majority by a margin of 2.6% - 8 responses.

The amount of people who answered 'don't know' was remarkably consistent for each question.

### Question turnout

As the survey progressed, fewer people answered each question. Given the number of questions and the amount of detail, this is to be expected. Questions that had a yes/no/don't know answer saw a slower and more gradual reduction in responses, from 369 in Question 1, to 250 by Question 16.

Questions requiring a qualitative response saw a similar rate of decrease in responses, from 144 in Question 3, to 22 by Question 20.

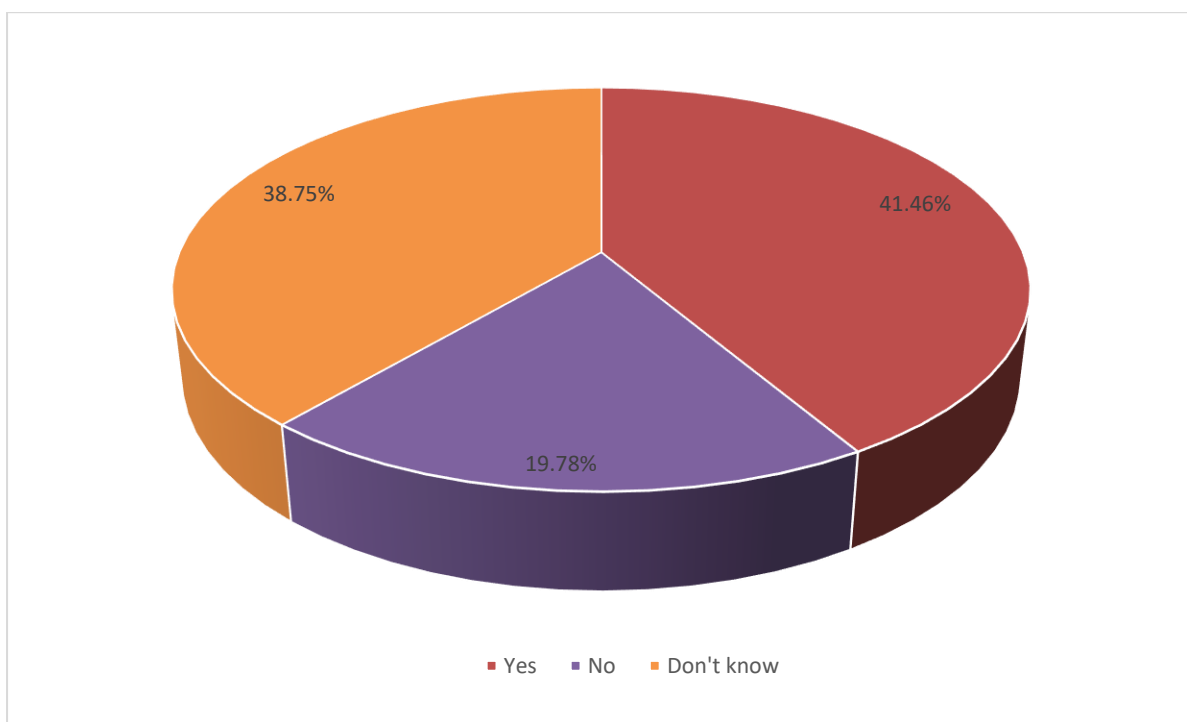
Question	1	2	3	4	5	6	7	8	9	10
Responses	369	369	144	309	89	292	63	280	48	274
Question	11	12	13	14	15	16	17	18	19	20
Response	41	263	32	256	30	250	42	29	24	22

## Question Breakdown

### Introductory Questions

Question 1 asked respondents if they had read the background information which was on the previous page. All 369 respondents answered this question. 98.1% responded that they had, 1.9% (which equates to seven people) responded that they had not read the background information.

Question 2 asked 'do you agree that the Council should make changes to our Council Tax Support Scheme?'. All 369 respondents answered this question. Three options were listed, 'yes', 'no' and 'don't know'.



41.45% responded 'yes', 19.78% responded 'no' and 38.75% responded 'don't know'. The majority of respondents were broadly in support of changes, though a significant portion of respondents were uncertain.

The first qualitative question, question 3, provided respondents with a space to make any comments on changing the scheme, or keeping it as it is. 144 people chose to leave a comment.

In response to Question 3, seven key areas for consideration emerged

- Clarity
- Support
- Negative impact
- Suggestions
- Disability



- Keeping the scheme as it is
- Other

### *Clarity*

By far the most common response to this question was surrounding clarity. This appeared in 46 separate responses, which equates to 32% of the responses to this question. Comments included 'needs to be made a simple version as there is a lot of jargon that makes no sense' and 'I don't really understand it'.

### *Support*

The second most common response to question 3 centred on broad support for the changes. It appeared 26 times, or in 18.1% of the answers. Comments included 'proposed scheme seems to be trying to make things easier & simpler which I support' and 'simplifying the scheme is the right thing to do'.

### *Negative Impact*

The third most common response was concern over potential negative impact. 18 people (12.5%) made comments like 'as a single mother to two small children, I would probably struggle a lot more' and 'It is a scheme a lot of people depend on including myself. I am a single parent and feel this would make me extremely worse off'.

