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Agenda

Extraordinary Policy and Resources Committee Meeting

Date: Tuesday, 13 January 2026
Time 7.00 pm
Venue: Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT

Membership:

Councillors Mike Baldock, Lloyd Bowen (Vice-Chair), Charles Gibson, Tim Gibson (Chair), Alastair Gould, Angela Harrison, James Hunt, Elliott Jayes, Mark Last, Ben J Martin, Kieran Mishchuk, Richard Palmer, Julien Speed, Ashley Wise and Dolley Wooster.

Quorum = 5

Pages

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Items for Decision by the Committee

Issued on Monday, 5 January 2026

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Chief Executive, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT

Policy and Resources Meeting	
Meeting Date	13 January 2026
Report Title	Council Tax Support Scheme 2026/27
EMT Lead	Lisa Fillery, Director of Resources
Head of Service	Zoe Kent, Head of Revenues and Benefits
Lead Officer	Zoe Kent, Head of Revenues and Benefits
Classification	**Open**
Recommendations	**This report asks the Committee to consider the following recommendations to Full Council:** 1. To move to a scheme offering a maximum 100% Council Tax Support. 2. To increase the percentage support in income bands 2 to 4 by 10%. 3. To increase the income thresholds for each band by the welfare benefit uplift applied by the Department for Work and Pensions (DWP) for 2026/27. 4. To remove the minimum income floor for self-employed working age claimants. 5. To align the Council Tax Reduction Scheme with DWP benefits by disregarding the additional compensation payments listed in paragraph 2.20. 6. To delegate to the Director of Resources and the Head of Revenues and Benefits the authority to update and publish the CTRS policy in line with the agreed recommendations.

1 Purpose of Report and Executive Summary

1.1 The purpose of this report is to recommend changes to the Council's Council Tax Reduction Scheme with effect from 1st April 2026.

1.2 Each year Full Council has to approve the Council Tax Reduction Scheme for the following year. In July 2025 the Policy and Resources Committee approved a consultation to be carried out in respect of proposed changes to the Council's Council Tax Reduction scheme with effect from 1st April 2026.

1.3 This report makes recommendations following the consultation to be implemented for 2026-27.

2 Background and proposals

2.1 Council Tax Reduction (CTR) was introduced by Central Government in April 2013 as a replacement for the Council Tax Benefit scheme administered on behalf of the Department for Work and Pensions (DWP). As part of the introduction, the Government:

- Placed the duty to create a local scheme for **Working Age** applicants with billing authorities;
- Reduced initial funding by the equivalent of ten per cent from the levels paid through benefit subsidy to authorities under the previous Council Tax Benefit scheme; and
- Prescribed that persons of **Pension age** would be dealt with under regulations set by Central Government and not the authorities' local scheme.

2.2 Since that time, funding for the Council Tax Reduction scheme has been amalgamated into other Central Government grants paid to Local Authorities and also within the Business Rates Retention regime. It is now generally accepted that it is not possible to identify the amount of funding actually provided from Central Government sources.

2.3 Since introducing the scheme in 2013 Swale Borough Council has made a number of changes to the Council Tax exemptions and discounts so as to limit the impact on low income working households. Under Council Tax Reduction Scheme legislation, the scheme for pensioners is determined by central government and the Council has no flexibility over this category on CTRS claimants.

2.4 Swale Borough Council continues to be responsible for designing and approving the scheme. In doing so, it consults with the main Council Tax preceptors: Kent County Council (KCC), Kent Police (KPCC) and Kent and Medway Fire and Rescue (KMFR). Precepts depend on the amount of Council Tax collected, so the cost of the CTRS is shared by the Council and preceptors.

2.5 As they share in the cost of the scheme, the preceptors have a strong interest in the management of the CTRS. Consequently, and to encourage each district to produce a scheme that was broadly consistent across the county, the major precepting authorities in Kent originally agreed to pay each district council a grant for administering CTRS based on caseload. For Swale this was £133,147 in 2024/25.

2.6 Quite separately from the CTRS administration grant, a further grant of £64,000 was also paid for the administering empty property discounts. The empty property exemptions were changed from 2013 and completely removed from 2024. This was to encourage properties back into use and to increase the council tax base.

2.7 In 2024/25 a proposal was put forward to KCC members to remove all the grants from the district authorities as part of the county's proposed savings to reduce their budget deficit. Representations were put forward by the district authorities providing evidence of how the administration grants helped towards collection of Council Tax. However, the saving was still made.

Considerations In Reviewing the CTRS

Council Tax affordability for low-income households

2.8 Council Tax is a regressive tax, falling proportionately more heavily on lower income households. This feature has become more marked over recent years. Research by the Resolution Foundation has established that by the start of this decade (2020-21), the poorest fifth of households spent 4.8% of their gross household income on Council Tax, up from 2.9% in 2002-03. The poorest fifth of households spend more than three times as much of their income on Council Tax as the richest fifth of families do (4.8% vs 1.5%)[1].

2.9 This feature of Council Tax is highly relevant for Swale Borough Council, given that one of the Council's strategic objectives is to support communities and community resilience. The CTRS offers the Council an opportunity to address the social and economic challenges of poverty.

2.10 The existing Swale CTRS mitigates the disproportionate burden of Council Tax for the poorest households in two ways: it sets a maximum reduction in Council Tax (currently 80%) for those who are on the lowest of incomes; and it reduces Council Tax by progressively greater percentages for those on the low incomes through a banding scheme. The table below shows the rate of reduction in Council Tax, from the maximum of 80% down to 20%.

Table 1 – Weekly CTR bands 2025/26

	Band 1		Band 2		Band 3		Band 4	
	Income Up to	Rate	Income up to	Rate	Income up to	Rate	Income up to	Rate
Single no children	£108.17	80%	£159.40	60%	£216.32	40%	£307.40	20%
Couple no children	£165.09	80%	£216.32	60%	£273.25	40%	£364.33	20%
Single 1 child	£170.78	80%	£227.71	60%	£284.63	40%	£364.33	20%
Couple 1 child	£227.71	80%	£284.63	60%	£341.56	40%	£421.25	20%
Single 2+ children	£250.48	80%	£307.40	60%	£364.33	40%	£455.41	20%
Couple 2+ children	£307.40	80%	£364.33	60%	£421.25	40%	£512.33	20%

[1] 'Money, money, money: The shifting mix of income sources for poorer households over the last 30 years', Resolution Foundation, February 2025

2.11 Details of overall numbers affected are set out in Table 2 below. The population within the Swale area is increasing, which can be seen in a slight rise in the caseload over the past 5 years. However, there has been a slight reduction in pension age claims, due to the pension age rising and people working longer. Of the 6,540 current working age claimants 4,882 claim the maximum 80% reduction.

Table 2 – Caseload figures

	2021/22	2022/23	2023/24	2024/25	2025/26
Working Age	6,138	6,068	6,384	6,451	6,540
Elderly	3,744	3,639	3,584	3,560	3,573
Total	**9,882**	**9,707**	**9,968**	**10,011**	**10,113**

2.12 The 80% maximum reduction in Council Tax under Swale's current scheme means that the Band C bill can be reduced to £402 (£34 per month). For those under 25, Universal Credit for a couple is £400.14 per month, and for a single claimant £316.98 per month. This means that almost 10% of their benefits needs to go towards Council Tax. With recent increases in energy bills and inflationary rises in food bills, Council Tax gets harder to pay. If a monthly instalment is missed or if there are arrears from the previous year the amounts for the rest of the year quickly become unmanageable.

2.13 It is accordingly proposed in this report that the maximum reduction is increased to 100%. For those whose Council Tax is reduced by a lesser amount through the banding scheme, it is proposed to increase the reduction by 10 percentage points for each band i.e. the reduction of 60% for Band 2 becomes 70% etc.

2.14 A growing number of Councils have offered 100% support through Council Tax reduction schemes over the past 10 years. From 2018/19, when only 62 schemes offered 100% support, the number has steadily increased. In 2025/26 the number fell back slightly as compared to 2024/25 but still represented 103 schemes out of 296 (34.8%). This overall change between 2024/25 and 2025/26 concealed a mixture of increases and decreases, with 28 schemes offering a decreased maximum amount and 18 offering an increased maximum reduction. Details are set out in the report at Appendix I 'Review of Council Tax Reduction Schemes 2025/26'.

2.15 Although many councils in the South East offer a 100% council tax reduction, historically Kent has not seen any authorities do this. This is related to the grants provided by Kent County Council which were described in paragraph 2.5.

Collection rates

2.16 The increasing burden of Council Tax for low-income households has meant that collection rates are lower for this cohort and the amount of resource required to collect Council Tax is much greater. The level of debt being chased is increasing year on year: the current total level of arrears for those in receipt of CTR is £2,190,380. Last year's arrears currently stand at £673,130.

2.17 Until 2024/25, the KCC administration grant helped fund district councils to collect this element of Council Tax, but as has been seen, this grant has now ceased.

Financial implications of potential changes

The cost of moving to a 90% or 100% scheme can be estimated based on the amount of Council Tax forgone through the existing scheme and applying the proposed new percentage reductions in Council Tax. The estimated collection rate used for the Council Tax base setting has been increased to allow for an increased collection rate, if the maximum CTR is increased. This has minimised the change to the tax base and so the overall assumption on council tax to be collected.

Table 3: Financial Implications

	Band D Council Tax		**Council Tax forgone (current)**	**Forgone under 90% scheme**	**Extra forgone (before collection rate assumption)**	**Forgone under 100% scheme**	**Extra forgone (before collection rate assumption)**
	£		£	£	£	£	£
KCC	1,691.19	*74.7%*	5,148,081	5,791,590	643,509	6,435,101	1,287,020
KPCC	270.15	*11.9%*	820,109	922,623	102,514	1,025,137	205,028
KMFR	94.86	*4.2%*	289,450	325,632	36,182	361,813	72,363
SBC	206.64	*9.2%*	634,034	713,288	79,254	792,543	158,509
	2,262.84	*100.0%*	6,891,674	7,753,133	861,459	8,614,594	1,722,920

Other issues

2.18 The DWP increases benefits in line with inflation each year. It is proposed that the income thresholds for each band are increased accordingly.

2.19 For a number of years, a minimum income floor has been applied to self-employed claims after a period of 18 months. As almost all working age claimants now receive Universal Credit, their income is taken into account by the DWP. To simplify the administration of the scheme and to ensure that claims are all assessed the same, it is proposed to remove the minimum income floor.

2.20 The DWP disregards certain compensation payments when calculating benefits. Since the CTRS was last reviewed, the following additional compensation benefits have now been added to the DWP's list:

- Infected blood support scheme payments
- Grenfell Towers payments
- Horizon/Post Office compensation payments
- LGBT financial recognition scheme (armed forces)
- Vaccine damage payments.

For consistency it is proposed that the CTRS also disregards these compensation payments.

3 Proposals

Option 1

3.1 The preferred option is to make the following changes to the 2026/27 scheme from 1 April 2026.

1. Increase the maximum level of support from 80% to 100%.
2. To increase the level of support for bands 2 – 4 by 10%.
3. To increase the income thresholds for each band by the welfare benefit uplift applied by the DWP for 2026/27.
4. To remove the minimum income floor for self-employed working-age claimants.
5. To disregard additional compensation payments in line with the national pensioner CTR scheme and other welfare benefits.

3.2 This increased level of support is in line with the Council's strategic objective of building resilient communities through addressing the social and economic challenges of poverty. The additional costs of these recommendations have been considered against the cost-of-living challenges, the increase in arrears for those on the lowest of incomes and the reduction in services for those people who are reliant on the voluntary sector. Council Tax is now a higher proportion of claimants' income than it was when CTR was first brought in from April 2013.

3.3 With recent inflation and the increases in fuel costs, many people on low incomes struggle to pay their bills and provide food for their families. Removing or reducing the amount that needs to be paid towards Council Tax gives claimants the ability to use their income towards utility bills or grocery costs. The recommendations also reduce the administration burden of the Council Tax recovery process, allowing the service to focus on more productive work and potentially to improve collection overall.

3.4 The effect on Council Tax payers, the major preceptors and other services has been considered as set out in this report.

Alternative Options Considered and Rejected

Option 2

4.1 To increase the maximum level of support for those claimants who are not working from 80% to 90% and to increase Bands 2 – 4 for those who are not working by 10%.

4.2 Option 2 (a 90% reduction in the maximum level of support) has been rejected, as not going far enough to meet the council's objectives, whilst at the same time continuing to create pressure for CTRS claimants and a burden on the collection process.

Option 3

4.3 To retain the existing maximum level of support at 80% and to increase Bands 2 – 4 by 10% for those people who will mainly be working. Again, this option is rejected. It does not support those claimants in Band 1 who may be unable to work.

Option 4

4.4 To make no changes to the existing scheme. This is also unacceptable as failing to deliver the council's policy objectives.

5 Consultation Undertaken or Proposed

5.1 The Policy and Resources Committee approved a consultation exercise in July 2025 which sought views on changes to the CTRS. The consultation ran from 1 August 2025 – 28 September 2025. It was available on the council's website and promoted via social media to encourage residents to take part. An email was sent to all working age claimants where an email address was held (4,700 claimants), and 250 paper forms were sent to a sample of those working age claimants where an email address was not held. Stakeholders, including the preceptors, were also contacted and asked to take part in the consultation. The consultation invited views on a maximum reduction in Council Tax of 90% and 100%, as compared with the current maximum of 80%, on changes to the bandings, and to the other changes described in paragraphs 2.18 to 2.20.

Results of public consultation

5.2 The consultation yielded 436 responses.

- 73% of respondents supported increasing the maximum support level for working-age claimants.
- Among supporters, 75% favoured raising support to 100%.
- 65% overall supported increasing band percentages for Bands 2-4 by 10%.

Demographic analysis revealed:

- Males were slightly less supportive (14% opposed) compared to females (11% opposed).
- Economically inactive respondents were more supportive (83%) than economically active (69%).
- Older age groups (65+) showed higher opposition.
- Respondents with disabilities and those currently receiving CTRS were more supportive (84% and 82%, respectively)

160 comments were received

For those against the increase, the key themes were:

- Unfair burden on council tax payers
- Concerns about work incentives and dependency
- Potential negative impacts on council services due to reduced revenue
- Everybody should contribute something

For those in favour of the increase in support, common themes were:

- Financial struggles and cost of living pressures
- Benefits for low-income families
- Issues related to work incentives
- The difficulties of living on a very low income

5.3 Removing the minimum income floor – 34 % of people felt the minimum income floor should be removed. A slightly higher proportion of people responded that they did not know. This is a more complex issue to understand than the level of support for Council Tax Support. There were comments around encouraging people to become self-employed although others felt that fraud is committed, and people don't always declare all their earnings.

5.4 On disregarding additional compensation payments for the assessment of CTR, 45% of respondents agreed they should be disregarded, 21% said no and 34% answered don't know.

5.5 A full report on the consultation is included as Appendix II

Results of stakeholder consultation

5.6 Kent County Council did not support the proposals to provide a higher level of discount (either 90% or 100%) or increasing the discount in other bands, and the current scheme should be retained. Specific issues raised were as follows.

• Concerns about local government reorganisation: KCC highlighted that increasing discounts would reduce the overall taxbase, affecting both current and future councils, and criticised the consultation for not addressing this impact on new unitary authorities.

• Work incentive issues: KCC argued that higher discounts could discourage claimants from seeking better employment and foster dependency, not encouraging personal responsibility or better life outcomes.

• Impact on taxpayers: The council noted that the cost of increased discounts is borne by all taxpayers, which was not clearly communicated in the consultation, and stressed councils' fiduciary duty to all taxpayers.

• Comparison with other councils: KCC observed that most councils offer discounts between 70%-80%, with 100% discounts being rare, and criticized the consultation for not acknowledging that the proposed changes would be more generous than typical schemes elsewhere.

• Lack of evidence on impacts: The consultation did not provide data on how higher discounts would affect council tax collection rates, collection costs, or other impacts such as hardship schemes, limiting informed decision-making.

• Limited alternatives considered: KCC expressed concern that the consultation only considered maintaining current schemes or restoring subsidies, without exploring other options like improving collection efficiency, tackling fraud, or reducing discounts.

5.7 Kent Fire and Rescue Service opposed the proposed changes. They highlighted the following issues.

Impact on the council tax base: Increasing maximum discounts would reduce the overall council tax base, directly lowering available funding for KFRS services or forcing higher tax rates on other taxpayers to compensate. The consultation lacks acknowledgment of this impact.

• Fiduciary duty to taxpayers: KFRS stresses its responsibility to all taxpayers to ensure efficient financial management and sustainable funding. The proposals focus on individual collection authority budgets without addressing the broader impact on taxpayers who bear the cost of reduced tax bases through lower overall revenue.

• Lack of comparative analysis: The consultation does not include analysis of LCTRS schemes in comparable councils. Most UK schemes require a minimum contribution from working-age households with discounts around 70-80%, unlike the proposed 90-100% discounts which would be more generous than most. This context and its financial implications were not clearly communicated.

• Insufficient evidence on collection and administration: The consultation provides no concrete data on how higher discounts affect collection rates or the current and potential administrative costs of LCTRS. Without this information, it is difficult to assess if administrative savings justify the reduction in the tax base.

5.8 The Police and Crime Commissioner acknowledged the challenges faced by billing authorities after the withdrawal of CTRS grants and understood the rationale for simplifying the scheme. However, he raised the following concerns:

- Financial Impact: The new scheme could reduce the council tax base and income, with an estimate loss of up to £1.9 million for the police and crime element of the precept. This funding is crucial for policing services and support for victims and witnesses. Any reduction would require finding equivalent savings elsewhere, putting additional strain on services.

- Lack of Cost Transparency: no details were provided about the administrative costs of the new scheme, making it difficult to assess whether the proposed savings are justified compared to the potential reduction in precept collected.

