

# Council Tax Reduction Scheme Consultation

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## **Introduction**

The CTRS helps residents on a low income to pay their Council Tax. Under the current scheme, a Hackney resident liable for Council Tax could get up to 100% of the charge paid through the scheme if they are a pensioner, or up to 83% of the charge paid if they are of working age (i.e. the Council Tax Bill Payer is under pension credit age).

The amount of support a household can get through the scheme is determined through a “means test” – this means we look at your total income and any money that you and your partner (if you have one) have as savings. We then compare it against a minimum allowance that you need to live on, depending on your circumstances.

At the moment, the Council Tax Reduction Scheme helps around 27,000 Hackney residents on a low income to pay their Council Tax.

## **Background**

The aim of the consultation was for Hackney Council to consult with local residents about changes to the Council Tax Reduction Scheme.

The Council are proposing to increase the amount of support provided to those struggling to pay their Council Tax with a reduction of their contribution from 15% to 10%.

## **Consultation & Engagement Approach**

The consultation was created on Citizen Space and ran from 14th August 2023 until 24th September 2023. Paper surveys were printed for those who did not want to or could not take part online.

A postal letter was sent to 25,783 residents receiving Council Tax reductions, explaining the reduction scheme and the link to the online survey.

The consultation was promoted via Love Hackney, Hackney Matters website, Hackney.gov website and social media platforms. An SMS message was sent to residents as well who signed up for alerts.

## **Response rate**

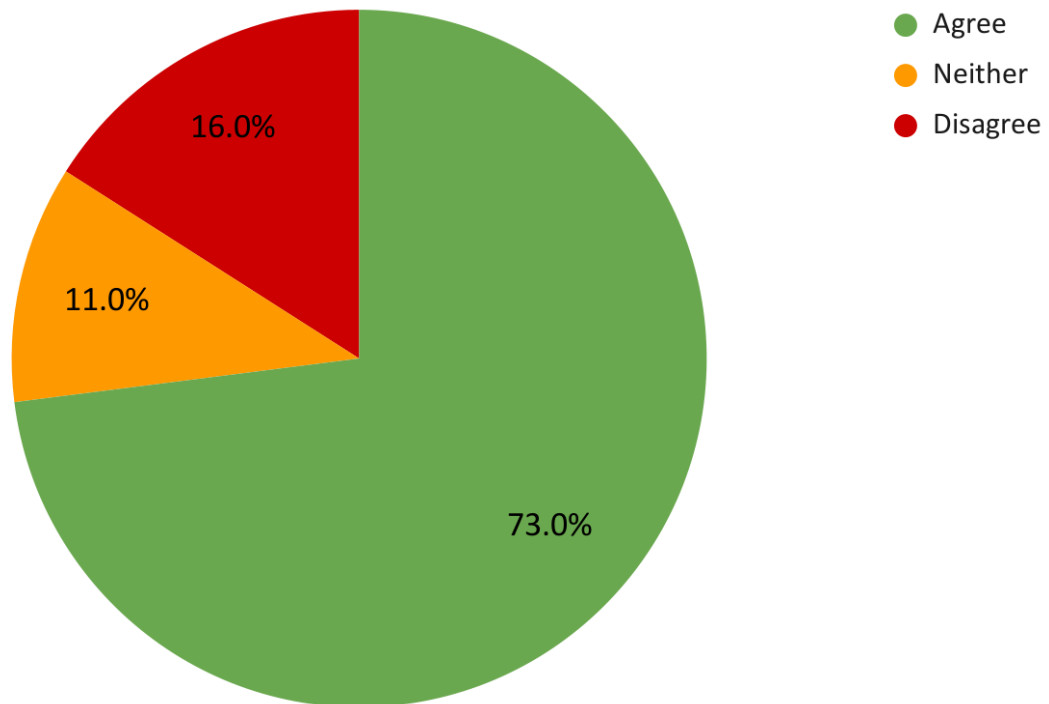
A total of 568 respondents took part in the consultation.

568 responses provide an overall data accuracy of **+/-4.1%**.

This means that if 50% of respondents answer 'yes' to a yes/no question, then we know that if we run the same survey again, between 45.9% and 54.1% of all residents would give the same response including those who did not submit a completed survey.