### *Suggestions*

17 people (11.8% of responses) used the space to write suggestions on how to improve the scheme or make changes. Suggestions included 'all support schemes should be based on a sliding scale based on current income and not savings' and 'I think it should be reduced for working age people but not disabled people'. The full list of suggestions is attached as appendix 1 to this report.

### *Disability*

11 respondents (7.6%) wrote comments which referred to disability. These were varied, they included personal experience and concern for others. Comments included 'I need help as on low income due to being a carer for my autistic son' and 'I do feel that if people are not able to work because they are Carers to their disabled children, they shouldn't need to pay council tax'.

*Keeping the scheme as it is*

The sixth most common answer 'keep it as it is' and 'It cost valuable resources to change a scheme, as council are struggling financially I think spending more to implement a scheme is wasteful.' 10 people (6.9%) made comments that included remarks on retaining the scheme as it is.

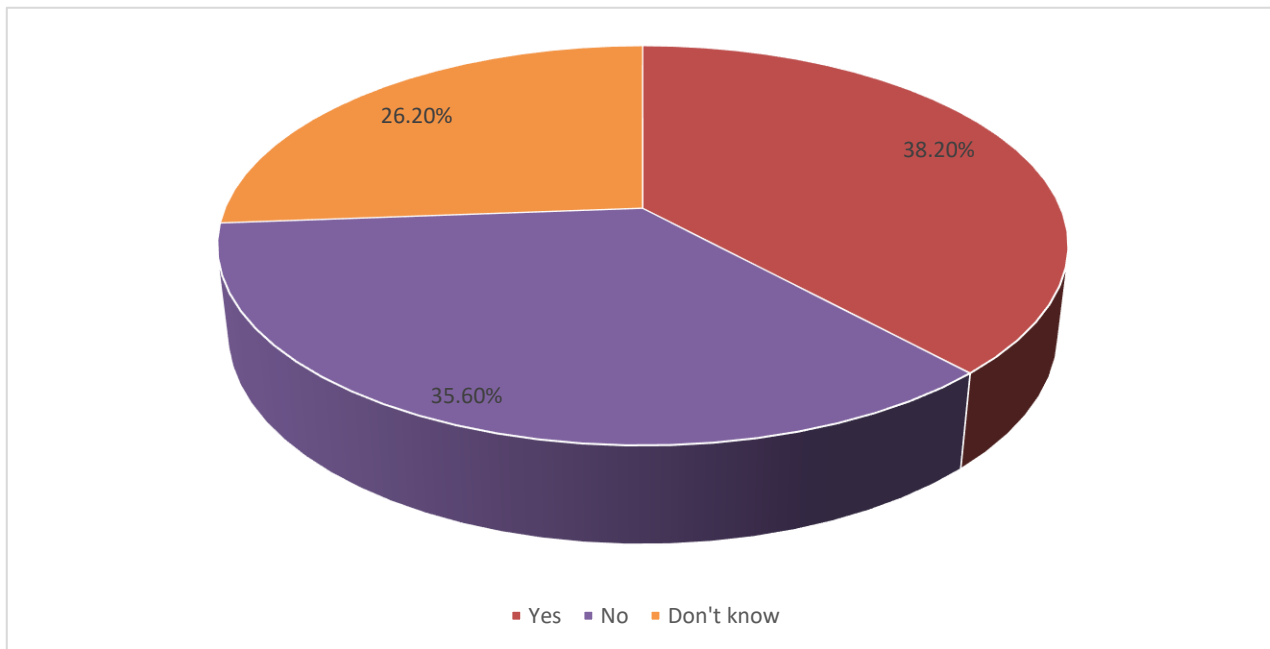
*Other*

Some responses received do not pertain to the categories above. For example, a handful of respondents were concerned about the impact the scheme would have on universal credit, others made broad comments about the cost-of-living crisis, the national scene and indicated a lack of trust in Local Authorities more generally. Comments included 'I'm not sure that I trust the people making these decisions. The public are let down so often' and 'the cost of living is still impacting low-income people. So if they had to pay council tax, they would struggle to make ends meet.'

### Banded Scheme

Questions 4 and 5 focused on moving away from the current calculation to a banded scheme, meaning that the percentage of support a person receives will be determined by which income band they fall into.

Question 4 asked 'do you agree with this change to the scheme?' 309 people answered. Of those 309, 118 (38.2%) answered 'yes', 110 (35.6%) answered 'no' and 81 people (26.2%) responded 'don't know'.



Question 5 provided a space for respondents to leave comments, which 89 did. Five key themes emerged from these comments.

- Negative impact
- Keep the scheme as it is
- Clarity
- Suggestions
- Other

#### *Negative Impact*

17 responses (19.1%) made reference to the potential negative impact of this change. Comments included 'people would be worse off financially' and 'Yet more benefits taken away from people who need help'.

#### *Keep the scheme as it is*

15 people (16.9%) wrote that this change should not take place. Comments included 'I don't agree with how small changes can make a big impact. That isn't fair and will make people suffer more so. In addition, it should be the same amount nor less it should stay the same', and 'I don't like the risk of losing a certain amount of their award which they've been reliant on'.

### *Clarity*

14 responses (15.7%) included comments about lack of clarity, of being confused by the change. Comments included 'Clarity is the key when explaining to residents, simple straightforward language, especially if English is not their 1st language' and 'It depends on how clearly this is communicated to stakeholders. If small changes make big differences, those affected need to be very clear about what the thresholds are.'