- Consultation Issues: The Consultation did not clearly explain that the cost of the CTRS discount is borne by all taxpayers, nor did it ask respondents if they support a greater share of council tax being used for low-income support instead of services.

- Statutory Duties & Sustainability: The proposal's impact on council tax collection and statutory obligations is unclear. There is also concern that the changes have not considered the effect on future unitary authorities in Kent, potentially reducing their tax base and sustainability.

- Further information was requested on the assumptions and modelling behind the projected tax base reductions, including anticipated changes in collection rates and claimant behaviour.

5.9 Careful consideration has been given to the points raised in the public consultation and by KCC, KMFR and the PCC. As the points raised are similar, they have been grouped under a number of general headings covering each of the key themes.

Impact on the Council Tax base and ongoing impact for local government reorganisation

5.10 The Council Tax base is a function of the number of households in each local authority area. A reduction is then applied to the Council Tax base representing the council tax foregone by offering Council Tax support. The estimated financial impact of the reduction is shown above in Table 3.

5.11 Whilst this is an additional cost to the authorities concerned, it will be one only of a whole range of factors to be considered when they set a budget. Although the impact is larger in cash terms for KCC than for the other authorities, this needs to be seen in the context of KCC's overall budget, which amounts to £1,531 million for 2025/26. The impact is much greater for Swale Borough Council, with a budget of £27.5 million, and is the authority with responsibility for designing the CTRS.

5.12 In designing the CTRS, Swale Borough Council consults the preceptors whose income is affected and has regard to the implications for them. It needs to weigh up the direct benefits for the CTRS in terms of alleviating poverty and delivering its strategic objectives, as against the budget savings that it and the preceptors may need to make to fund changes to the CTRS.

5.13 It is implied in the preceptors' consultation responses that there will be an ongoing impact on the Council Tax base, continuing through to local government reorganisation, from these changes to the CTRS. However, the CTRS is reviewed every year. The changes proposed here could in theory be reversed next year or by a future unitary authority.

Impact on other Council tax payers

5.14 It is argued by the preceptors that increasing Council Tax support affects all Council Tax payers. This is correct in the sense that Council Tax payers provide the principal funding for local authorities. However, as described in paragraph 4.11 above, changes to the CTRS are just one of a number of factors influencing an authority's budget calculations.

Comparison with other councils

5.15 KCC state that a minority of councils offer 100% discounts. 103 schemes out of 296 in England offer a 100% discount[2], which is a minority, but a very substantial minority. An increasing number of councils have been offering 100% discounts over the past 10 years. Full details are set out in Appendix I.

Impact on collection rates

5.16 The collection rate for CTRS claimants is lower than for other council tax payers. The impact of removing some CTRS claimants from the remit of Council Tax is likely therefore to be an improvement in collection rates, both for simple statistical reasons, and because the Revenues team will have to deal with fewer time-consuming and difficult collections.

5.17 The pattern seen in Swale is a general one: there is evidence that a key determinant of Council Tax collection rates is income deprivation, and those on

[2] Review of Council Tax Reduction Schemes, Entitledto, May 2025

the lowest incomes will be CTRS claimants[3].

5.18 In aggregate, the impact will be that less Council Tax will be collected. However, the reduction of £1.7 million (see table 3) should be seen in the context of total Council Tax income in Swale of £120 million.

5.19 The incentive impact of benefits, such as Council Tax reduction, is complex. Changes to the CTRS are just one of a number of factors likely to impact behaviours. There are normally other factors that stop people from working.

5.20 It could be argued that increasing the Council Tax reduction for Bands 2 to 4 actually incentivises work. There are also many working age claimants for whom work is not possible or challenging. It is worth mentioning that the council is working with the DWP on the current government schemes aiming to get people back into work.

Other options

5.21 There are a number of other measures available to SBC to address its strategic objective of mitigating poverty. These include direct payments and support for voluntary organisations helping local communities. These other methods tend to be very labour intensive and do not necessarily reach those who are most in need. Using an existing mechanism like the CTRS is an efficient way of delivering against the objective.

6 Implication

Issue	**Implications**
Corporate Plan	The objectives and priorities in the corporate plan. This report supports the priority of Community – supporting community resilience and Economy – a sustainable economy which delivers for local people. Performance is measured through BV9 Percentage of Council Tax collected in year.
Financial, Resource and Property	The cost of increasing the maximum level of support is shown in table 3. This cost will support those living in the borough on low incomes. By reducing the amount of Council Tax that is payable, it increases the amount of income that is available for other necessary expenditure. The assumptions on the collection rate improvement as a result of increasing the discount have negated the budget impact of the increased cost for Swale. There is no

[3] 'A path to better Council Tax Support schemes: Rising arrears, shrinking support: Five years of CTR trends', Policy in Practice, May 2025

	additional budget pressure forecast as a result of the proposal to move to 100% discount. The Council needs to balance the needs of low-income households with other priorities as part of the overall budget setting process. The service delivery impacts are positive, in that the proposed recommendations help vulnerable households. So far as Council service performance is concerned, removing the requirement to collect Council Tax from the poorest households will allow the Revenues and Benefits team to focus their work more effectively on other areas.
Legal, Statutory and Procurement	Section 13A of the Local Government Finance Act 1992 (As amended.) requires the Council to adopt a Council Tax Reduction Scheme. Schedule 1A of the Act requires the Council to consider each financial year whether to revise or replace its scheme. The Act contains a statutory duty to consult on a proposed scheme adopting the recommendation will meet that duty.
Crime and Disorder	Not directly applicable.
Environment and Climate/Ecological Emergency	The proposed changes should provide a reduction in administration leading to less notification letters being sent. This will have a positive environmental impact.
Health and Wellbeing	Residents who have difficulty in paying their Council Tax can put in a claim for a Section 13A discretionary award. Those whose health appears to be affected will be signposted to appropriate advice. The Revenues and Benefits team works with other sections of the authority, CA, financial charities, and the major housing providers in the area to ensure those residents who are struggling with debt or other problems are signed posted to the correct advice and agencies.
Safeguarding of Children, Young People and Vulnerable Adults	Any new scheme will look to protect the most vulnerable and those households on the lowest incomes.
Risk Management and Health and Safety	The risks of increasing the level of support will be reviewed through the financial modelling

Equality and Diversity	A full EQA has been undertaken (appendix VI), section 5 of this report gives details of the consultation carried out.
Privacy and Data Protection	All requirements have been adhered to.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Review of Council Tax Reduction Schemes 2025/26
- Appendix II: Report on the public consultation
- Appendix III: KCC response to the consultation
- Appendix IV: KFRS response to the consultation
- Appendix V: KPCC response to the consultation
- Appendix VI: Equality Impact Assessment

8 Appendices

https://policyinpractice.co.uk/wp-content/uploads/2025/05/Report_A-path-to-better-Council-Tax-Support-schemes_Apr25-.pdf

https://www.resolutionfoundation.org/publications/money-money-money/

REVIEW OF COUNCIL TAX REDUCTION SCHEMES

2025/26

entitledto
independent | accurate | reliable

May 2025

Introduction

At the start of 2025 we were aware that severe cuts in support were being proposed for a number of Council Tax Reduction (CTR) schemes, particularly in London. Over recent years local authorities (LAs) changing their schemes to increase support have outnumbered those reducing support, and in 2024/25 there were more schemes offering up to 100% support than when CTR was first localised in 2013. So we headed into this review of 2025/26 CTR schemes with a sense of the tide changing.

As we have seen with CTR, localising a benefit inevitably leads to a postcode lottery, where support is as much down to the financial position of the LA as it is the claimant's personal needs. With decreasing levels of support we felt a geographic addition to our annual CTR review was timely, so we'll be drawing comparisons not just with previous years but across England's regions.

All data is obtained from the most up-to-date CTR scheme published by each LA up to 12 May 2025.

Summary

21% of local authorities in England made changes to the way they calculate Council Tax Reduction for 2025/26 (62 LAs out of a total of 296 LAs in England).

The most common change was to increase the minimum payment (reduce the maximum CTR) paid by the poorest households (28 LAs). In contrast, 18 LAs decreased the minimum payment, either for all claimants or for protected groups.

An additional 20 LAs moved to an income-banded CTR scheme. Just over 40% of CTR schemes are now income-banded.

17 LAs are operating two schemes, one for legacy claimants and one for Universal Credit claimants, so there are a total of 313 schemes in operation. The end of legacy benefits by March 2026 will mean all LAs operating one scheme next year.

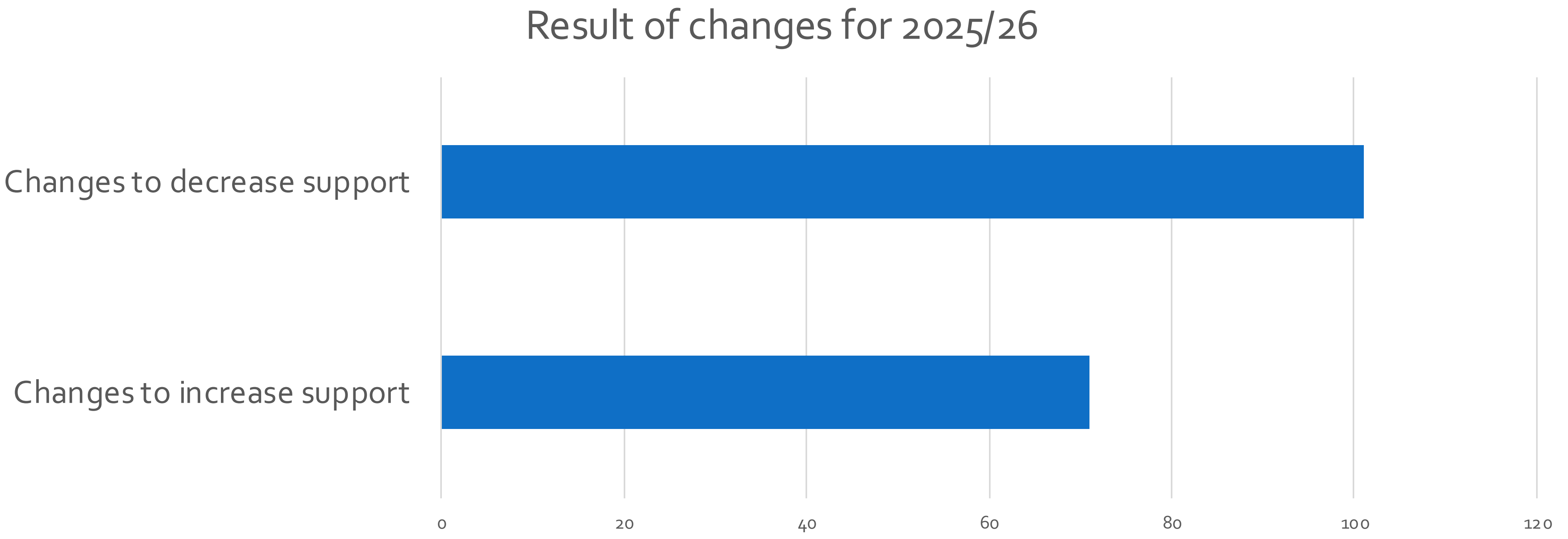
Background: localising help with Council Tax

In April 2013 help for low-income households with paying their Council Tax moved from a single national Council Tax Benefit (CTB) scheme to a localised system. LAs in England now run their own local CTR schemes, paying the costs of, administering and, in the case of working-age claimants, setting the rules for their scheme. The majority of schemes closely resemble CTB but make changes to certain features of the calculation to – in most cases – make it less generous. The key features we monitor for this review are:

- **Minimum payments** – the amount a claimant must pay towards their Council Tax liability regardless of their situation. This sits alongside Maximum CTR, the maximum amount of the claimant's Council Tax the LA will offer support with. In most cases these are expressed as percentages.
- **Income disregards** – the types of income that the LA will ignore when calculating CTR. For earnings this is usually a fixed amount based on the claimant's situation.
- **Non-dependant deductions** – most LAs believe that a non-dependant living with a claimant should contribute towards the household bills. Consequently most (but not all) CTR schemes make a deduction during to reflect this. The amount of the NDD is often determined by the income of the non-dependant.
- **Capital limits** – there is a maximum amount of capital a claimant can have and be eligible for CTR (the upper capital limit). There is often a lower capital limit as well, the amount of capital between these limits being used to work out an assumed 'tariff income' from capital that is included in the calculation.
- **Band caps** – a band cap limits the Council Tax that can be used in the CTR calculation. With a band D cap, anyone in a property banded E-H will be limited to the support available in a band D property.

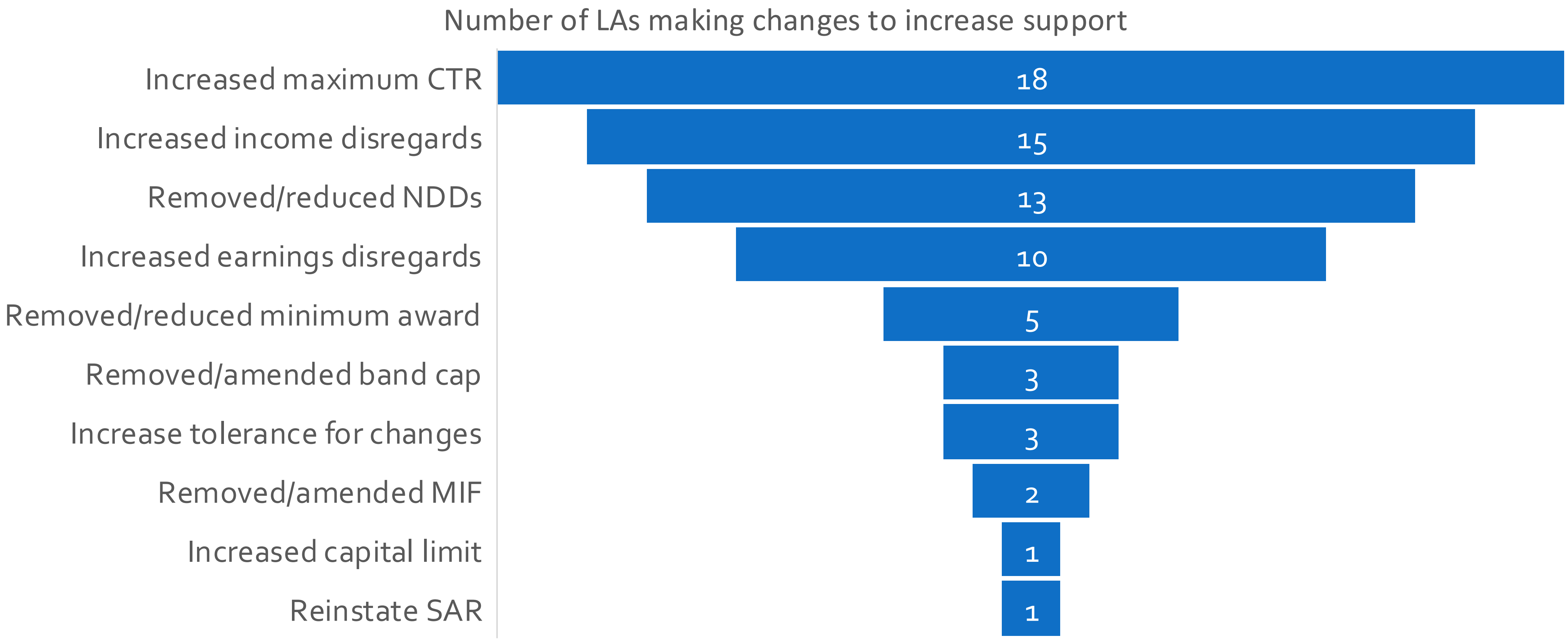
Changes to CTR schemes from April 2025

Overall 62 LAs made changes to their CTR scheme this year. Most LAs made more than one change (some made both positive and negative changes at the same time), so there were 172 changes . The chart below shows that the majority of these changes made CTR schemes less generous, with 101 changes that decreased the support available. In contrast we found that 71 changes increased the support available.



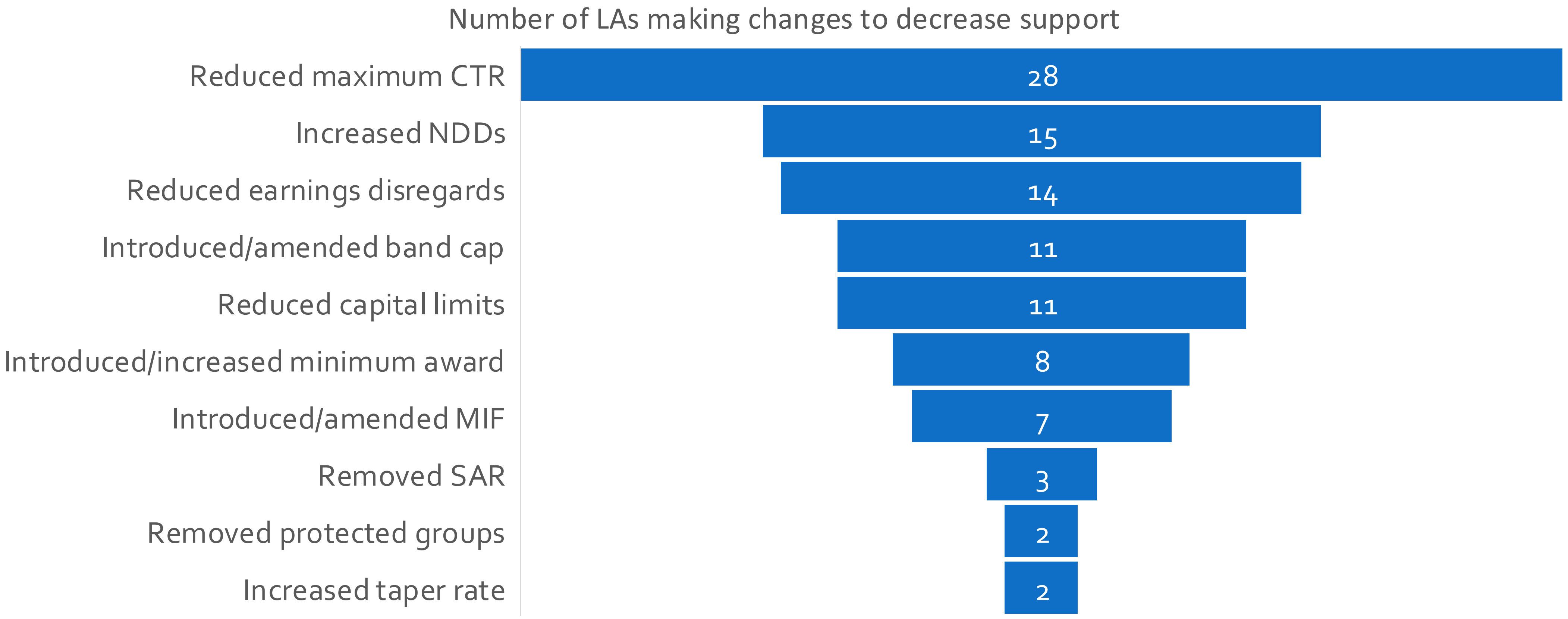
Changes to increase support available

A breakdown of the type of changes implemented to increase support through CTR is shown below



Changes to decrease support available

A breakdown of the type of changes implemented to decrease support through CTR is shown below.