## Overview of results

**To what extent do you agree or disagree with the Council's preferred option of updating the current scheme and decreasing the minimum contribution required from working age recipients from 15% to 10%?**  
**(Base 563)**



The chart above represents whether a respondent agrees or disagrees with the Council updating the current scheme by decreasing the minimum contribution from 15% to 10%.

The majority of respondents, at almost three quarters, stated that they agreed with this proposal (411). 16% stated that they disagree (90), with 11% stating that they neither agree nor disagree (62).

**Please provide additional comments to support your response (242 comments)**

1. **Support for Reduction** (Quantity: 150+ comments)
  - a. Many residents express support for reducing council tax, emphasising the financial hardships they are facing.
  - b. Comments often mention that the cost of living has increased significantly, making it difficult for them to cover essential expenses.
    - *"I'm really struggling. Trying to buy the basics is getting harder and harder to do."*
    - *"It is a very difficult time for all low-paid people."*
    - *"The cost of living is very high with little income."*
  
2. **Concerns about Inequality** (Quantity: 60+ comments)
  - a. Residents express concerns about the perceived unfairness in the current system.
  - b. Some believe that wealthier pensioners receive more benefits and that working-age individuals are disproportionately burdened.
    - *"It's unfair for low-income families to pay for these services."*
    - *"Why should older rich people get free council tax?"*
    - *"Working-age individuals are disproportionately burdened."*
  
3. **Impact on Services** (Quantity: 40+ comments)
  - a. Residents worry about the potential consequences of reducing council tax revenue on essential services.
  - b. Some express concerns that cuts in funding might lead to a decline in services like road repairs and estate management.
    - *"Cuts in funding might lead to a decline in services like road repairs and estate management."*
    - *"We need to improve services, not cut taxes that fund them."*
    - *"I'd rather see my taxes go towards better services."*
  
4. **Support for Working Families** (Quantity: 30+ comments)
  - a. Comments highlight the struggles of working families who are finding it challenging to meet their financial obligations.
  - b. There's a call for additional assistance for this group, as they often face rising costs without significant benefits.
    - *"Working people pay the most where job seekers don't."*
    - *"Any reduction in bills will help working families who are badly off."*
    - *"I am working full-time and can't make ends meet."*

5. **Addressing Cost of Living Crisis** (Quantity: 40+ comments)
  - a. Residents stress the ongoing cost of living crisis, with rising food and utility costs impacting their budgets.
  - b. Many believe that a reduction in council tax would help alleviate the financial pressure they are facing.
    - *"The cost of living crisis is making it impossible to keep up with expenses."*
    - *"We are all here struggling to earn a living and keep our heads above water."*
    - *"Every little helps with the rising costs of living."*
  
6. **Maintenance Issues** (Quantity: 20+ comments)
  - a. Concerns are raised about the maintenance of public infrastructure, such as roads and estates.
  - b. Residents question how the council plans to address these issues and allocate resources effectively.
    - *"The council should focus on repairing roads and addressing maintenance issues."*
    - *"We have waited over a year for a roof repair."*
    - *"There are pot holes the size of a small country."*
  
7. **Pensioners and Contributions** (Quantity: 30+ comments)
  - a. There's a discussion about whether pensioners, who receive various benefits, should be asked to contribute more to council tax.
  - b. Some believe that adjustments should be made based on individual financial circumstances.
    - *"Pensioners shouldn't pay much because they don't have much."*
    - *"We've had to take extra work to cover the shortfall."*
    - *"Adjustments should be made based on individual financial circumstances."*
  
8. **Transparency and Services** (Quantity: 20+ comments)
  - a. Some residents express concerns about transparency in how council tax is used.
  - b. They suggest that the council should focus on improving services before considering increasing taxes.
    - *"The council is already heavily underfunded with unacceptable wait times of vital services."*
    - *"Transparency in activities is important."*

- *"We pay so much, stop increasing taxes without improving services."*

These detailed breakdowns provide a more comprehensive view of the various perspectives and concerns raised by residents in relation to the council tax reduction proposal. It's evident that residents have diverse opinions, with a focus on financial challenges, fairness, and the impact on services at the forefront of discussions.