### *Suggestions*

9 people (10.1%) used the space to write suggestions. Comments included 'take into consideration IVA's or debt payments as well' and 'I agree with the concept of awarding benefit based on income, but it should either have narrower bands or be gradual. Large step changes between bands generally causes confusion, hardship and sometimes also a disincentive to earn more. Also, any new scheme should not be less generous than the previous one, especially if you are promoting this as a way to make things easier for claimants. If the primary purpose is to save money, then you should be honest about that up front.'

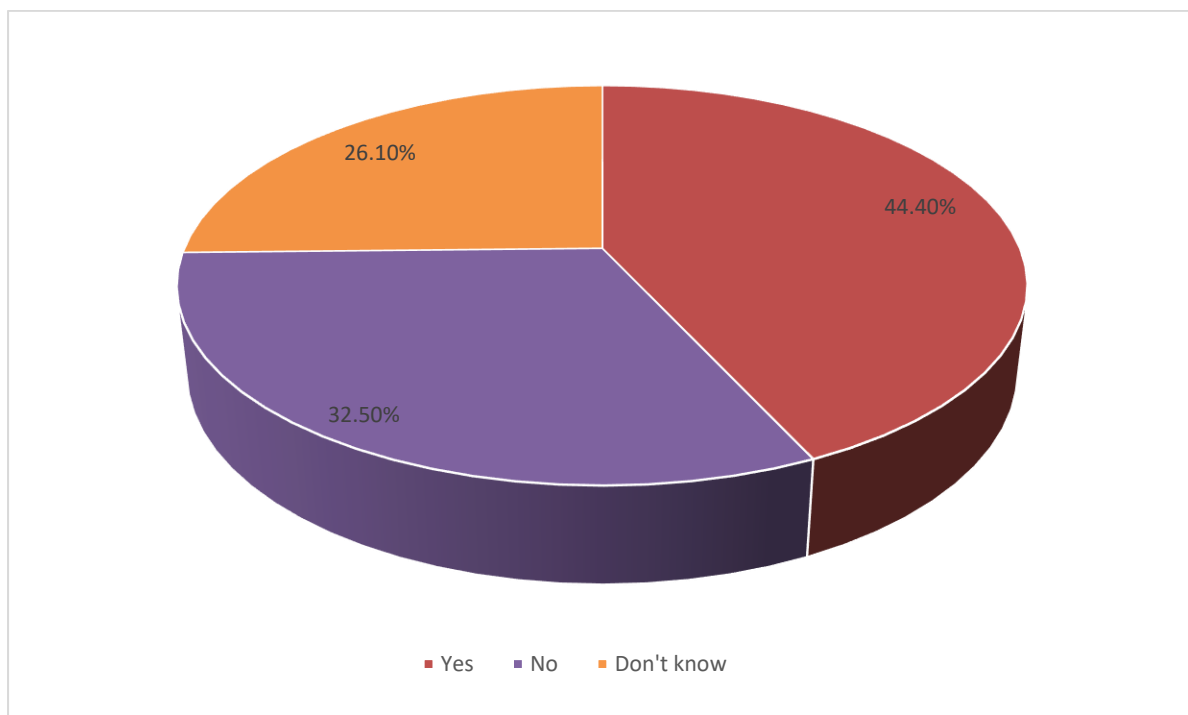
### *Other*

The remaining responses focuses on a variety of categories, including lack of trust, references to vulnerable people and children and requests for help. Comments included 'Help people that are struggling' and 'You will make me worse off. Whilst it will appear according to your band that I earn enough, I am sorry, I am a single provider to my teenage children. I sometimes have no food on the table, and I don't live a life of luxury. Rather we live on the bare minimum. I go a few days without food due to the cost of living, petrol, their school transport, school meals, after school clubs. It is exhausting financially.'

### Disability Benefits Protection

Questions 6 and 7 focused on customers who receive certain benefits (the Support Component of Employment and Support Allowance or the Limited Capability for Work Related Activity element within Universal Credit) and have earned income within the household would be treated the same as other customers who do not receive one of the benefits.

Question 6 asked 'do you agree with this change to the scheme?' 292 people answered. Of those 292, 121 (44.4%) answered 'yes', 95 (32.5%) answered 'no' and 76 people (26.1%) responded 'don't know'.



In response to question 7 'do you support this change?' 89 people left comments. Five key themes emerged from these comments.

- Partners
- Negative impact
- Disability
- Sole Provider
- Other

*Partner*

9 responses (14.3%) made reference to the impact this change might have on disabled and vulnerable people who have partners in work. Comments included "Vulnerable applicants who have a partner in work may receive less support than they do under the current scheme." So, a couple with a vulnerable member would suffer more if their partner were to be working' and 'If the partner is on a low-income job is it fair to penalise them?'

### *Negative Impact*

9 people (14.3%) wrote of their concerns that this change would have a negative impact. Comments included 'Unnecessary affects disabled people living alone' and 'It will affect more people including disabled people who should be totally exempt'.

### *Disability*

9 responses (14.3%) included comments that made reference to disabilities, either the respondent writing of their own experience, or thinking about people who are disabled. Comments included 'I doubt this will affect me personally but again, this could significantly impact some disabled people' and 'People on low income and living with disabilities need help more help than used actually think you realize we need we need help'.