Geographical spread of LAs increasing maximum CTR

There is some geographical trend to LAs increasing CTR generosity, with 9 of the 18 LAs increasing support percentages being located across the East and West Midlands. Only 3 are in the south.

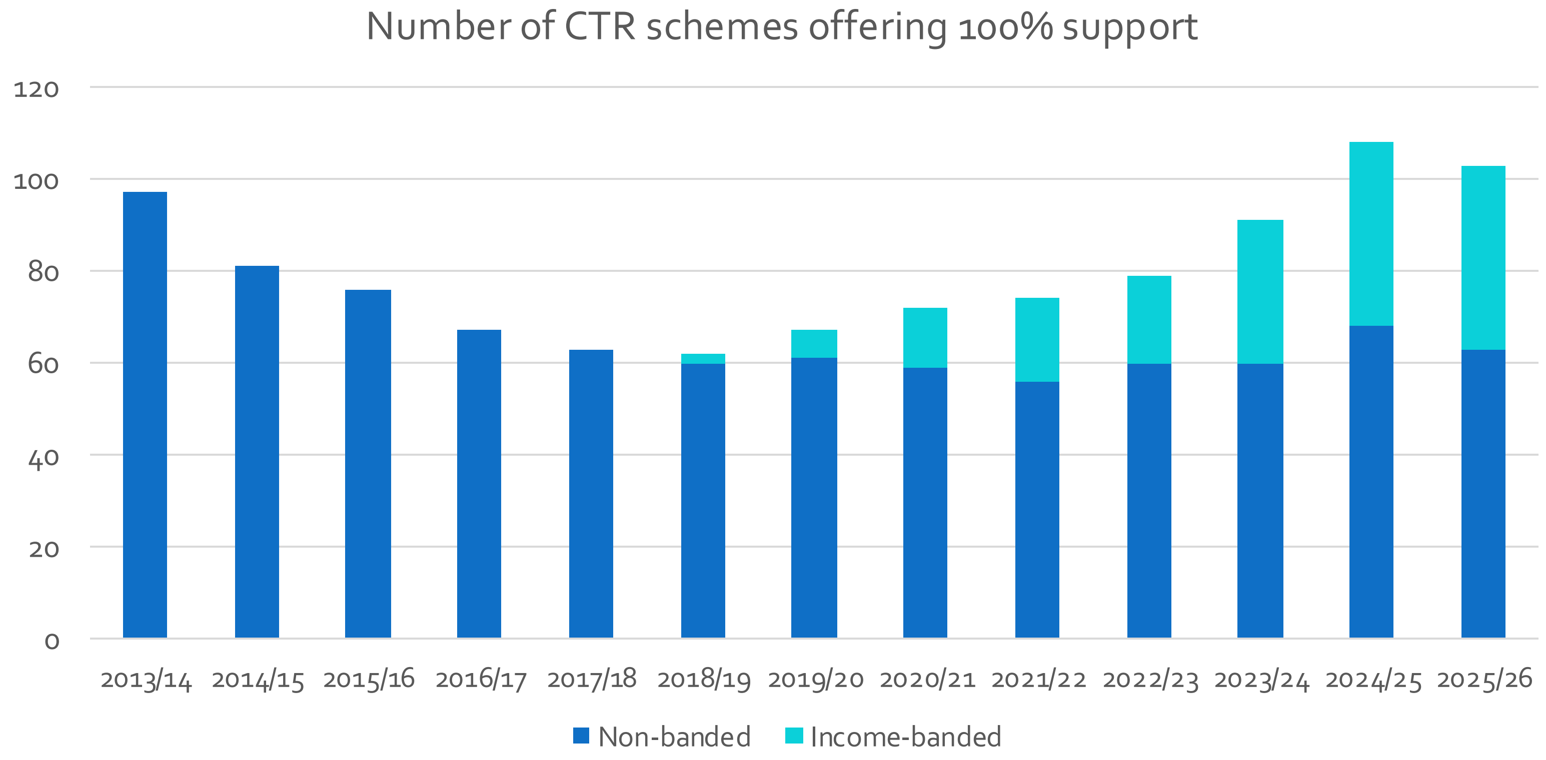
Geographical spread of LAs decreasing maximum CTR

There is a significant geographical trend to LAs decreasing CTR generosity, with 15 of the 28 LAs making cuts to support percentages being London boroughs.

Some income-banded schemes have retained the same maximum CTR in band 1 but reduced the support in other bands.

CTR schemes offering up to 100% support

The chart below shows the number of CTR schemes offering maximum CTR of 100% of Council Tax liability. This chart doesn't include schemes that only offer 100% to protected groups. From a low point in 2018/19, when only 62 schemes offered 100% support, last year saw the highest number of schemes providing 100% relief since CTR was first localised. Unfortunately, the upward trend has not continued in 25/26 but there are still 103 schemes (33%), with maximum CTR of 100%. It must be noted that 22 of these schemes include a band cap, a different method of restricting maximum CTR for some claimants.



Geographical spread of LAs offering up to 100% support

Region	Count
South East	24
East of England	16
South West	14
North West	13
London	8
West Midlands	8
East Midlands	7
North East	4
Yorkshire and Humber	2

You'll see from this map that the South-East has the most LAs offering 100% support by some margin. However, if we remove schemes with band caps we see these are predominantly in the South.

Geographical spread of LAs offering up to 100% support and no band cap

Region	Count
South East	16
East of England	15
North West	11
South West	7
London	8
West Midlands	7
East Midlands	5
North East	4
Yorkshire and Hur	2

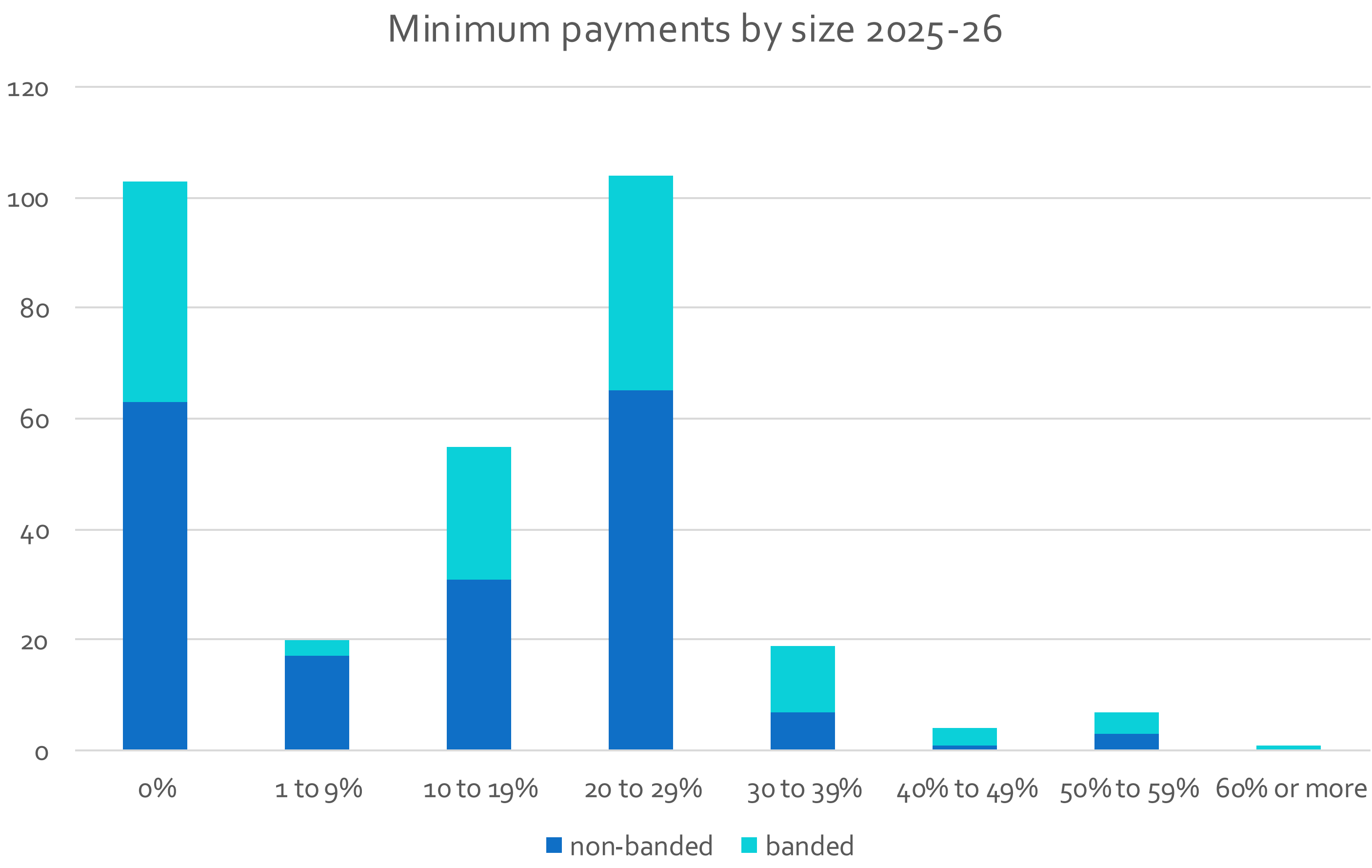
Removing schemes with band caps, removes 8 LAs in the South East and 7 in the South West.

Minimum payments

Schemes not offering maximum CTR of 100% in effect include a minimum payment that all claimants must make towards their Council Tax regardless of their income.

The chart below shows the minimum payments for non-protected claimants for 2025/26. For income-banded schemes we show the lowest minimum payment available in the scheme. Last year, for the first time, having no minimum payment was the most common approach, but it was short lived as the 20 to 29% minimum payment group is again the most common this year, with 104 schemes.

We have seen schemes requiring minimum payments of 30% or more increase from 19 last year to 31 this year and we have had to add a new grouping this year as there is 1 scheme which has a new 60% minimum payment.



Geographical spread of LAs with 30% or more minimum payment

Region	Count
London	8
South East	7
East Midlands	4
Yorkshire and Humber	3
East	2
North West	2
West Midlands	2
South West	1

Although the majority of LAs are in London and the South-East, there is a spread across most regions. The North-East is the only region with no LA having 30% or more as a minimum contribution.

Banded schemes: Upper income threshold for maximum support

In income-banded schemes, when looking at the maximum support/minimum payment we use the highest support available, typically associated with having an income low enough to be in band 1.

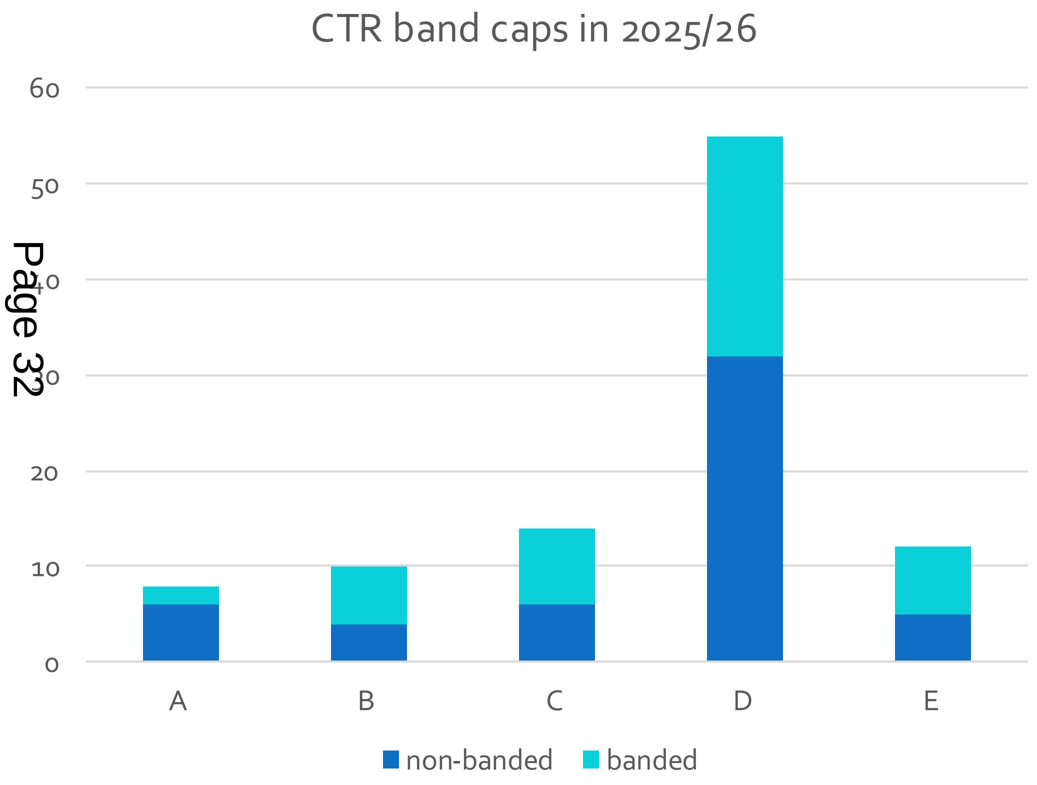
In conducting our review we've noticed that the upper threshold under which income must fall to be placed in band 1 varies widely by scheme.

The tables to the right compare two banded CTR schemes, which share the same household types and income rules. It shows that, for a couple with 2+ children, the maximum income you can have and still be placed into band 1 is £260 per week in one LA but £352 per week in the other.

Band	Single Person	Couple	Lone Parent with one Dependant	Lone Parent with two or more Dependants	Couple with one Dependant	Couple with two or more Dependants
Band 1 70%*	£0.00 to £100.00	£0.00 to £140.00	£0.00 to £160.00	£0.00 to £220.00	£0.00 to £205.00	£0.00 to £260.00

Discount percent	Single Person	Couple	Lone Parent with one child/young person	Lone Parent with two or more children/young persons	Couple with one child/young person	Couple with two or more children/young persons
80%	Passported Benefit*					
80%	£0 to £135	£0 to £188	£0 to £217	£0 to £300	£0 to £270	£0 to £352

Band Caps: Restrictions on maximum CTR

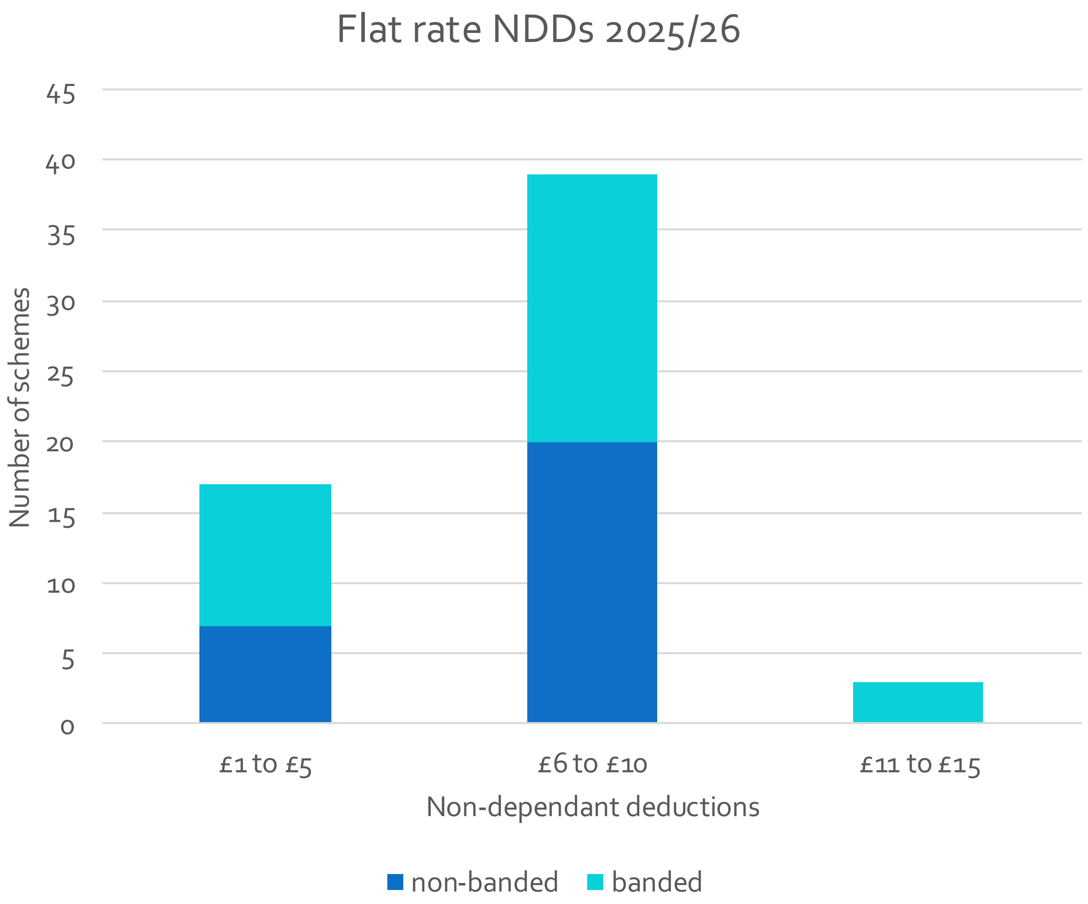


A band cap restricts how much CTR claimants in properties with a CT band above the cap can receive. For example, with a band D cap people in properties banded E-H would receive support based on the band D Council Tax liability rather than their actual liability. This method of cutting the cost of a scheme bears no relation to the claimant's needs or income.