## **Sentiment Analysis of comments**

### **Positive Sentiment:**

- Approximately 40-45% of the comments express positive sentiment. These comments often express support for reducing council tax and helping residents who are facing financial difficulties. They appreciate the proposal and the potential relief it could bring during a challenging time.
  - *"I support the proposal because it objectively leverages existing highly efficient action items available to the Borough, and it could dramatically help struggling individuals and families."*
  - *"If this helps people to cover their costs during these difficult times, then it's a good thing."*
  - *"I'm on universal credit, and any help given to me is much needed and appreciated."*
  - *"This is a great proposal as the cost of living is increasing. Every little bit of money saved will be beneficial."*

### **Negative Sentiment:**

- Approximately 20-25% of the comments express negative sentiment. These comments often voice concerns about the impact of reducing council tax on essential services, potential inequality in the system, or the view that certain groups should contribute more. Some express frustration with the current cost of living crisis.
  - *"Increasing council tax is unfair, especially for those of us who work full time and get no benefits. We can't afford these constant increases."*
  - *"The council should focus on improving their services instead of increasing taxes on hard-working families."*
  - *"I don't think the council should charge those on benefits or low incomes any council tax. It's just adding to the financial burden."*
  - *"Reducing council tax may help some, but it will lead to cuts in essential services that we all rely on."*

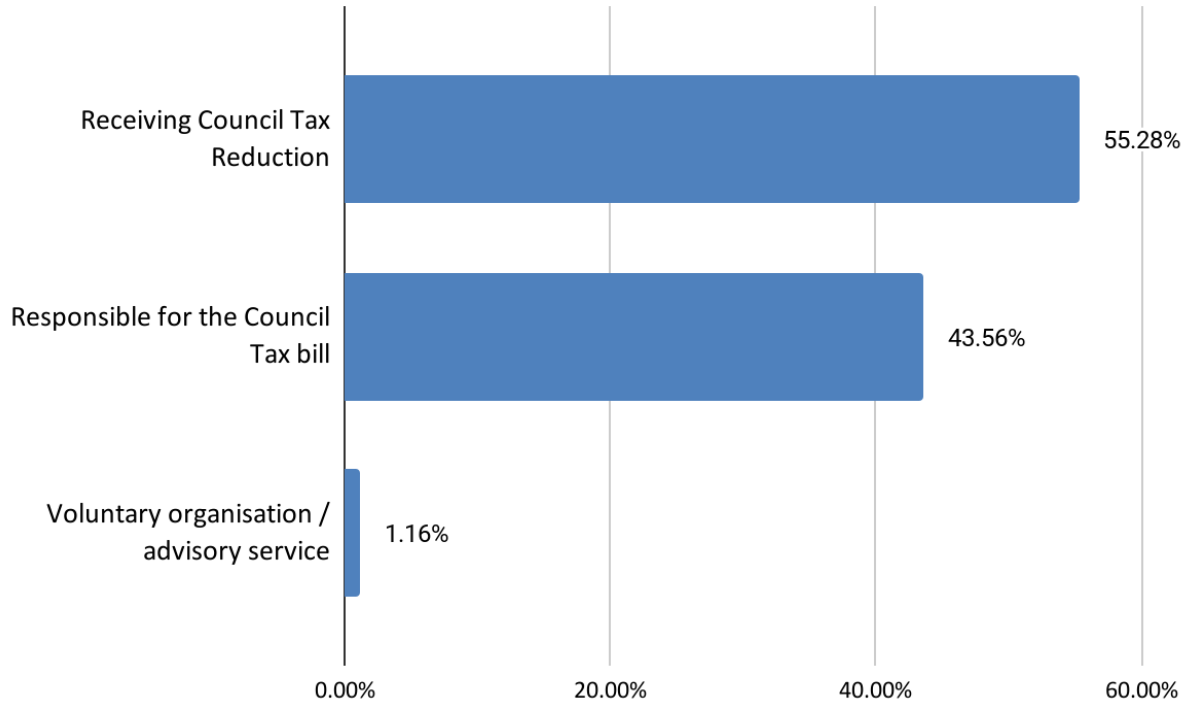


## **Neutral Sentiment:**

- Approximately 30-35% of the comments express a more neutral sentiment. These comments may provide additional information, ask questions, or make statements that do not strongly convey either positive or negative sentiment.
  - *"I'm unsure if this is a good or bad thing."*
  - *"The current cost of living crisis is affecting everyone, and we need to carefully consider the impact of any changes to council tax."*
  - *"I appreciate the sentiment, but I'm concerned about the potential consequences for other services."*
  - *"It's important for the council to strike a balance between helping residents and maintaining vital services."*