### *Sole provider*

8 people (12.7%) used the space to write about being the sole provider for themselves and their children or being a single person. Comments included 'As a pensioner living alone, still with a small income, I will fall outside the parameters and there will be no 25% single occupant reduction' and 'As someone with disabilities and who lives alone I would hope that I would not be affected but I find the information hard to understand so I can't say if I approve of any changes or not.'

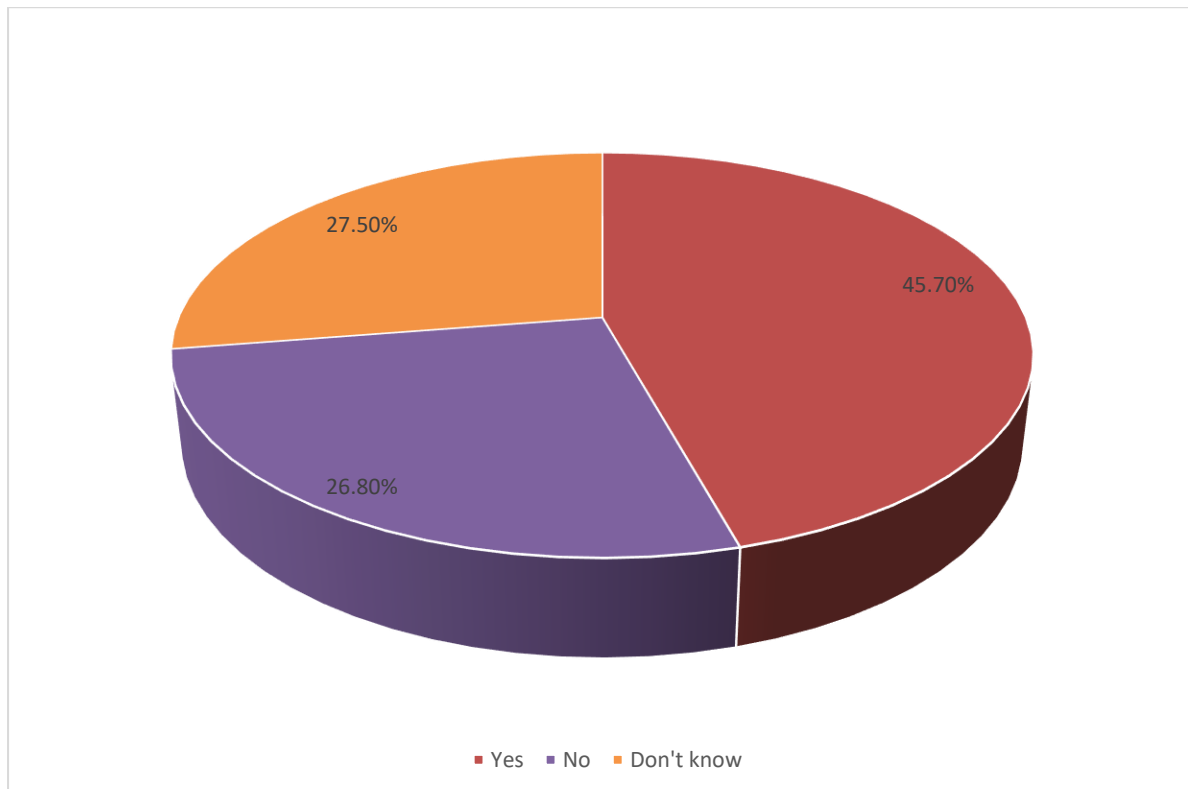
### *Other*

The remaining responses were broad, and included comments about children, requesting help or not understanding the change. Comments included 'People on low income and living with disabilities need help more help than used actually think you realize we need we need help'

### Earned Income

Questions 8 and 9 focused on treating only earned income would be as income. Any other source of income will have been deducted from Universal Credit (the predominant working-age benefit) and so has already been considered when determining income.

Question 8 asked 'do you agree with this change to the scheme?' 280 people answered. Of those 280, 128 (45.7%) answered 'yes', 75 (26.8%) answered 'no' and 77 people (27.5%) responded 'don't know'.



Question 9 provided a space for respondents to leave comments, which 48 did. Five key themes emerged from these comments.

- Clarity
- Negative impact
- Support
- Not working
- Other

#### *Clarity*

6 responses (12.5%) made reference to a lack of clarity or not understanding the change and what it would mean for them. Comments include 'I can't really comment as all this information I'm reading is very overwhelming and difficult for me to

understand' and 'If my situation is improved by any changes I would approve but I'm finding understanding all this new information hard to understand'.

### *Negative Impact*

5 people (10.4%) wrote that they were concerned about the negative impact this change could have. Comments included 'You will make many people poorer! People like me who are single, have no partner. Rent is going up. Service charges are going up, bus fare is going up. Where else can I get support. I only earn one salary. That's it!' and 'Vulnerable people will be worse off'.

### *Support*

5 responses (10.4%) included comments supporting this change to the scheme. Comments included 'Spreading the amounts so more people would benefit is a good thing!' and 'agreed that only earned income should be used.'