There are 99 schemes (31%) with a band cap in 2025/26, including 10 new ones. Against this 2 LAs removed their band cap this year and 3 changed the band used, with 2 of those moving to a lower band.

A cap set at band D remains the most common option, being included in 55 schemes.

Non-dependant deductions



The 126 income-banded schemes in 2025/26 included 45 with either a flat-rate non-dependant deduction (NDD), where one rate is applied regardless of the non-dependant's income, or two rates (usually one for working and one for out-of-work non-dependants). 11 new income-banded schemes this year had flat-rate or two rate NDDs..

48 income-banded schemes have removed NDDs completely, including 6 of the new schemes for 2025/26. 3 LAs with income-banded schemes reintroduced NDDs this year after previously removing them.

A much smaller proportion of non-banded schemes have streamlined their NDDs, with 31 schemes (16%) having a flat rate or two rates. The most popular rate chosen for a flat rate NDD remains £10.

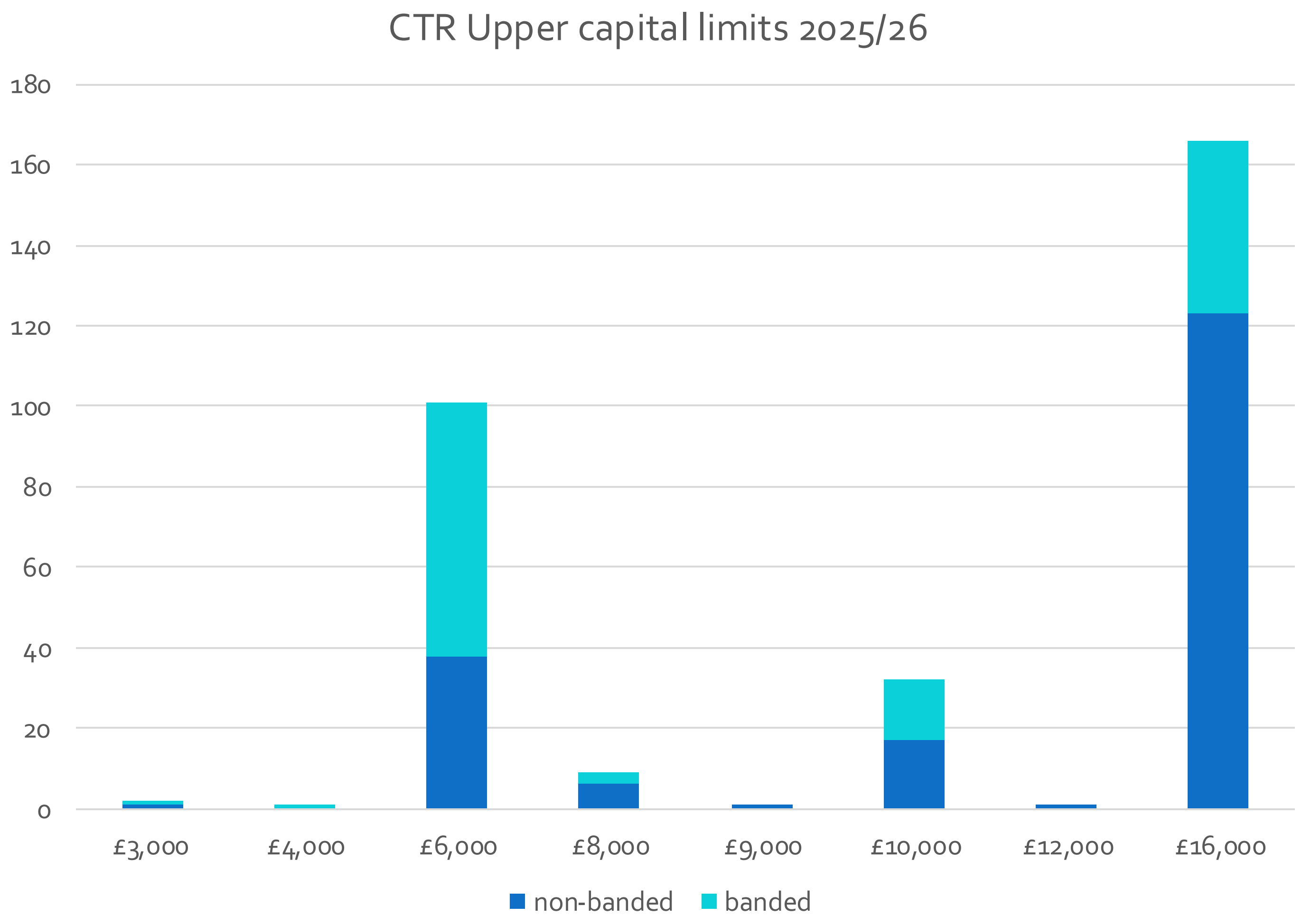
Capital limits and tariff income

Of the 313 schemes operating in 2025/26, 166 (53%) retain £16,000 as the upper capital limit (UCL). Banded schemes are far less likely to have a UCL of £16,000; only 34% retain the old CTB limit, compared to 65% of non-banded schemes.

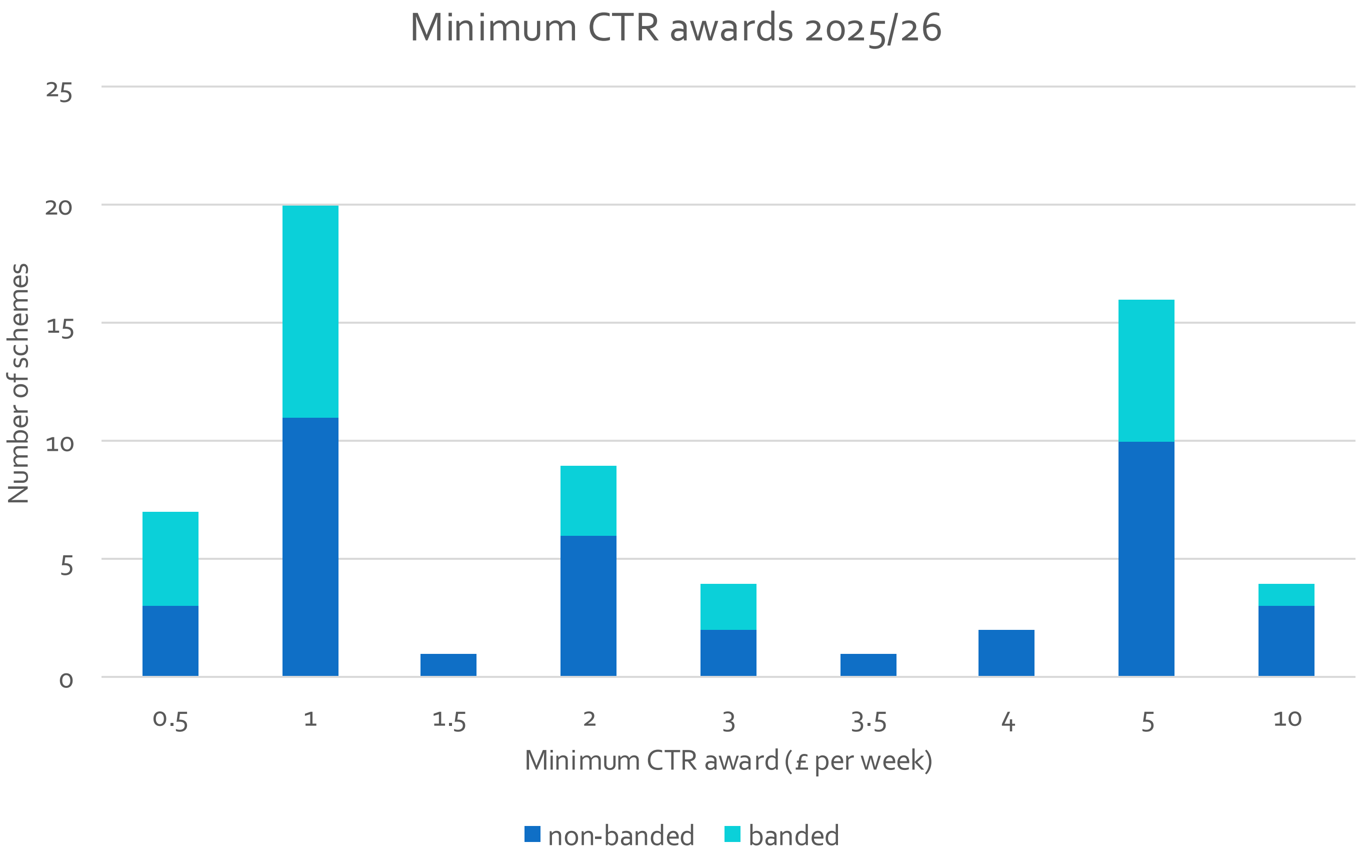
If decreasing the UCL, £6,000 is the most common approach. By doing so these schemes also remove tariff income rules - the calculation of assumed income from capital between the lower capital limit of £6,000 and the UCL.

11 of this year's new banded schemes have reduced their UCLs to £6,000, the rest retain £16,000 but 3 of these have chosen to remove the tariff income rule from their schemes.

126 schemes altogether have no tariff income rule, either by lowering the UCL to £6,000 (or less) or by writing it out of their scheme.



Minimum CTR awards



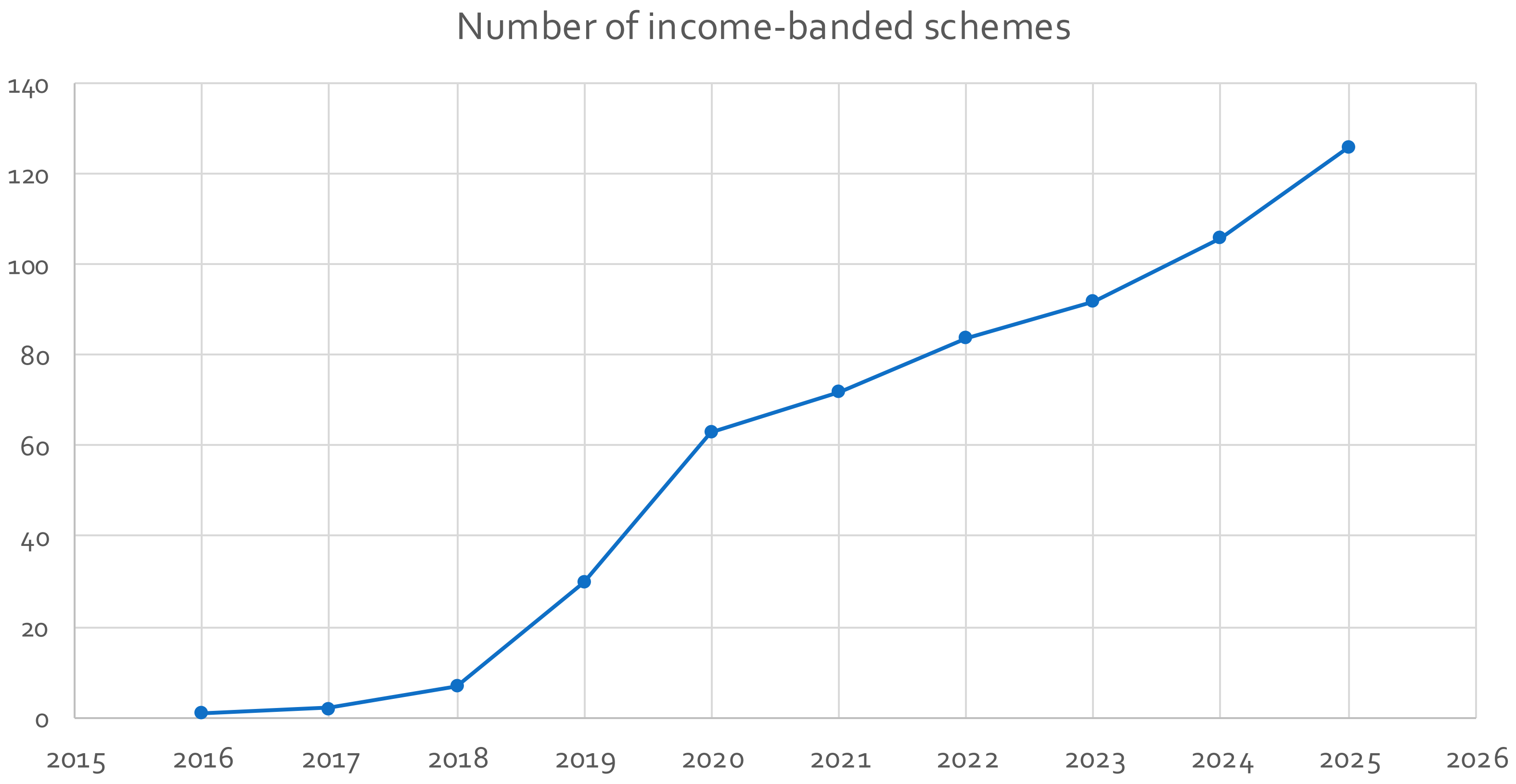
When a minimum award rule is in place any CTR entitlement below that amount is ignored. This saves on the administration costs associated with processing small amounts.

There are 64 schemes (20%) with a minimum CTR award in 2025/26, with the most common minimum CTR being £1 a week.

This year 6 LAs introduced new minimum awards while 2 LAs increased their minimum awards, one from £2 to £3 and another from 50p to £5. In contrast we also saw 5 LAs remove their minimum award altogether..

The growth of income-banded schemes

There are 20 new income-banded schemes this year, taking the total to 126. This represents the largest increase in new income-banded schemes since 2020, with 40% of all CTR schemes now being income-banded. Of the 126 income-banded schemes, 16 are for UC claimants only with the previous scheme being retained for non-UC working-age claimants.



Income-banded schemes: popular household type formats

37 (29%) vary support by 4 household types (8 new for 25/26)

	Weekly Income £								
Income Band	Single		Couple		Family with 1 child		Family with 2+ children		Discount
	From	To	From	To	From	To	From	To	
Band 1	0.00	114.40	0.00	154.40	0.00	204.40	0.00	254.40	90%
Band 2	114.41	171.60	154.41	211.60	204.41	261.60	254.41	311.60	75%
Band 3	171.61	228.80	211.61	268.80	261.61	318.80	311.61	368.80	60%
Band 4	228.81	286.00	268.81	326.00	318.81	376.00	368.81	426.00	45%
Band 5	286.01	343.20	326.01	383.20	376.01	433.20	426.01	483.20	30%

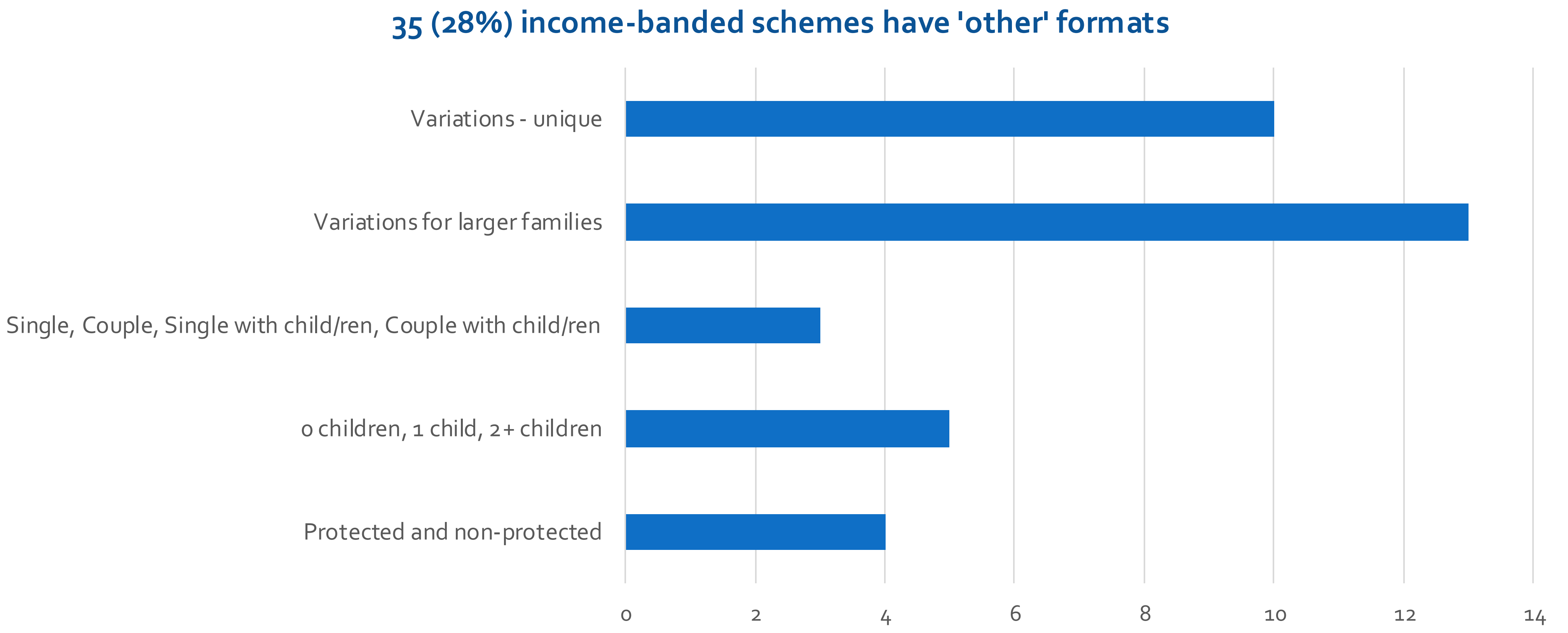
23 (18%) 'one size fits all' (3 new for 25/26)