# About you

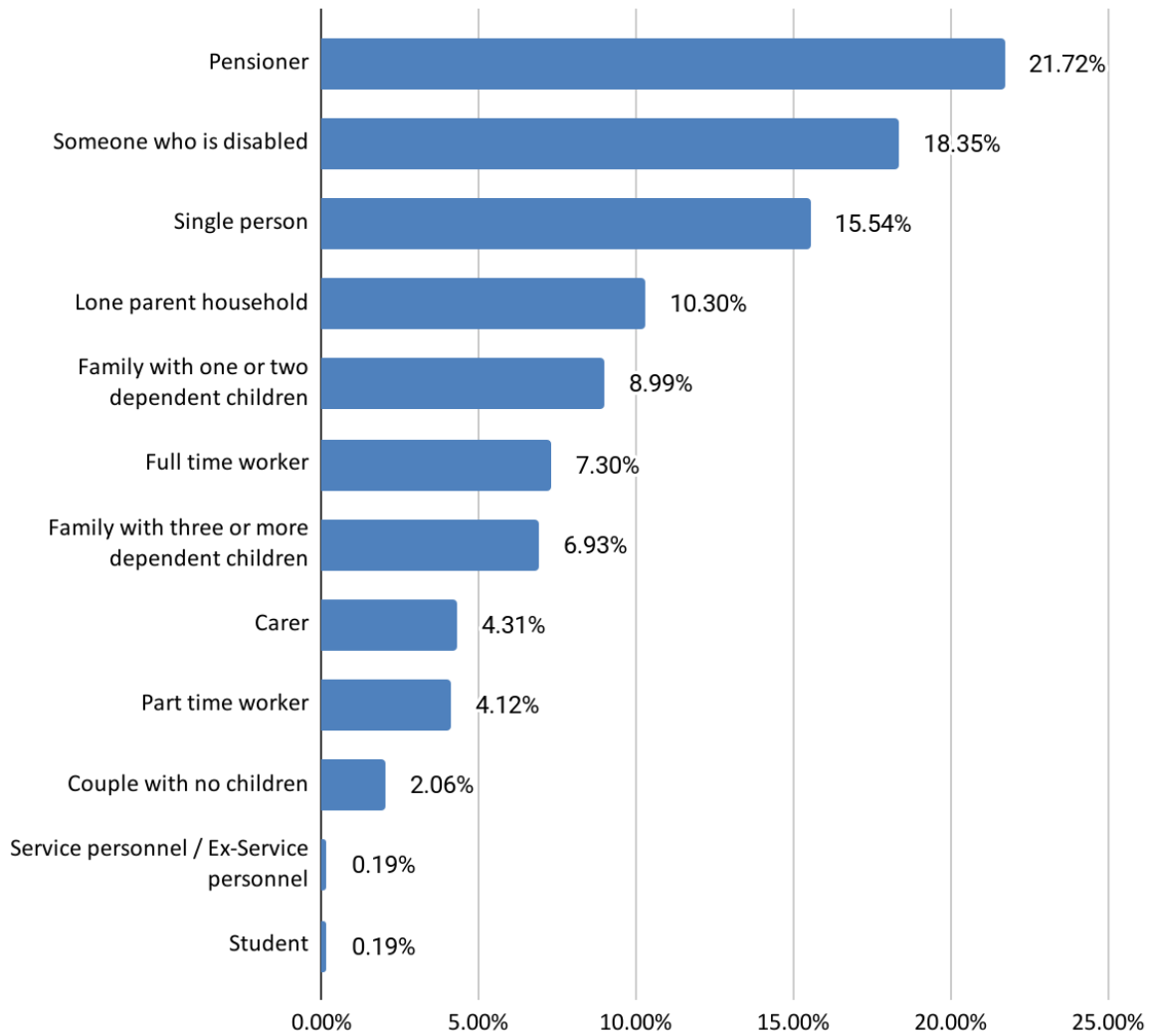
Which best represents you (pick more than one if applicable) (Base 691 responses)



Just over half of respondents stated that they are receiving Council Tax reduction (382), followed by 44% who stated they are responsible for the Council Tax bill (301).