### *Not Working*

4 people (8.3%) used the space to write about people not working, being 'encouraged' to not work, or being financially better off not working. Comments included 'Basically, the proposed charges don't encourage people to work' and 'Why should those not working get the maximum support

### *Other*

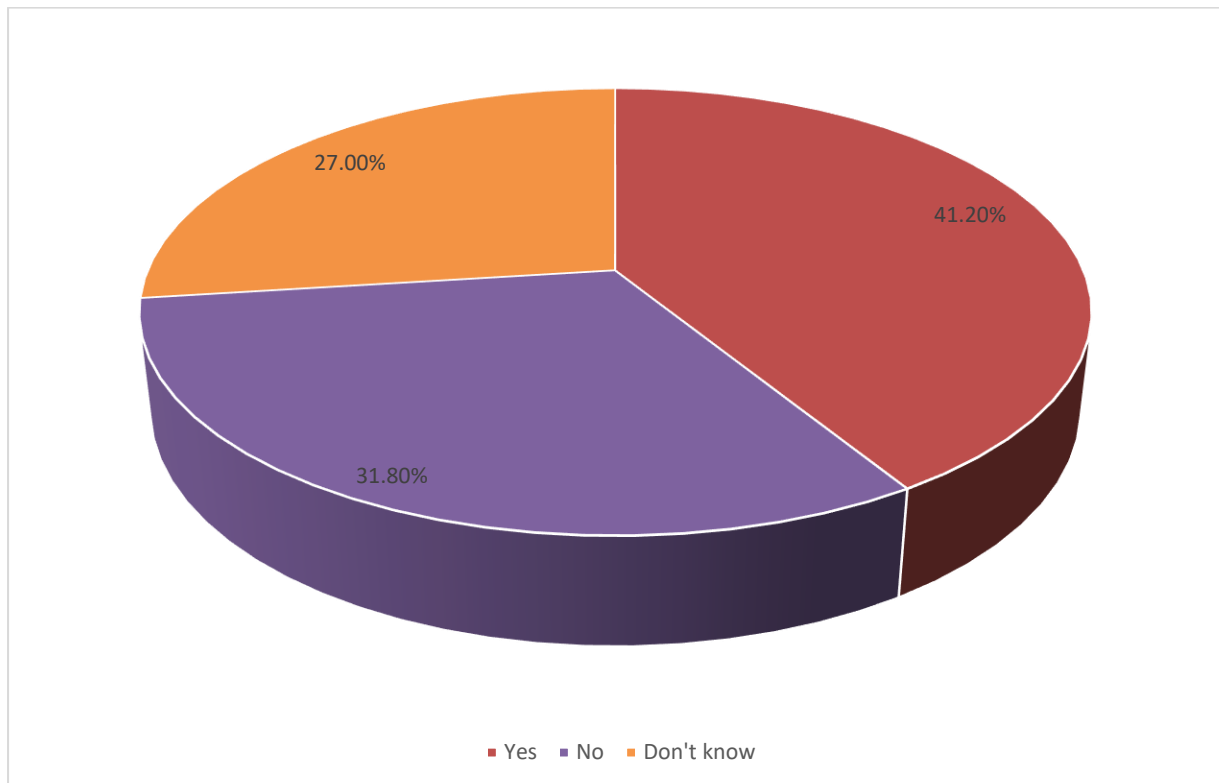
The remaining responses were broad, and included comments on the clarity of the information and trust, for example, 'You don't need To raise council Tax, test valley are doing really well Already, So We should be having council tax Relief' and 'If it helps the poorer minority I'm all for it but if it helps people that get a lot of money or benefits and they can afford to pay it then no I don't.'



### Minimum floor

Questions 10 and 11 focused on introducing a rule that treat people who have been in self-employment for more than a year but are earning less than minimum wage are as if they are earning minimum wage.

Question 10 asked 'do you agree with this change to the scheme?' 274 people answered. Of those 274, 113 (41.2%) answered 'yes', 87 (31.8%) answered 'no' and 74 people (27.0%) responded 'don't know'.



Question 11 provided a space for respondents to leave comments, which 41 did. Four key themes emerged from these comments.

- Self-Employment
- Negative impact
- Low
- Other

### *Self-Employment*

15 responses (36.6%) made reference to concerns about the impact this change would have on themselves, as self-employed people. Comments included 'Unfortunately I can't agree with this because so many things can happen not to earn the minimum income floor. For example I'm self-employed myself and have an

autoimmune disease that affects my ability to work. I'm a single mother and when my child is unwell, I'm not able to go to work that is also affect the minimum income floor too. Or when my clients cancel my shift in the last minute that is also affect the MIF too and so on', and 'It is a difficult living on a self-employment life. Give the due fairly and do not make people poorer.'

### *Negative Impact*

9 people (21.9%) wrote about their concerns that this change would have a negative impact. Comments included 'S/E often struggle with min. wage and if receive less CTS may struggle even more' and 'Self-employed applicants may be disadvantaged in this area. May need available advice promoted by the Council as to what is possible around other means of help and support'.