Income (net)	LCTRS Income Banding	Percentage award of net liability
£0 - £215.99	A	90%
£216.00- £274.99	B	70%
£275.00 - £339.99	C	50%
£340.00 - £398.99	D	30%
£399.00 - £462.99	E	10%

31 (25%) vary support by six household types (7 new for 25/26)

Discount Band	Discount	Single Person	Single person with one child	Single person with two or more children	Couple	Couple with one child	Couple with two or more children
Weekly Income Ranges							
Band 1*	80%	£0 to £93.00	£0 to £196.00	£0 to £279.00	£0 to £146.00	£0 to £248.00	£0 to £330.00
Band 2	60%	£93.01 to £132.00	£196.01 to £232.00	£279.01 to £316.00	£146.01 to £182.00	£248.01 to £285.00	£330.01 to £366.00
Band 3	40%	£132.01 to £168.00	£232.01 to £270.00	£316.01 to £352.00	£182.01 to £218.00	£285.01 to £322.00	£366.01 to £404.00
Band 4	20%	£168.01 to £204.00	£270.01 to £307.00	£352.01 to £389.00	£218.01 to £256.00	£322.01 to £358.00	£404.01 to £440.00
	0%	Over £204.00	Over £307.00	Over £389.00	Over £256.00	Over £358.00	Over £440.00

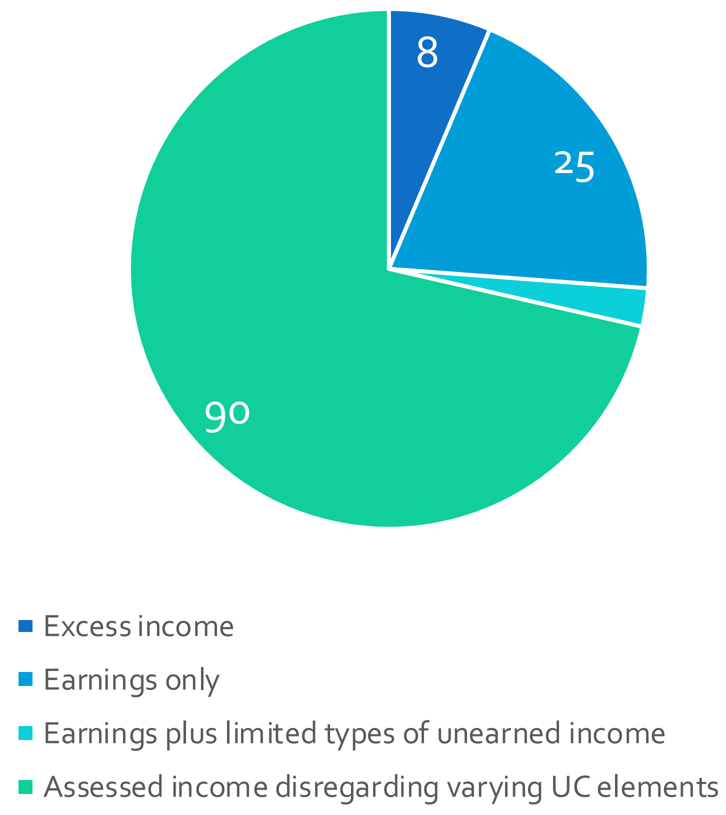
Income-banded schemes: other formats



1 LA with an existing income-banded scheme changed their format this year, changing from a one size fits all format to the 6 household types format.

Income-banded CTR schemes: income taken into account

Income types used in income-banded schemes 25/26



Of the new income-banded schemes 6 only include earnings when assessing income, and one existing income-banded scheme changed to being earnings-only this year. Overall 20% of banded schemes now use this approach (25 LAs).

Eight income-banded schemes (including 2 new this year) are 'excess income' schemes, meaning they still use applicable amounts to compare against income to determine an excess income for each claimant. This excess income amount is then checked against an income-banded scheme table to identify the appropriate support percentage.

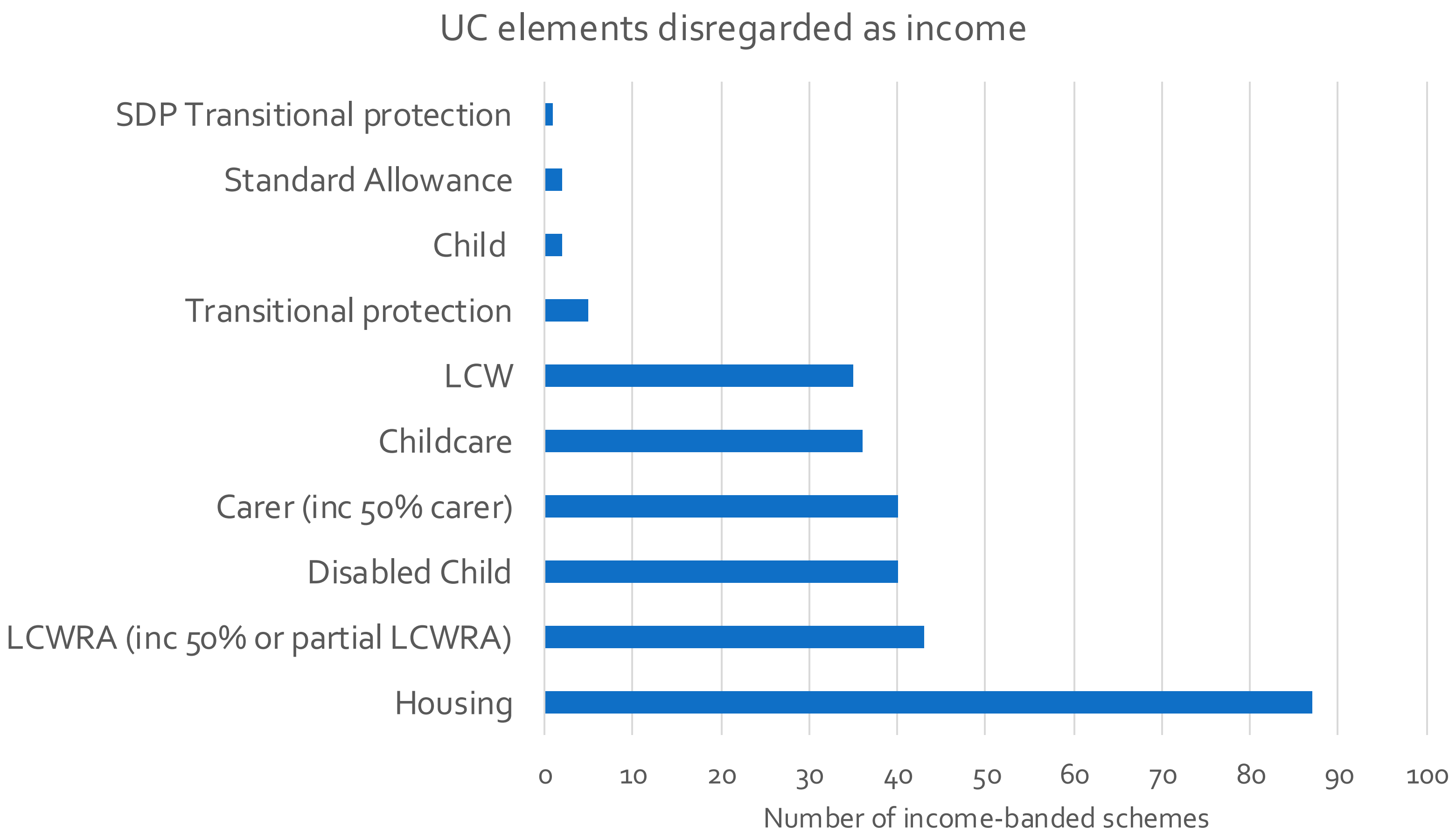
The vast majority of income-banded schemes (90 LAs), including 12 new ones, use similar assessed income to non-banded schemes, the main difference lies in how much of the UC award they disregard.

Income-banded CTR schemes: income from UC

The way UC income is calculated affects the amount of CTR awarded. It's good to see that all but 2 of the new schemes (which aren't earnings-only or excess-income schemes) disregard the Housing, LCWRA, disabled child and carer elements in UC when calculating income.

We have also seen 5 LAs with existing income-banded schemes disregarding additional UC elements this year.

We continue to urge LAs to consider which elements of the UC award to take into account as income; especially where the legacy benefit equivalents were disregarded.



Income-banded schemes and out-of-work claimants

Income Band	Single person	Couple	Lone parent with children	Couple with children	Maximum percentage entitlement
Band 1	£0 to £110	£0 to £168	£0 to £220	£0 to £280	100%
Band 2	£110.01 to £150	£168.01 to £220	£220.01 to £270	£280.01 to £340	80%

Weekly income	Lone parents with a child under 5	All other claimants
£0 to 145.99	80%	75%
£146 to 195.99	70%	60%
£196 to 245.99	60%	40%

With migration set to end this year we still need to consider those claimants who are receiving UC as an 'out-of-work' benefit. The concern is that claimants who were previously protected in band 1 when receiving Income Support, Jobseeker's Allowance or Employment and Support Allowance can move out of this band when they move to UC if their UC award counts as income.

For a lone parent who is unemployed and caring for two children under school age, we found that an income of just the UC standard allowance plus two child elements, £226.85 per week, would be too high to place them into band 1 in 15 income-banded schemes (12% of banded schemes). In fact, this income would also be too high to place the example household in band 2 in a few of those schemes, most of which protected IS/ibJSA/irESA claimants by putting them in band 1.

The upper band 1 income threshold is as important a factor as the maximum CTR when considering the support available to those on the lowest incomes under an income-banded CTR scheme.

Our services for LAs changing their CTR scheme

Whether you are thinking of moving to an income-banded scheme or an alternative type of scheme we can help you in one of three ways:

Monitoring the market: Providing details of what other LAs are doing so you can see which policy options, if any, may be appropriate for your council.

Evaluating alternatives: Assisting you in setting up policy options for alternative schemes in our CTR consultation calculator. You can use existing schemes from other LAs or create unique new schemes. You can then run either hypothetical or real case examples through the calculator to see entitlements under the proposed schemes compared to your existing scheme.

Modelling your data: By combining our calculation engine with your LA CTR data we can estimate the cost and distributional effect of proposed schemes, for both your authority's and residents' finances.

GET IN TOUCH

We'd like to hear from you.

Email: hello@entitledto.co.uk
Visit: www.entitledto.co.uk/organisations
Call: 0161 980 6276

Contact us today if you need help with changing your CTR scheme

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COUNCIL TAX REDUCTION SCHEME 2026

October 2025

ABSTRACT

Results of the consultation for Swale Borough Council

Consultation@maidstone.gov.uk

CONTENTS

INTRODUCTION

Each year Swale Borough Council must decide whether to change the Council Tax Reduction Scheme (CTRS) for **working age applicants** in its area, with Pension Age applicants seeing no changes as they are part of the national scheme.

The Council consulted on the following **changes** to its scheme for 2026/27:

- Increasing the maximum level of support to 90% or 100% in Band 1
- Increasing the maximum level of support for those claimants in Bands 2 - 4
- Removing the minimum income floor
- The inclusion or exclusion of income from further compensations in the calculation of Council Tax Reduction.
- Alternatives to changing the CTRS.

The survey was open between 1 August and 28 September 2025. It was promoted online through the Council's website and direct emails and letters were sent to all current CTRS recipients.

There was a total of 539 responses to the survey, including 196 partial responses (this is where the respondent has abandoned the survey part way through).

<u>The Report</u>

As an online survey is a self-selection methodology, with residents free to choose whether to participate or not, it is not fully representative of the wider adult population of Swale.

This report discusses the unweighted results to overall responses by demographic questions.

Demographic Differences: Responses have been separated into different mutually exclusive subgroups and the data has been compared to see whether there are any significant differences between subgroups. When looking at subgroups within a sample, the sampling error increases.

Open questions were analysed through the use of code frames and assigning each issue or opportunity raised by respondents in their response a code. The use of coding allows the same issue or opportunity raised by multiple respondents to be logged and categorised together within the coding frame, thereby, making it possible to quantify how many times the same or very similar issue or opportunity was made by respondents.

<u>Report Notes</u>

- Not every respondent answered every question, therefore the total number of respondents refers to the number of respondents for the question being discussed not to the survey overall.
- Rounding means that some charts may not add up to 100%.

FINDINGS

- 73% of respondents were in favour of changing the maximum level of support available for working age claimants.

- Of those who felt that the levels of maximum support should be increased, 75% felt it should be increased to 100%.

- 65% of respondents agreed with the proposal to increase the maximum percentage for bands 2-4 by 10%.

- Survey respondents were uncertain about removing the minimum income floor with 38% answering ‘not sure’.

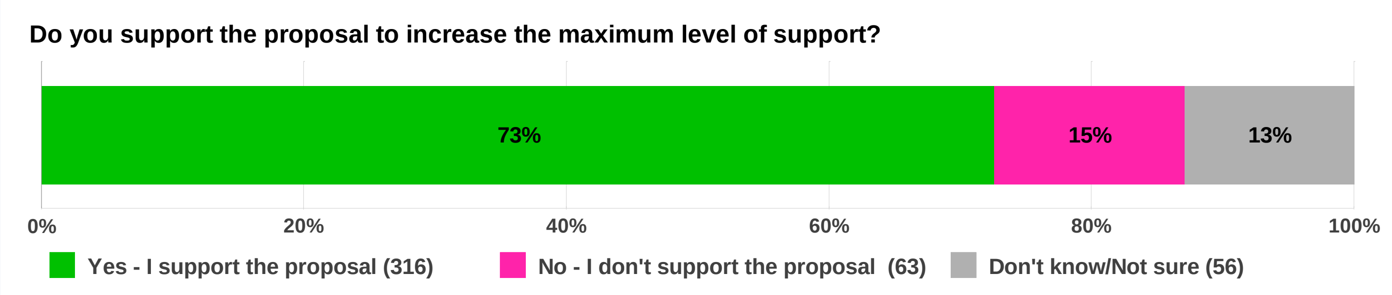
- 45% of respondents said that additional compensation payments should be disregarded for the purposes of calculating entitlement to CTRS.

- Respondents preferred alternative option for covering additional administrative costs from changes to the CTRS was ‘use council reserves’. The least preferred alternative option was ‘increase council tax to cover additional administration costs’.

CHANGING THE MAXIMUM LEVEL OF SUPPORT FOR WORKING AGE CLAIMANTS

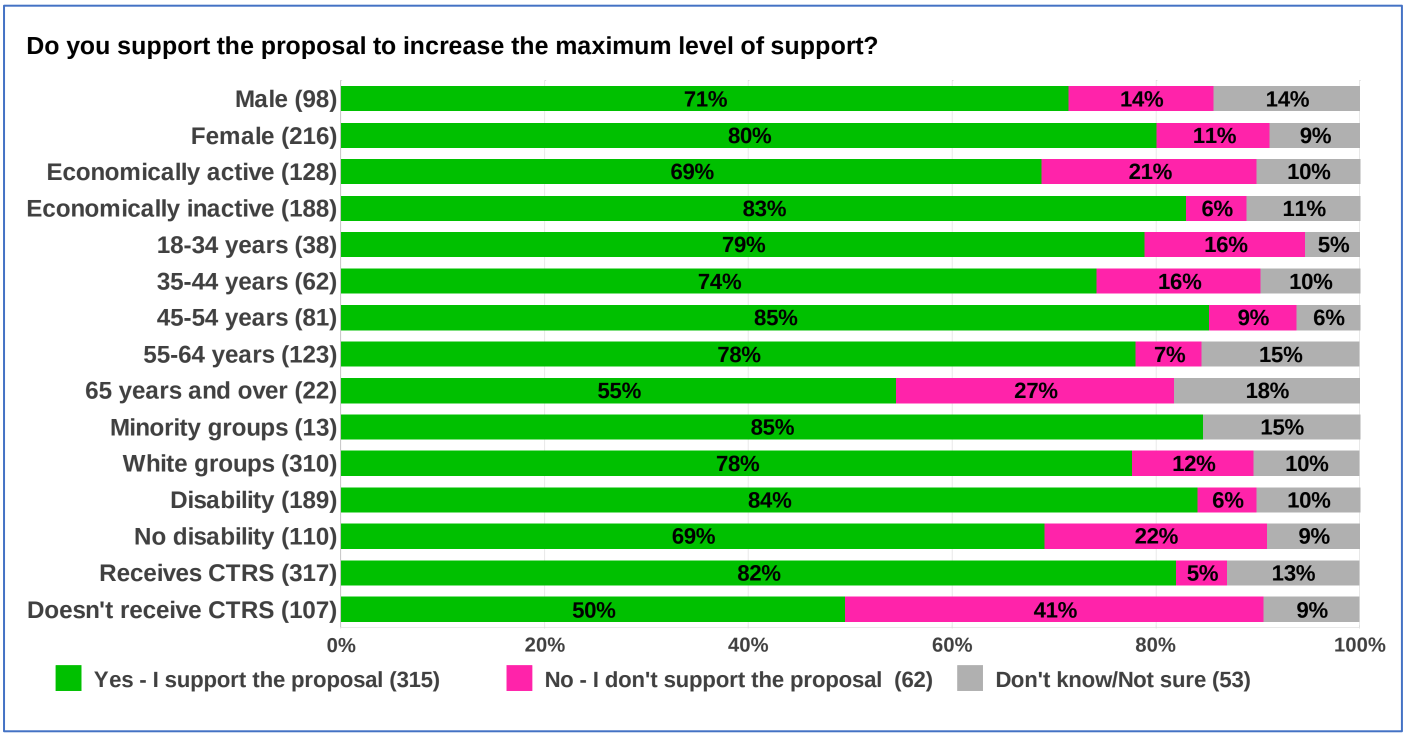
Survey respondents were asked if they supported or opposed the proposal to increase the maximum level of support.