21% (145) of respondents stated they are receiving the reduction and also responsible for the Council Tax bill.

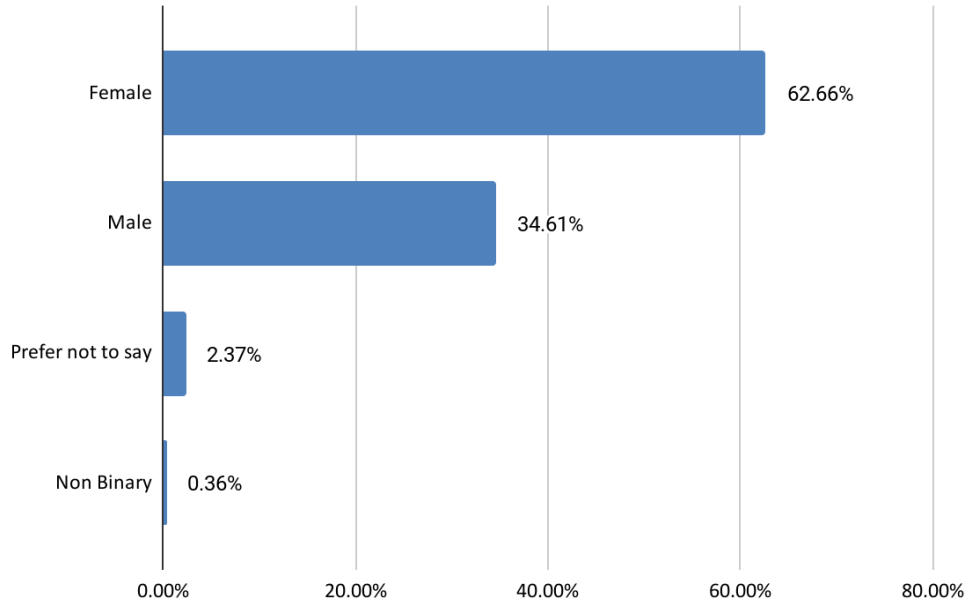
### Are you a: (Base 534)



The chart above represents who the respondent is that is taking part in the consultation.

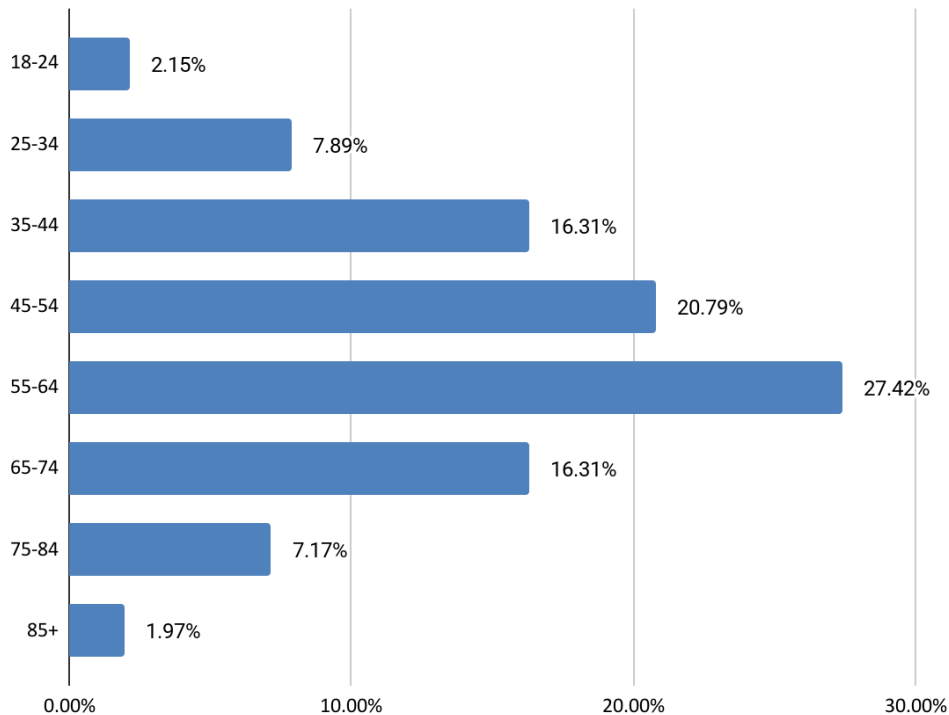
The top three highest responses are from those who stated they are a pensioner (116), those who are disabled (98), and a single person (83). These three account for 56% of all respondents.