### *Low income*

7 responses (17.1%) included comments about having low income or thinking about those who have low income as self-employed people. Comments included 'If they can't earn enough to make minimum wage then they certainly can't afford to lose even more support' and 'Because if they earn less one month they lose out on any support and some people work self-employed work at different days on certain rates. You would be playing a dangerous game of cat and mouse with self-employed people'

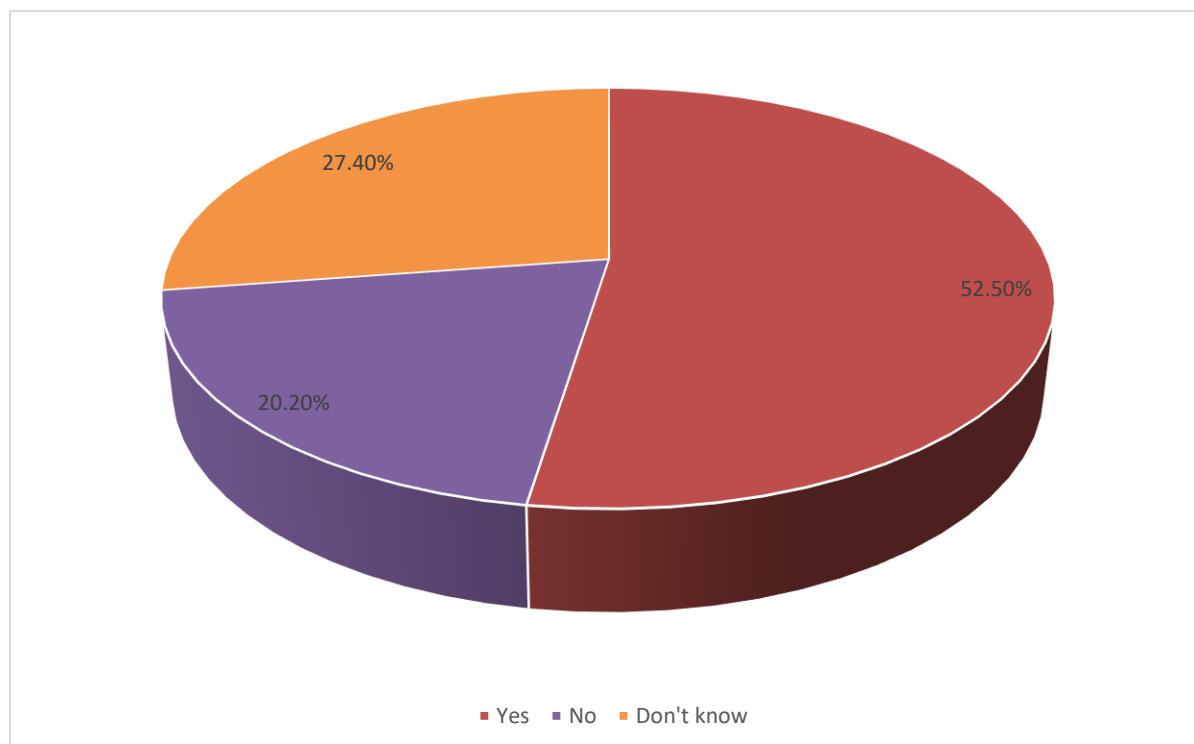
### *Other*

The remaining responses were broad and included comments requests for help or assistance and the feeling of being better off not working. Comments included 'does this realistically encourage people to work?' and 'Self-employed people need the most help. As some industries can't always work especially if there's bad weather like this who work in construction.;

### Capital Limit

Questions 12 and 13 focused on increasing the capital limit to £16,000, with a tariff income taken for any capital between £6,000 and £16,000.

Question 12 asked 'do you agree with this change to the scheme?' 263 people answered. Of those 263, 138 (52.5%) answered 'yes', 53 (20.2%) answered 'no' and 72 people (27.4%) responded 'don't know'.



Question 13 provided a space for respondents to leave comments, which 32 did. Five key themes emerged from these comments.

- Savings
- Clarity
- Keep the scheme as it is
- Supporting the change
- Other

#### *Savings*

8 responses (25.0%) made reference to concerns about how this change would impact their own savings or the savings of others. Comments included 'What does Capital involve - savings? Is so, pensioners have saved all their lives for retirement only to be penalised' and 'People should be encouraged to save. £6,000 is not a lot of money anymore.'

*Clarity*

8 people (25.0%) wrote that the information on this change was unclear, or difficult to understand. Comments include 'They need to make things clear so everyone understands' and 'I think this could be confusing for people. But not having capital anywhere near £6000 myself, not am I likely to, it probably won't affect me'.

*Keeping the scheme as it is*

4 responses (12.5%) included comments about not supporting this change and preferring to retain the current scheme. Comments included 'The scheme is much needed as is' and 'Keep the limit at £6k'.

*Supporting the change*

4 people (12.5%) used the space to note their support for this change. Comments included 'Sounds like a good idea to raise the cap because people who earn less money need more help people who have more money over a certain limit don't deserve to get any council tax support any help at all' and 'yes, since 2013 inflation has happened and it will keep happening, limits should be regularly updated!'