- A total of 436 responses were received to this question.
- The most common response was 'yes – I support the proposal' with 316 answering this way.



Demographics

The table and chart below outline difference in response between subgroup categories.



	Female respondents were more likely than male respondents to agree with the proposal with 80% supporting the change compared to 71% of male respondents.
	Economically inactive respondents were more likely than economically active respondents to agree with the proposal with 83% answering this way compared to 69% of economically active respondents.
	Respondents aged 65 years and over had the lowest proportion agreeing with the proposal at 55%. Respondents aged 45 to 54 years had the greatest proportion that answered this way at 85%.
	There were no respondents from minority backgrounds that said they did not support the proposal.

	Respondents with a disability were more likely than respondents without a disability to agree with the proposal with 84% in favour of the proposal compared to 78% of respondents without a disability.
	Respondents in receipt of CTRS were more likely than respondents not currently in receipt of CTRS to agree with the proposal with 83% in favour of the proposal compared to 50% of respondents not in receipt of CTRS.

Opposed Comments – Do not change the maximum level of support

Respondents that told us they did not support the proposal to increase the maximum level of support were asked to outline the reasons they felt this way.

- A total 50 comments were received.
- The most common theme was 'unfair on taxpayers/taxpayers funded'.

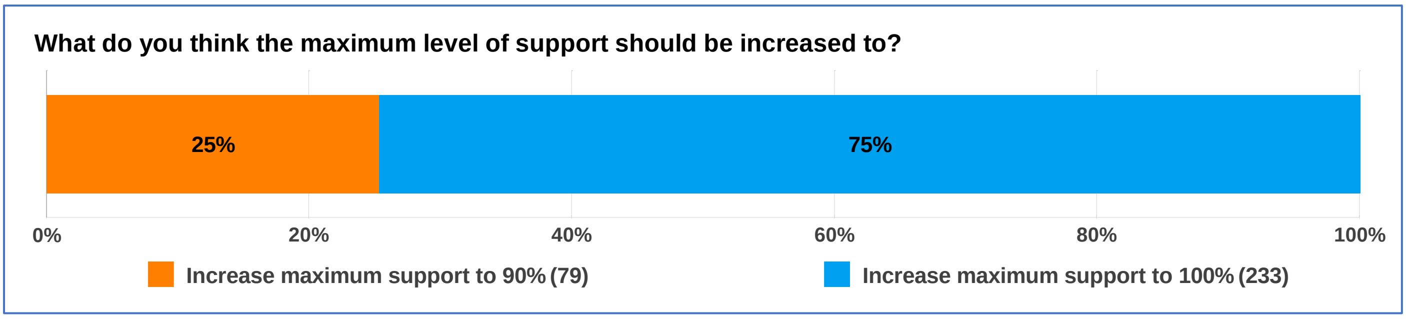
Theme	No.	Examples
Unfair on Taxpayers /Funding by Taxpayer	16	• I'm fed up paying for other people, we all struggle but why should I keep paying for those who don't, I took on extra work to cover bills. • Because someone will have to pick up the bill and it will be the middle paid workers just over the limit. • I am fed up of subsiding people who do not pay their own way in life.
Incentive to work	9	• This is effectively putting a plaster on the problem. With inflation this will need greater funding in the future. I would use the additional money to help get the 6500 of working age claimants back into work! • It doesn't encouraged people to either change their spending habits or either get a job or increase their working hours
Everyone Contribute	9	• Everyone should have to pay something, otherwise everyone else who works will be picking up the extra, when money is tight for most. • I believe that every resident whether on a low income or not should be contributing towards local services that they use & 20% is fair
Cost of Living	9	• Myself and my partner work incredibly hard in average pay jobs and have never claimed any benefits and there is no benefit to us. We work overtime to make ends meet to pay the bills, there should be more support getting people on UC in jobs. • I am under no illusion that the burden will fall to other taxpayers who fall outside of these parameters but whom are still struggling to pay bills due to rising taxation and costs.
Keep Current levels/Current levels enough	6	• Surely someone receiving an 80% discount now cannot object to paying the meagre amount resulting. Council tax is supposed to pay for services provided by the council. I do not use libraries, have street lights - can I have a reduction in my council tax for non-use of services? • Personally I think the support received is enough and that money could be better spent on other things.
Council Services & Budgets	6	• It would mean that the service you provide now will have to be cut and that's not good for people who are paying the full amount of council tax and getting a minimum service. • It puts extra pressure on other tax payers, creates a disincentive to work and may result in more financial pressure on public services.
Queries regarding impact of proposal	6	• I can't find an explanation in your document as to how exactly increasing the tax reduction will save the Council money - surely it would increase your expenditure by paying out more in relief? • Whilst the lowest incomes may get more support, the current//remaining applicants will be worse off than previously and may then be below the poverty line. Then you are just creating other problems for society in general.

Theme	No.	Examples
		It is not clear how this proposed scheme would simplify administration? It must be possible to reduce costs by sending notices via other means than posting them. Many organisations now use electronic communications and most people have mobile phones; even those on low incomes, so details could be sent via SMS.
Other themes		• Pensioners -3 • Benefit fraud -2

What do you think the maximum level of support should be increased to?

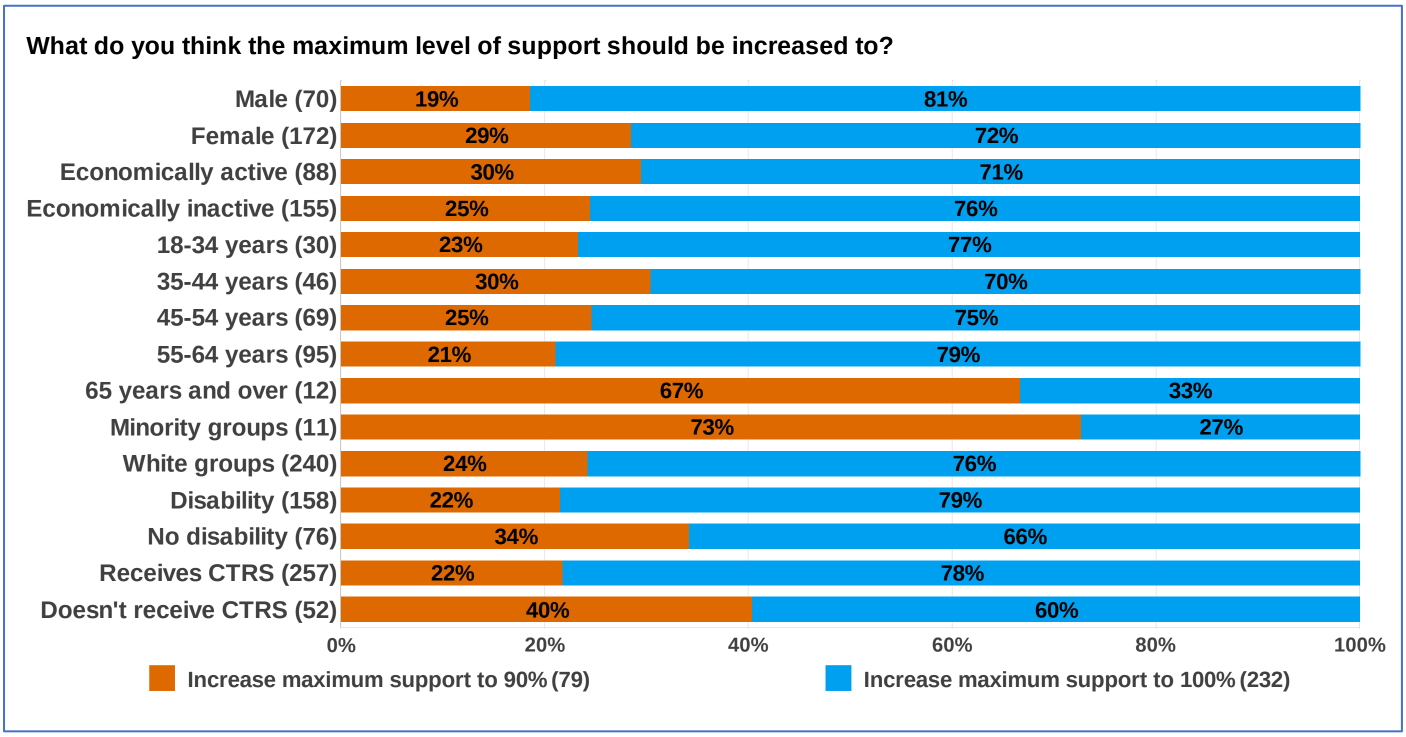
Respondents that said they supported the proposal to increase the maximum level of support were subsequently asked 'What do you think the maximum level of support should be', and were provided with two answer options of 90% and 100%.

- A total of 312 responses were received to this question.
- The most common response was 'increase maximum support to 100%' with 233 answering this way.



Demographics

The table and chart below outline difference in response between subgroup categories.



	The preferred level of increase for the 65 years and over age group was 'increase maximum support to 90%', for all other age groups the preferred option was 'increase maximum support to 100%.

	The preferred level of increase for respondents from minority groups was 'increase maximum support to 90%'.

General Comments about the proposals to increase the maximum level of support.

The survey provided respondents with a free text box to provide comment about the proposal to increase the maximum level of support.

- A total of 111 comments were received.
- The most common theme was 'Cost of Living/ Struggling with finances'.

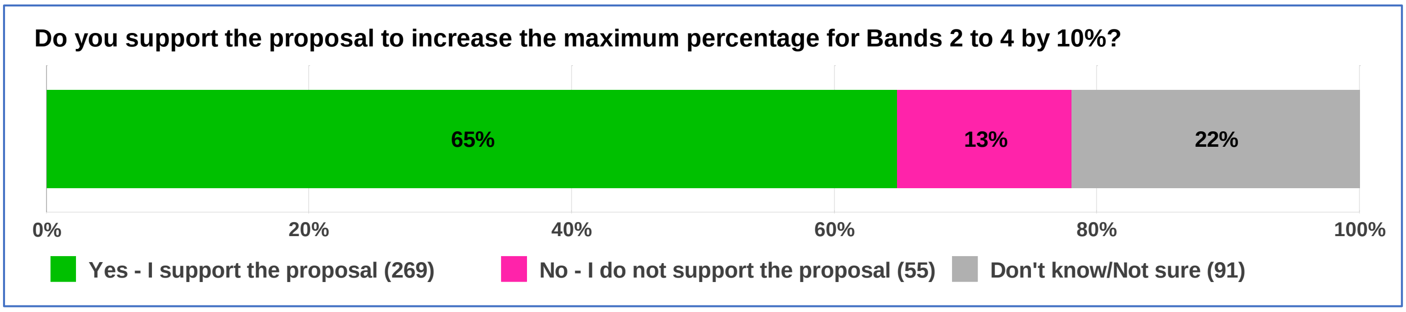
Theme	No.	Examples
Cost of Living/Struggling with finances	42	• People have no money. We pay for services that the council are cutting. How on earth on minimum wage can People afford rent and council tax. • Cost of living is affecting low income household considerably and they shouldn't have to choose between tax and food. • The cost of living crisis is ongoing and causing increasing pressure on people the increased support will do more good than bad. • The maximum level of support would help people who are genuinely struggling with the cost off living especially disabled people who cant work due to ill health..
Positive about increase	37	• This is a welcome change especially helps those forced into adapted homes on a very high council tax band because theres no other options. • Family life is hard enough bills coming in and not enough money the support would be an amazing help. • I support the decision to increase the level of support for low income family's, I am a low income family, it's incredibly difficult to survive in the economy today to support children in school, one whom is off to university to better the education to get better life, we have one child who is significantly disabled and one parent who is a full time carer, one parent works full time every hour possible, increasing the maximum amount of wage possible but overtime is not guaranteed basic wage isn't enough to survive, requiring more support from UC it's increasing harder to just live despite paying all the bills every month on time.
Personal Circumstances	11	• When I needed help with council tax I was told there was no help, it would have been nice to have help and support myself... • I don't get this we are a one income family of 5 why haven't I been offered this help? • All of my council tax is all mixed up keep getting different numbers that I owe I'm on university credit I have £200 to myself for the month after I paid council tax and other things I need the 100% support now I have send everything in but get different staff saying different things I have emailed loads of times don't get anywhere I be gappy for a appointment for someone to sort it out I do have every letter send to me I said before I said if it goes to court they can look as well someone as done a big muck up on mine.
Unfair on Taxpayers	9	• Council tax has to be found and it's the same class of people who get to pick up the slack. • 100% would imply a free ride. • Make it fair. Reduce the council tax for everyone.
Suggestions	9	• Rateable value should be reassessed. • Why not send electronic or SMS council tax reminders. Also hold off on council tax billing letters until amendments have been made.... this saving extra postage. For example I receive a. Ill, its very high, then i receive an

Theme	No.	Examples
		amendment which includes DLA and carers being taken into a count. This would also cut your postage costs.
Disabled people/Long -term Sick	8	• You should not include any money paid for disabled children as this is for them and not for council tax purposes. • The maximum level of support would help people who are genuinely struggling with the cost off living especially disabled people who cant work due to ill health.
Incentives to work	5	• Stop promoting laziness. You have to pay for what you are using. We're living in the 21 century. Support elderly and only people who are seriously disabled. • So if I earn less everything will be paid for me, that means for me as a working parent - if I work less I get more benefits and have to pay less in bills. When I work more I have to cover all the costs myself therefore I might as well work less.
Everyone contribute	5	• Pay something not nothing. • Think if someone is on UC & working they should still need to pay something towards CTax.
Other themes		Against increase – 3 Query impact of proposal – 3 Council Budgets & Services - 3

CHANGING THE BAND PERCENTAGES

Survey respondents were asked if they supported or opposed the proposal to increase the maximum percentage for bands 2-5 by 10%.

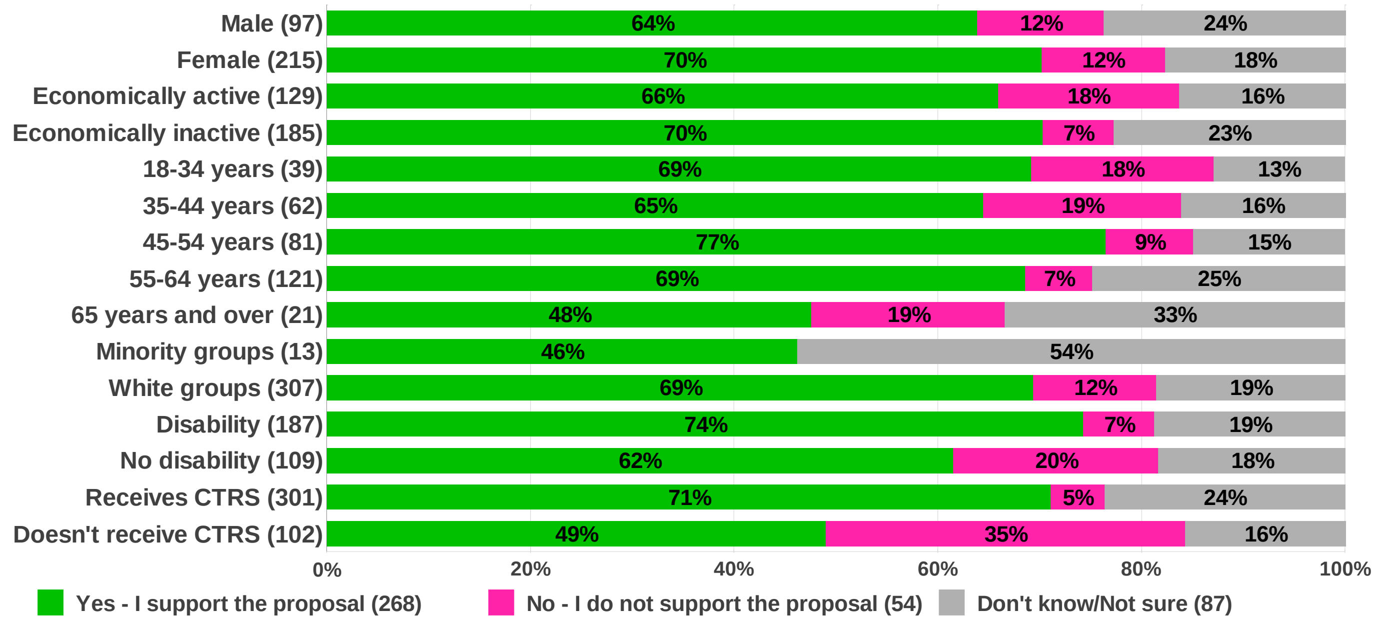
- A total of 415 responses were received to this question.
- The most common response was 'yes – I support the proposal' with 269 answering this way.



Demographics

The table and chart below outline difference in response between subgroup categories.

Do you support the proposal to increase the maximum percentage for Bands 2 to 4 by 10%?



	Respondents aged 45 to 54 years had the greatest proportion that were in support of this proposal at 77%, respondents aged 65 years and over had the lowest proportion answering this way at 48%.
	There were no respondents from minority groups that disagreed with this proposal however, 54% reported being unsure.
	Less than half of respondents (49%) not in receipt of CTRS were in favour of the proposal, while almost a quarter of respondents (24%) in receipt of CTRS said they were 'not sure' about this proposal.