### **Gender: Are you...(Base 549)**



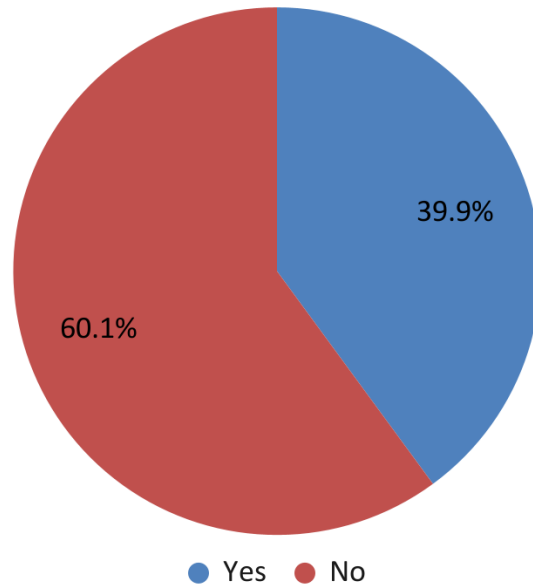
Almost two thirds of respondents stated that they were female (344), with just over a third stating that they are male (190). All others accounted for a much smaller percentage response.

### **What is your age group? (Base 558)**



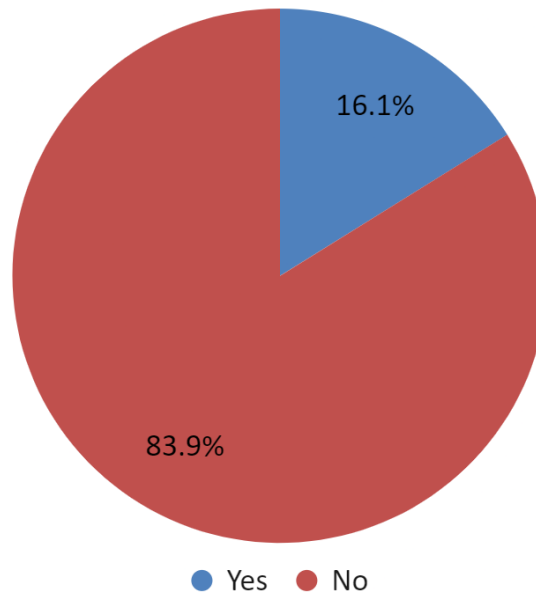
The highest percentage of respondents were in the 55-64 age group (153), followed by 45-54 (116), 65-74 and 35-44 (91 each), 25-34 (44), 75-84 (340), 18-24 (12) and 85+ (11).

**Disability (Base 551)**



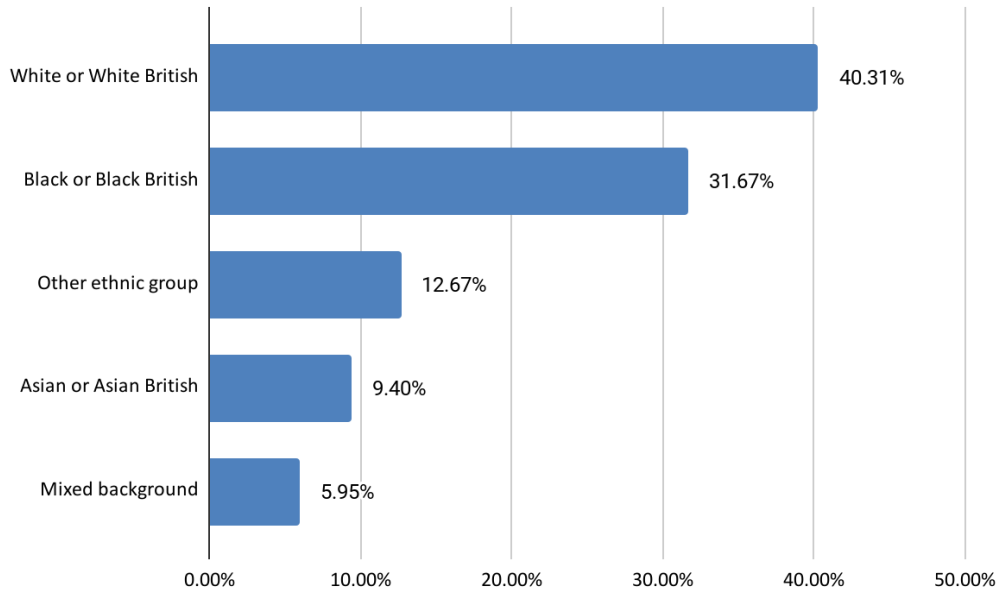
The majority of respondents, at almost two thirds, stated that they do not have a disability (331), with just over a third stating that they do (220).