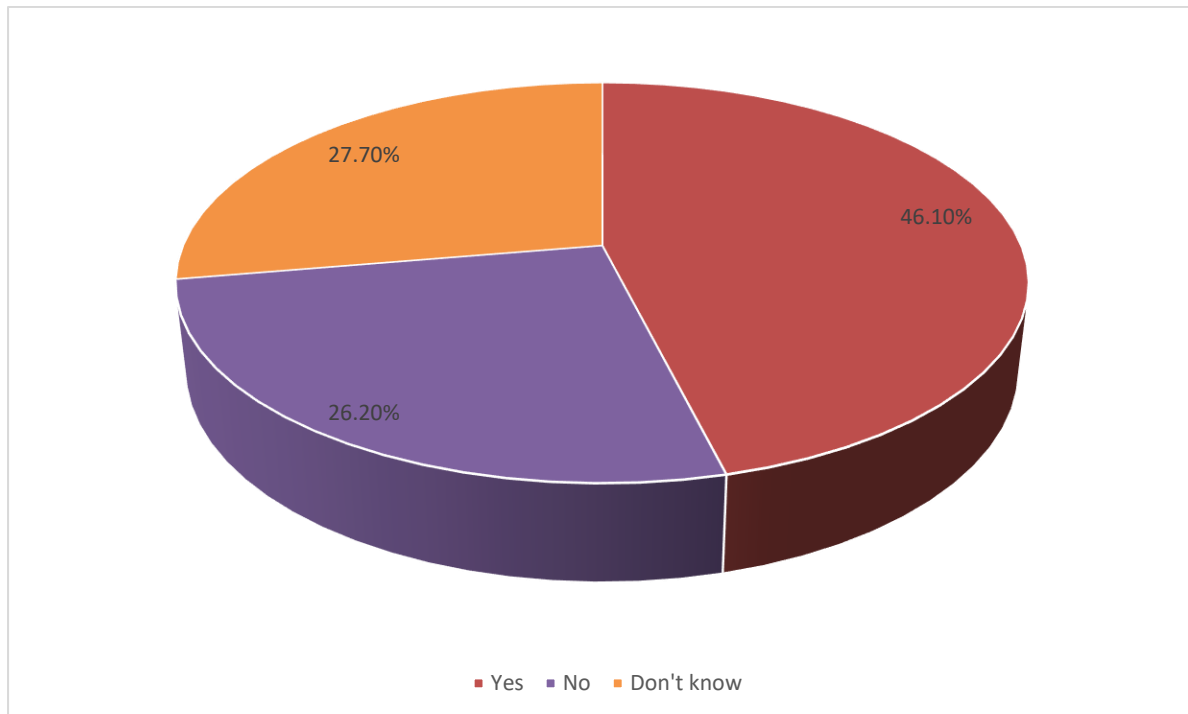
*Other*

The remaining responses were broad, and included comments about the negative impact the change might have suggestions for this aspect of the scheme, for example 'You need to meet / talk to such families eh in local village / council halls' and 'it is advised that savings should amount to at least 3 months' rent/mortgage/bills. looked at this way £6000 is not a large sum!'

### Non-Dependent Deductions

Questions 14 and 15 focused on not deducting any money in respect of each non-dependant who lives in the household (such as adult children or elderly parents).

Question 14 asked 'do you agree with this change to the scheme?' 256 people answered. Of those 256, 118 (46.1%) answered 'yes', 67 (26.2%) answered 'no' and 71 people (27.7%) responded 'don't know'.



Question 15 provided a space for respondents to leave comments, which 36 did. Three key themes emerged from these comments.

- Income
- Keep the scheme as it is
- Other

#### *Income*

6 responses (20.0%) made reference to people/households who had high income. Comments included 'High income should not be eligible' and 'People on high incomes shouldn't be receiving support even if they are non dependant'

#### *Keeping the scheme as it is*

6 people (20.0%) wrote that they would prefer to retain the scheme as it is, or that the proposed changes were not positive. Comments included 'The vast majority of these changes target those struggling the most. With child poverty rising, the plan is to increase poverty. Are the council aware central government has decided to increase the cost of gas and electricity by 10%, also impacting thousands in Test Valley? You plan to hit them harder. When are councils going to start fighting back against central government's desire for the poor to suffer more? With the expected living age falling, when are government bodies going to start considering the people they in their position to serve' and '