Opposed Comments – Do not increase the maximum percentage for bands 2-5 by 10%

Respondents that told us they were opposed to the proposal to increase the maximum percentage for bands 2-5 by 10% were asked to outline the reasons they felt this way.

- A total of 30 comments were received.
- The most common theme was 'Unfair on Taxpayers'.

Theme	No.	Examples
Unfair on Taxpayers	9	• Same reason as before. I don't wish to pay more because of others unable to. • I feel it doesn't encourage people to work, or remain in work or aspire to progress and earn more as they will lose the benefit of the reduction. Everyone else who does earn more is picking up the bill. • Who pays the shortfall? The working class just over the pay limit.
Negative increase	7	• This category applies to me and I manage my finances fine and would not need extra support. I am grateful for what I do get but think the increase cost is not worth it. • All residents should pay council tax. Council tax keeps being increased, indicating distress are increasing, so why then make it free/ increase discount levels for more people - completely contradictory. If the council and KCC, fire service etc no longer need the income from council tax then reduce the cost of council tax for everyone.

Theme	No.	Examples
Council Budgets & services	5	• The money is needed for vital services to protect our area. • The council need to have a payment made to them that isn't of an extreme nature as it is at the moment and for the staff to be taken down to the levels of where we haven't got 1 writing and another one putting the stamp on . The top dogs at the council need to have a seriously large pay cut and then we will see how many actually have the areas best wishes at heart or its all about the money.
Cost of Living/Finance Struggles	4	• Some of the claimants in this band use food banks and some are disabled. • Council tax is to high
Other themes		• Queries on impact of proposals – 3 • Suggestions – 3 • Everyone contribute -2

General Comments about increasing the maximum percentage for bands 2-5 by 10%

The survey provided respondents with a free text box to provide comment about the proposal to increase the maximum percentage for bands 2-5 by 10%.

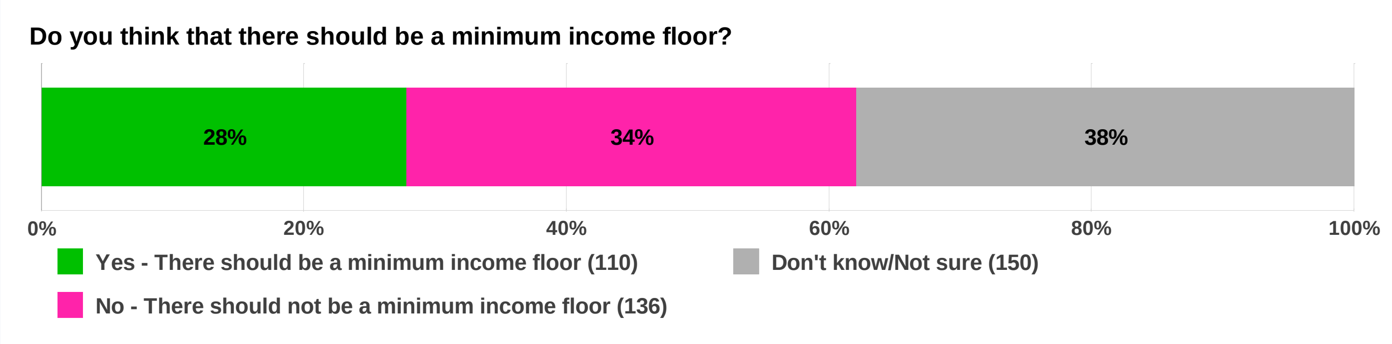
- A total of 31 comments were received.
- The most common theme was 'positive about proposal to increase'.

Theme	No.	Examples
Positive about proposal to increase	9	• Yes I absolutely agree with this. For some time carers allowance was classed as income and this took people into a higher band but with no opportunity to earn additional income. • Again the cost of living crisis is impacted those on low incomes any little bit of help at this stage would be gracefully received.
Incentives to work	7	• Do not agree with increase, please provide evidence that such a measure would actually encourage people to work. • Surely this would depend on what there earnings are , maybe increase it for bands 3 to 4. I'm sure this would encourage more people to stay in work.
Queries on impact of proposals	5	• If you are trying to save money, why would you increase the percentages? You have actually stated that it would cost more, but it seems that fewer people will be eligible, since Band 5 will no longer receive a reduction. It may not actually encourage people to remain in work, that is an unknown quantity. Perhaps you should consider reducing the Council Tax as a whole, which would mean that less people would need to claim a reduction and could therefore, save on administration costs and funds. • I'm unsure as to whether 'normally working' means people who are in low paid employment, or also covers people who are of working age and are unable to work.
Other themes		• Against/Negative about proposal to increase – 3 • Suggestions – 4 • Unfair on Taxpayers - 2

Minimum Income Floor

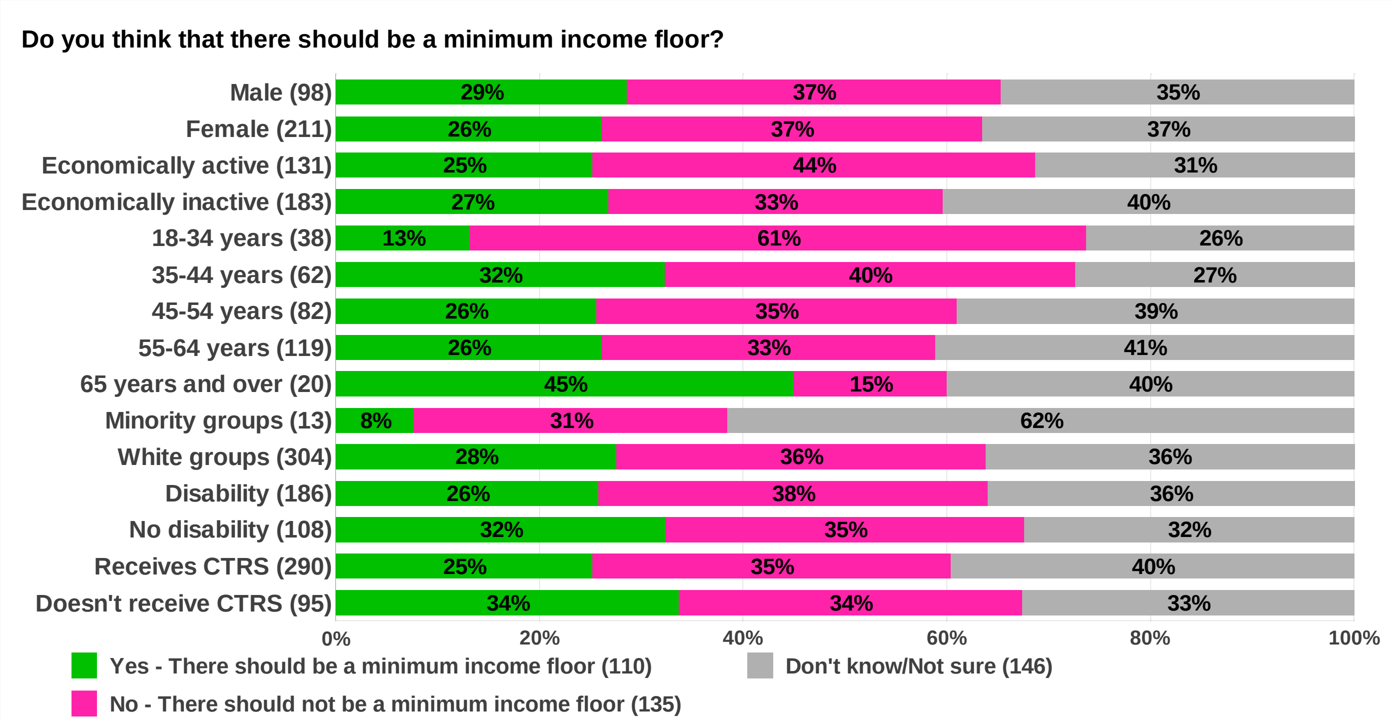
Survey respondents were asked if they thought there should or should not be a minimum income floor.

- A total of 396 responses were received to this question.
- The most common response was 'Don't know/Not sure' with 150 answering this way.



Demographics

The table and chart below outline difference in response between subgroup categories.



	The most common response for economically active respondents was 'No – there should not be an minimum income floor' with 44% answering this way. The most common response for economically inactive respondents was 'don't know/Not sure' with 40% answering his way.
	The most common response for respondents aged 65 years and over was 'yes- there should be a minimum income floor' at 45%. The most common response for respondents aged 18-34 years was 'no- there should not be a minimum income floor' at 61%. The most common response for the 45 to 54 years and the 55 to 64 years aged groups was 'Don't know/Not sure' at 39% and 40% respectively.
	Six in ten respondents (62%) from minority groups answered 'Don't know/Not sure'.

Agree Comments – There should be a minimum income floor

Respondents that told us they thought that there should be a minimum income floor were asked for the reasons that they felt this way.

- A total of 40 comments were received.
- The most common themes were ‘suggestion’ and ‘incentive to work’.

Theme	No.	Examples
Incentive to work	8	• Some people need an incentive to work/try to work. • It encourages people to earn money. • Support those on low income, not the ones that don't work.
Suggestion	7	• For newly self employed applicants, perhaps their first could have no minimum set; thereafter a minimum income floor[1]. • All benefits should be means tested. • I feel those on benefits should be exempt and those earning below a curtain bracket reduced heavily.
Fraud	6	• People do earn more than declared. • Keep the minimum income floor, stops people saying they are self employed, & work 37hrs a week, but then have no income. Perhaps if they have just become self employed, we should not use the minimum income floor, but should be included if they have been trading for 6 months or more.
Self-Employed & Start-ups	5	• I didn't know this could even be a thing back when I was self employed, broke and paying full whack! • The self employed tend to be forgotten!
Other themes		• Cost of Living – 4 • Fairness – 4 • Support this groups – 4 • Fluctuating income - 2

General Comments about Minimum Income Floor

The survey provided respondents with a free text box to provide comment about the minimum income floor.

- A total of 26 comments were received.
- The most common theme was ‘suggestion’.

Theme	No.	Examples
Suggestion	8	• It should be based on the amenities you use or have and location. • Make all council tax cheaper. • I believe a year period should be in place for new self employed people as may take a few hits during the first year[2].
Better for self-employed /start-ups	7	• Those seeking to be self-employed and possibly ultimately create jobs, should be encouraged, not possibly penalised. • I worked self employed and the minimum income floor applied to me. The reason I chose self employed is because it is flexible around school hours. I had to stop my self employed work because I could not reach the minimum income floor required and also even though I earned a small amount of wages that month I was still only entitled to the same universal credit and I was

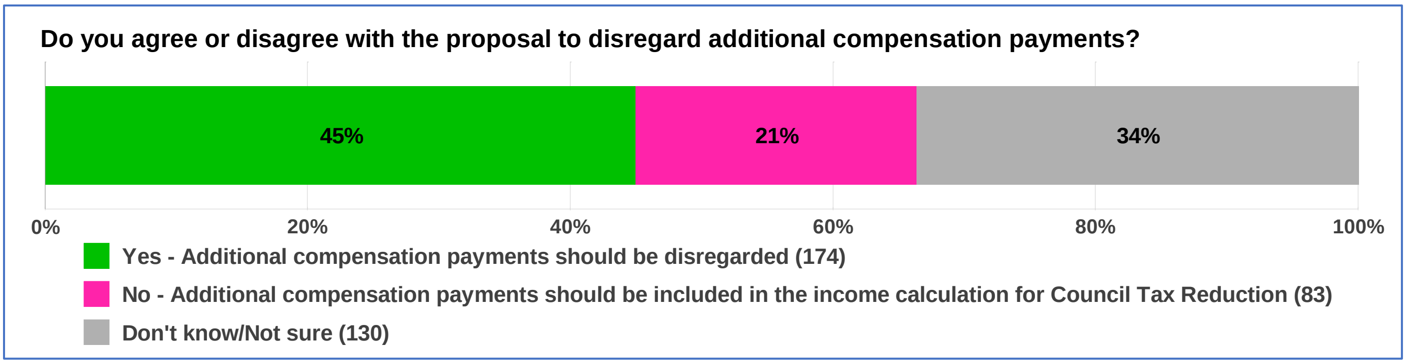
[1] A total of four comments mentioned having a period after setting up a new business/becoming self employed before a minimum income floor should apply.
[2] A total of three comments made similar suggestions.

Theme	No.	Examples
		minus £500 in one month. Why should being self employed make you worse off when all you want is flexible working for your family.
In favour of removing minimum income floor	4	• Removing the minimum income floor would increase the incentives for people to go into business self-employed and make living that way more affordable. • I do think removing the income floor would be helpful. Being self employed means your income can fluctuate and that is out of your control.
Incentives to work	3	• Needs to be in place to show self employment is a viable job/career. • Everyone should work. No exemption.
Other themes		• Fraud – 1 • Council Budgets & Spending – 1 • Against removing minimum income floor – 1 • Cost of Living - 1

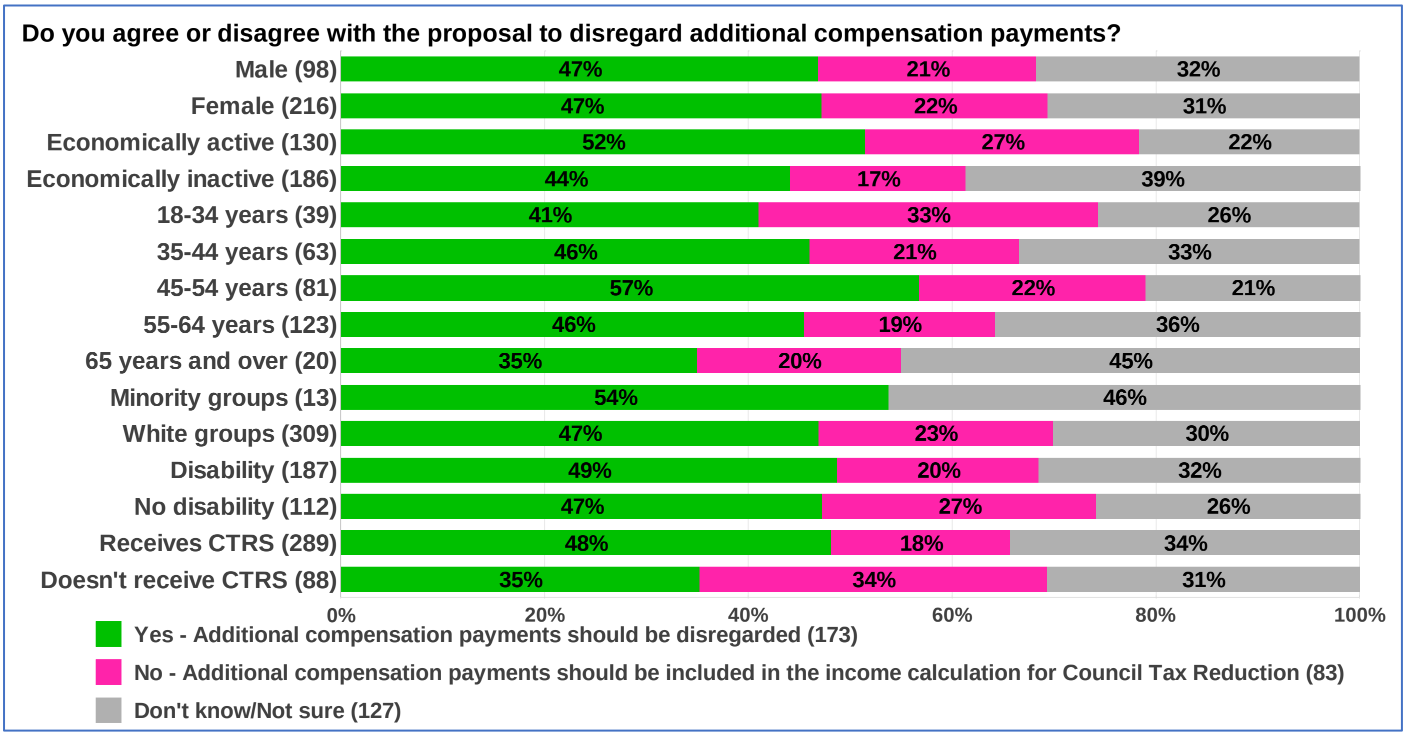
TO DISREGARD ADDITIONAL COMPENSATION PAYMENTS FOR THE ASSESSMENT OF COUNCIL TAX REDUCTION

Survey respondents were asked if they agreed or opposed the proposal to disregard additional compensation payments for the assessment of Council Tax Reduction.

- A total of 387 responses were received to this question.
- The most common response was 'yes' with 174 answering this way.



The table and chart below outline difference in response between subgroup categories.



	39% of economically inactive respondents answered ‘don’t know/not sure’, significantly greater than the 22% of the economically active group that answered this way.
	21% of respondents aged 45 to 54 years answered ‘don’t know/not sure’, significantly lower than the 36% that answered this way from the 55 to 64 year age group.
	48% of recipients of CTRS said that additional compensation payments should be disregarded, significantly greater than the 35% answered this way from respondents that do not receive CTRS.

Opposed Comments – Do not disregard additional compensation payments

Respondents that told us they thought that additional payments from compensation schemes should be included in the calculation of income for assessing council tax support were asked to outline the reasons they felt this way.

- A total of 29 comments were received.
- The most common theme was ‘part of income’ with 10 comments.

Theme	No.	Examples
Part of income	8	• Its an income just as a private pension would be included in income. • Compensation payments should be treated as savings & capital no matter what the compensation awarded for. • This aint fair. Council tax is based on income.
Capital	8	• They still have the capital and in some cases far more than other working people. • Again, perhaps any award value could be averaged over say, 5 years and that averaged figure used as capital to mitigate the effects. • Compensation payments should be treated as savings & capital no matter what the compensation awarded for.
If can pay, then should pay	6	• As stated in the explanatory text, some applicants may have high capital and still be entitled to Council Tax Reduction and they shouldn’t be. If they can afford to pay then they should.