**Caring responsibilities (Base 547)**



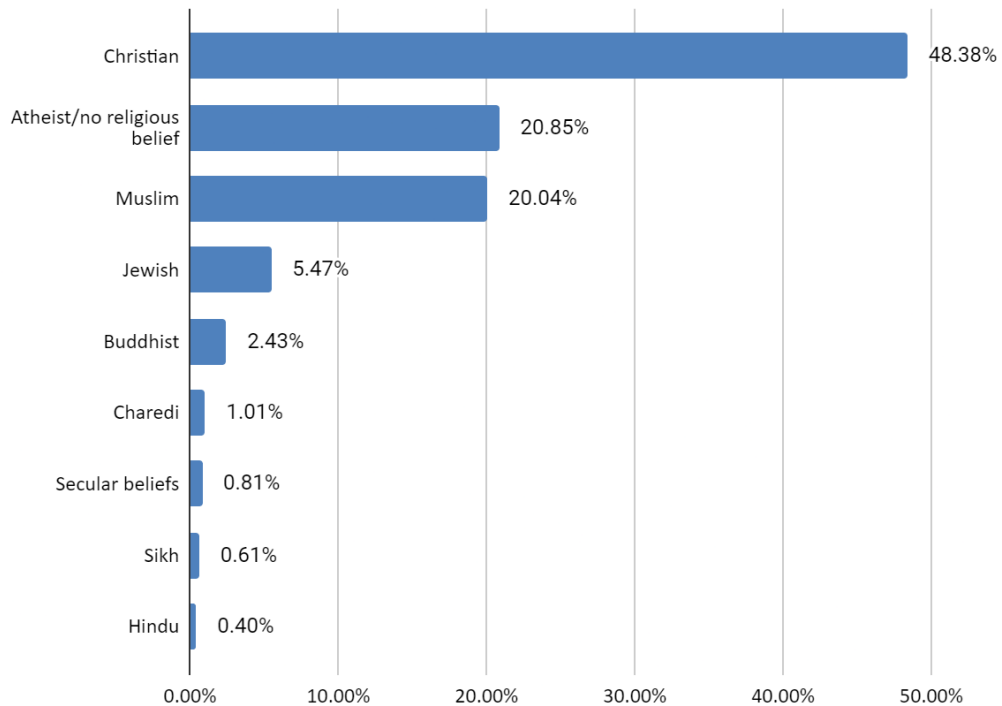
The majority of respondents stated that they do not have caring responsibilities (459), with 16% stating that they do (88).