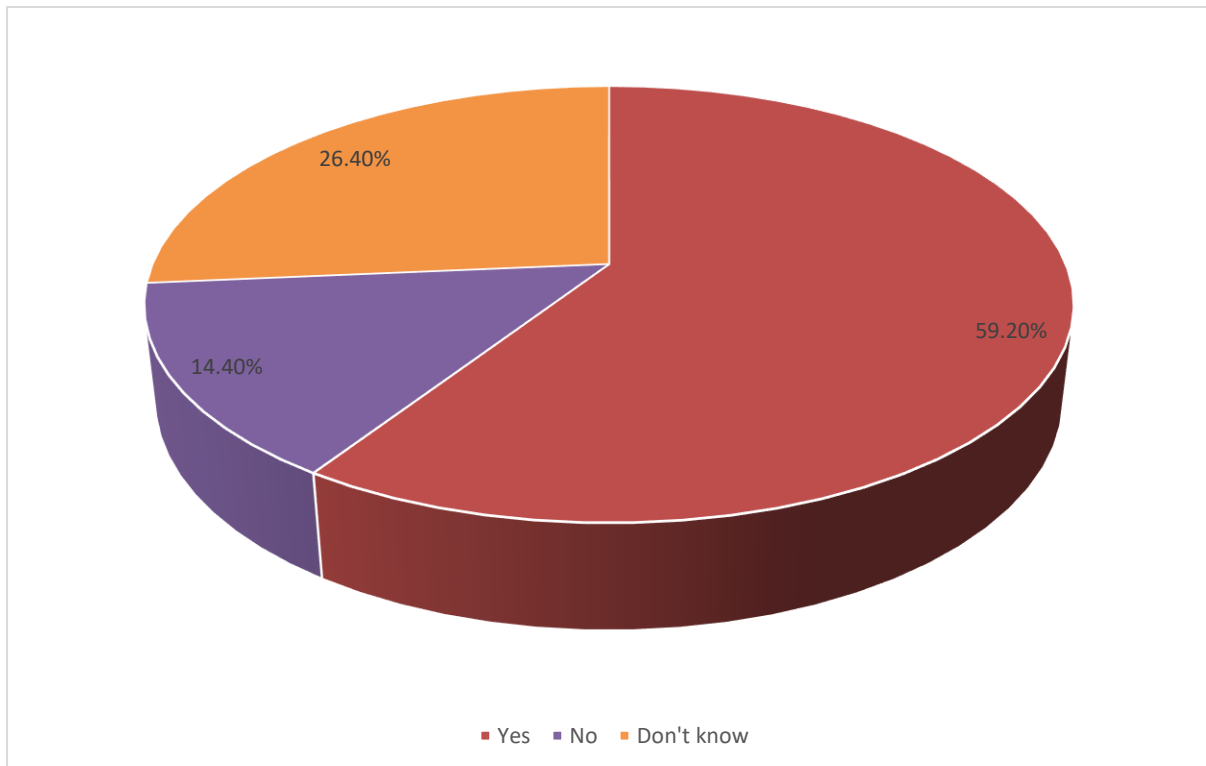
### *Other*

The remaining responses were broad, and included comments on unclear information and suggestions. These included 'Is there no simple way to assess the income of the non-dependant, given that you are assessing total household income anyway?' and 'Need to understand the impact here, meaning understanding the number of households with a non-dependent on a high income and therefore whether this change is material or de-minimums.'

### Discretionary Fund

Questions 16 and 17 focused on the proposal to include a discretionary fund within our scheme to assist people in financial hardship.

Question 16 asked 'do you agree with this change to the scheme?' 250 people answered. Of those 250, 148 (59.2%) answered 'yes', 36 (14.4%) answered 'no' and 66 people (26.4%) responded 'don't know'.



Question 17 provided a space for respondents to leave comments, which 42 did. Three key themes emerged from these comments.

- Suggestions
- Support for the change
- Other

### *Suggestions*

12 responses (28.6%) made reference to suggestions for this aspect of the scheme. These included 'the discretionary fund should be reduced over say five years and then discontinued. I would expect that ongoing reviews of the scheme would result in it being adjusted to mean that recipients are not disadvantaged over time' and 'may I

suggest that a household in financial hardship could be advised to get Debt and Welfare benefit advice from a licensed organization’.

### *Support for the change*

5 people (11.9%) wrote of their support for this change. Comments included ‘An amazing change’ and ‘the proposed is administratively simple. Customers have unique circumstances and crisis which effect ability to pay. Council should have a list of such circumstances for discretionary help.’

### *Other*

The remaining responses were broad, and included comments like ‘everyone should be able to access the scheme if they come in to financial difficulties’ and ‘I think it's vital to have this so that another route for people to have a top up or financial assistance in times of crisis, poor health or bereavement.’



### Other Comments

Questions 18, 19 and 20 provided respondents with the opportunity to provide further comments.

#### *Question 18*

Question 18 was 'please use this space to make any other comments on the scheme.' In total, 29 people left comments. This is equivalent to 7.9% of total respondents. The most common themes that emerged focused on lack of trust of the system, lack of clarity, and concerns of exploitation of the system.

Comments included 'Simplify the application form and make backdating rules easier to understand', 'Many of the proposals here appear to be designed to increase TVBC funds and to make things more complicated for residents. This is the wrong approach to be taking.' and 'the council must do all it can to reduce benefits to people who do not qualify or may even de-fraud the system'

#### *Question 19*

Question 19, 'Please use the space below if you would like the Council to consider any other options' received 24 responses (6.5% of all those who responded to the survey). No clear themes emerged in response to question. Comments were made regarding a wide variety of things, including disability, clarity, universal credit and self-employed people. Comments included 'The area should not dictate how much the council tax should be. But on the income and situation of the household', 'Just be more supportive of those on low income that want to work more and pay their own bills but medically can't. Don't discriminate against them' and 'Has the council looked at how other councils deal with this problem?'

#### *Question 20*

Question 20, 'if you have any further comments or questions regarding the Council Tax Support scheme that you haven't had opportunity to raise elsewhere, please use the space below' received 22 responses. This equates to 5.9% of all of the respondents.

As with question 19, there were no clear themes in response to question 20. Comments were made regarding a wide variety of things, including council tax being too high, savings and pensions. Comments included 'Those 'who know their rights' will always be first in the queue to get whatever help is going. They are often the least vulnerable. How is the council going to ensure that the least vulnerable are first not last in the queue?' and 'I have claimed council tax relief in the past and think I am

entitled to it now. I cannot stress enough how stressful it was to do these forms and for them not to go through. It was a particularly bad year for me with my health as I had three chest infections as well as my skin condition this just took all my energy. I will contact the council tax department in half term to see if I can get help to do the form.'