### **Ethnicity (Base 521)**



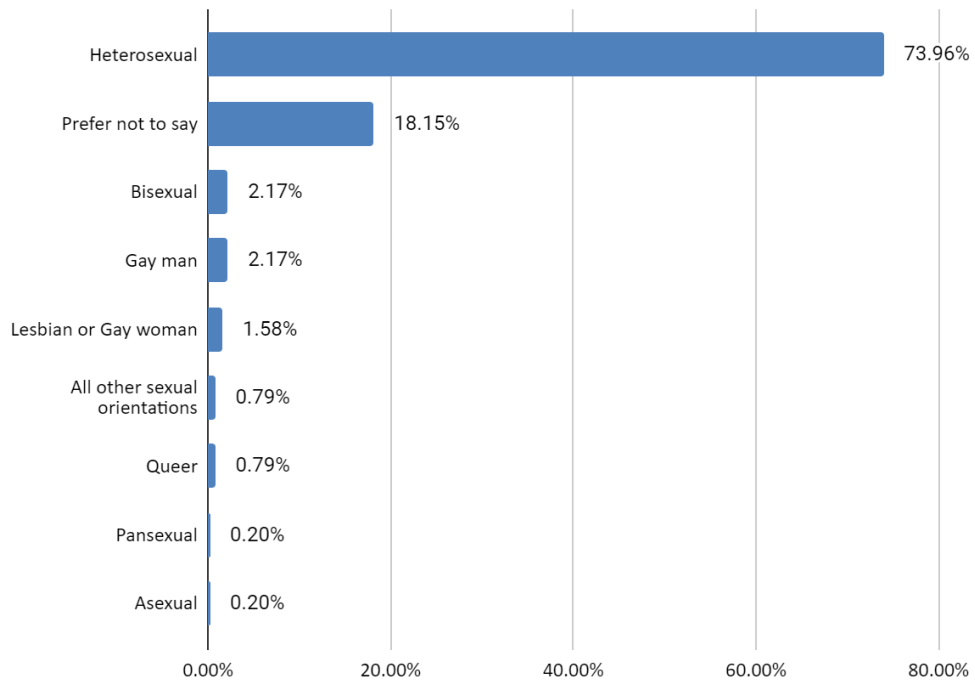
The highest percentage of respondents stated that they were “White or White British” (210). This is followed by “Black or Black British” (165), “Other ethnic group” (66), “Asian or Asian British” (49) and “Mixed background” (31).

### **Religion or belief (Base 496)**



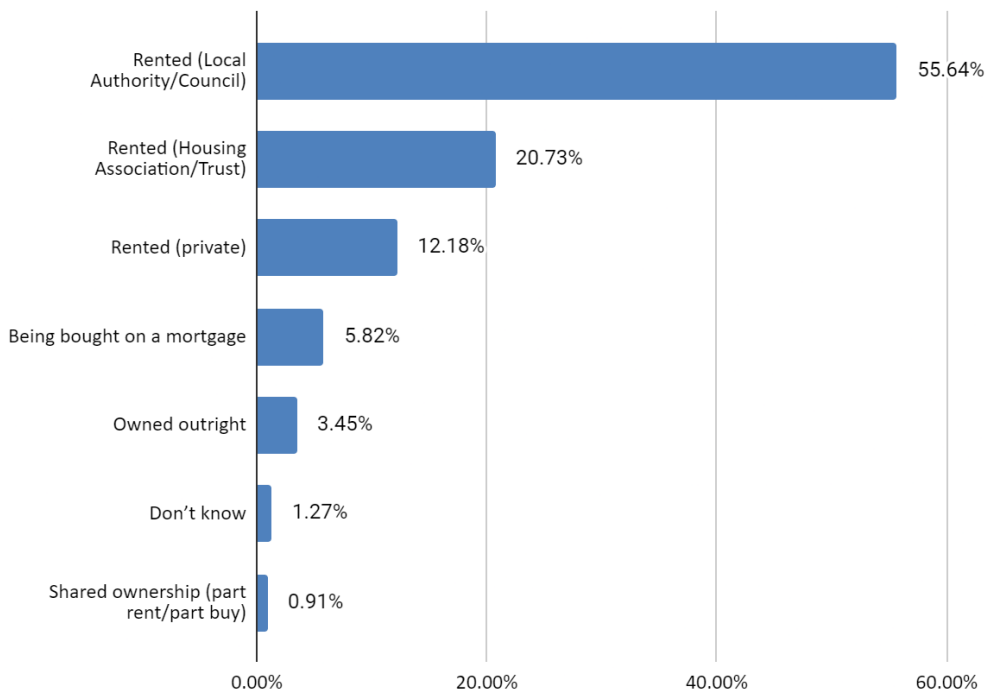
The highest percentage of respondents stated that they are “Christian” (240). This is followed by “Atheist/no religious belief” (104) and “Muslim” (99), with all others accounting for a much smaller percentage.

### **Sexual orientation (Base 509)**



The majority of respondents stated that they are “Heterosexual” (376), followed by those who “prefer not to say” (93). All others accounted for a much smaller percentage.

### **Housing Tenure (Base 552)**



The majority of respondents stated that they are Council Tenants (306), followed by rented from a Housing Association/Trust (116), private renter (67), having a mortgage (32), owning their own home (19), don't know (7) and shared ownership (5).