Theme	No.	Examples
		• Whilst I have empathy for those in receipt of any compensation payment, I don't see it as being any different to any pot of money an individual has. The Council is a business that is helping those on low or no income, not a charity.
Fairness	3	• if pip is included in some companies finance planning then why shouldn't others. • It's fairer.
Other themes		• Reduces benefits paid -2 • Suggestion -2

General comments about disregarding additional payments from compensation schemes

The survey provided respondents with a free text box to provide comment about the proposal to disregard payments from additional compensation schemes for the assessment of Council Tax Reduction.

- A total of 25 comments were received.
- The most common theme was 'exclude compensation/ Recipients already been through enough'

Theme	No.	Examples
Exclude compensation/ Recipients already been through enough	9	• It would be despicable to tax people on their compensation award when they have suffered so much hardship and pain. • It would be unfair to penalise anyone in the circumstances stated, since all of those cases are/were beyond the control of any individual who was affected by them. This scheme should be aligned with the rules of other benefits. It surely cannot be considered as capital if you have received compensation for what may have been a life threatening, or life changing event. • Compensation is there to help what you have been through it should not be classed as capital people need this to fund things they didn't need before so to penalise these people is another kick in the teeth.
Intention of compensation	7	• They may need this money for care or adaptions to their homes. • In some cases they should not be disregarded in others they should be if you get say 250,000 you can pay if it's say below 50,000 and depending what it's for it should be looked into.
Suggestion	6	• I think there should be a threshold on the amount and over a certain amount then be included everything above that amount. • It should only be disregarded for the 1st year, after it should be included as capital and band adjusted if needed.
Other themes		• Everyone contribute something – 2 • Income/Capital – 2 • If can pay, should pay – 1 • Cost of living - 1

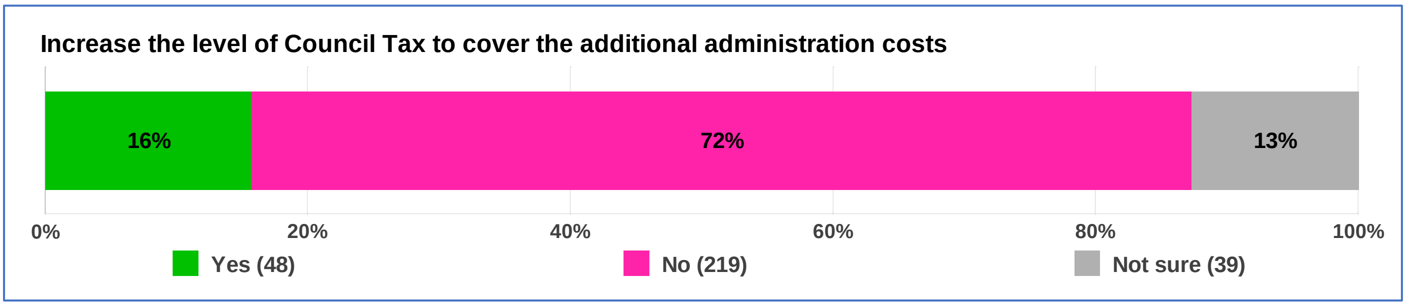
Alternatives to changing the Council Tax Reduction Scheme

Survey respondents were presented with three alternatives to changing the Council Tax Reduction Scheme.

Increase the level of Council Tax to cover administrative costs

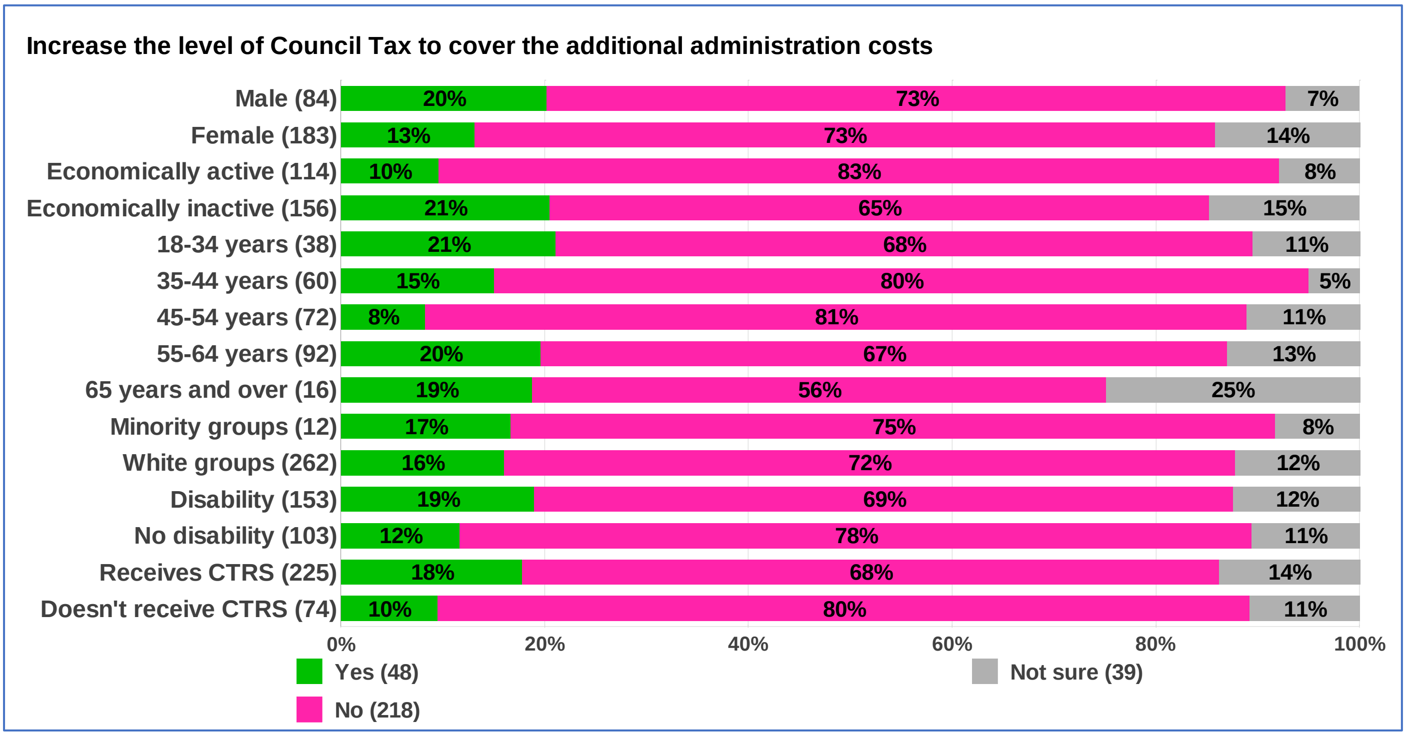
Survey respondents were asked if they thought that the Council should consider increasing the level of council tax to cover the additional administrative costs.

- A total of 306 responses were received to this question.
- The most common response was 'no' with 219 answering this way.



Demographics

The table and chart below outline difference in response between subgroup categories.

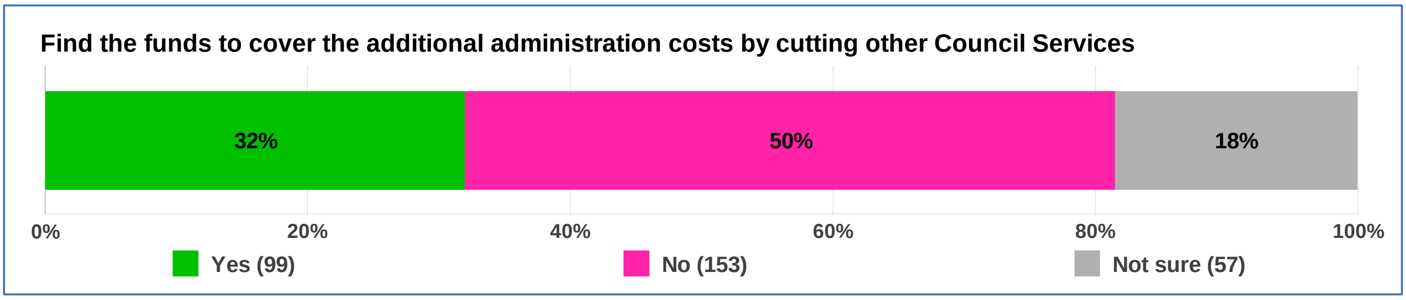


	21% of economically inactive respondents answered 'yes', significantly greater than the 10% of the economically active group that answered this way.
	Respondents aged 65 years and over had the greatest proportion that answered 'not sure' at 25%. This is significantly greater than the 5% that answered this way from the 35 to 44 year age group.

FIND THE FUNDS TO COVER THE ADDITIONAL ADMINISTRATION COSTS BY CUTTING OTHER COUNCIL SERVICES

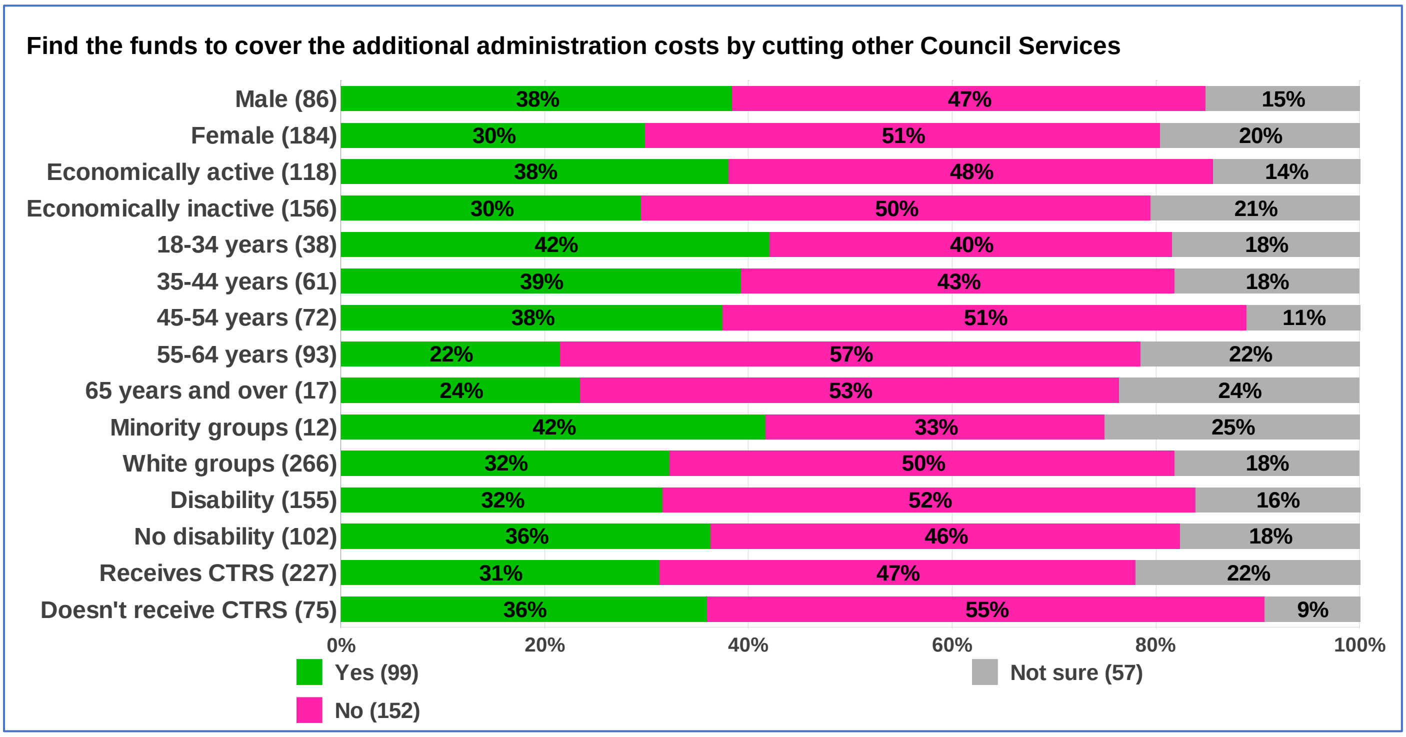
Survey respondents were asked if they thought that the Council should find the funds to cover the additional administration costs by cutting other council services.

- A total of 309 responses received to this question.
- The most common response was ‘no’ with 153 answering this way.



Demographics

The table and chart below outline difference in response between subgroup categories.

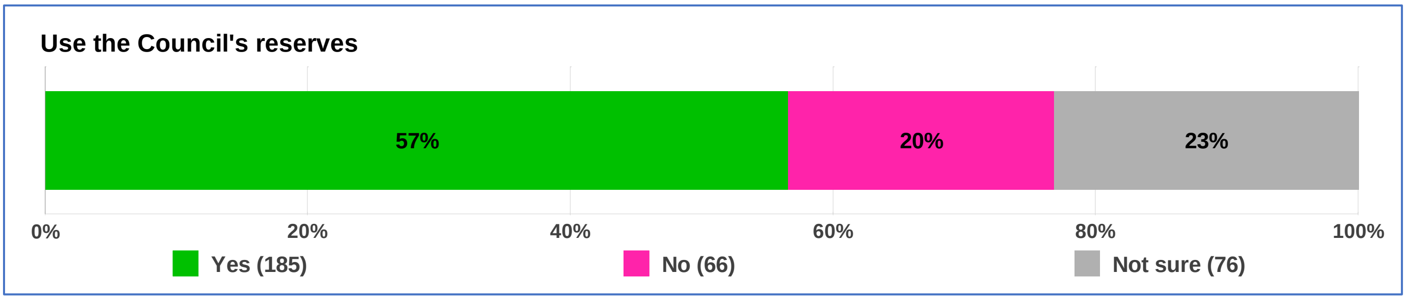


	22% of respondents aged 55 to 64 years answered ‘yes’, significantly lower than the proportions that answered this way from the younger age groups.
	22% of respondents in receipt of CTRS answered ‘not sure’, significantly greater than the 9% of respondents that answered this way that do not receive CTRS.

Use the Council's Reserves

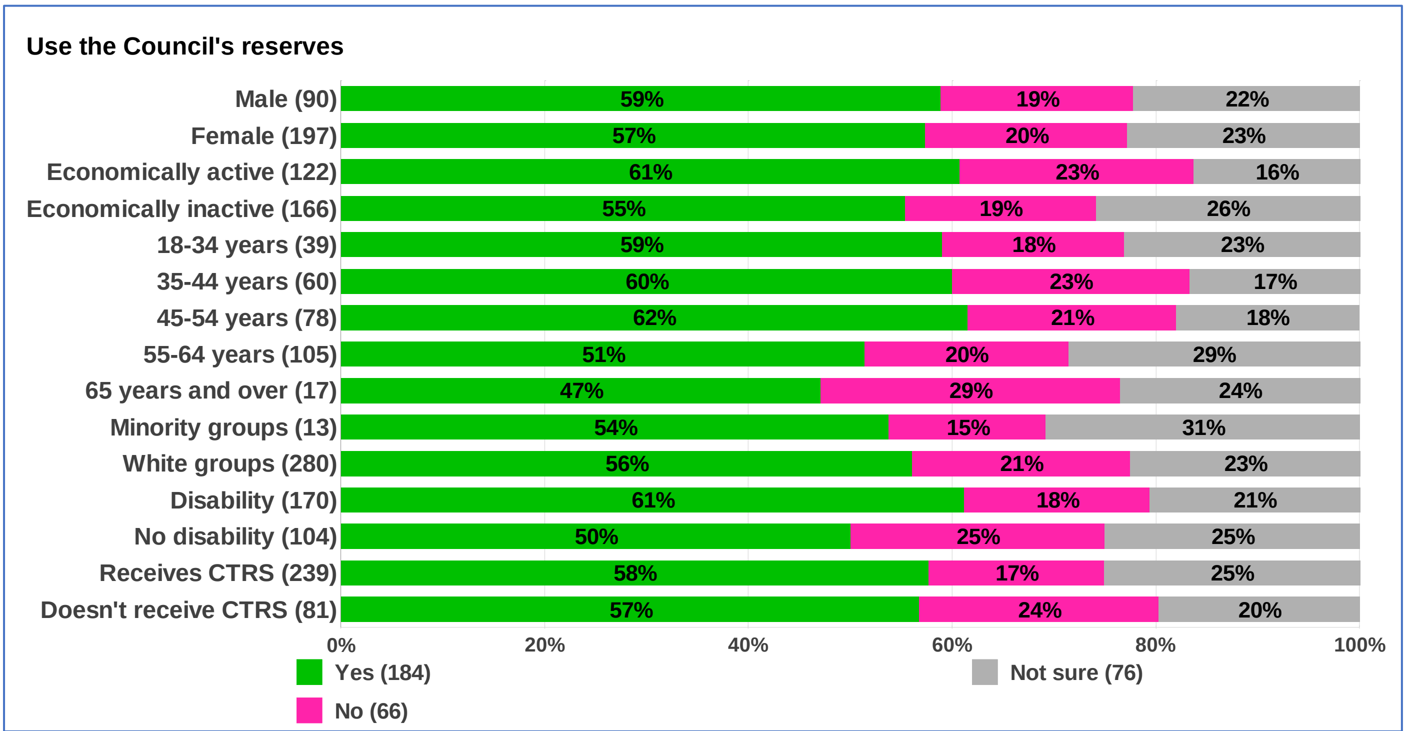
Survey respondents were asked if they thought that the Council should use the council's reserves to cover the additional administrative costs.

- A total of 327 responses were received to this question.
- The most common response was 'yes' with 185 answering this way.



Demographics

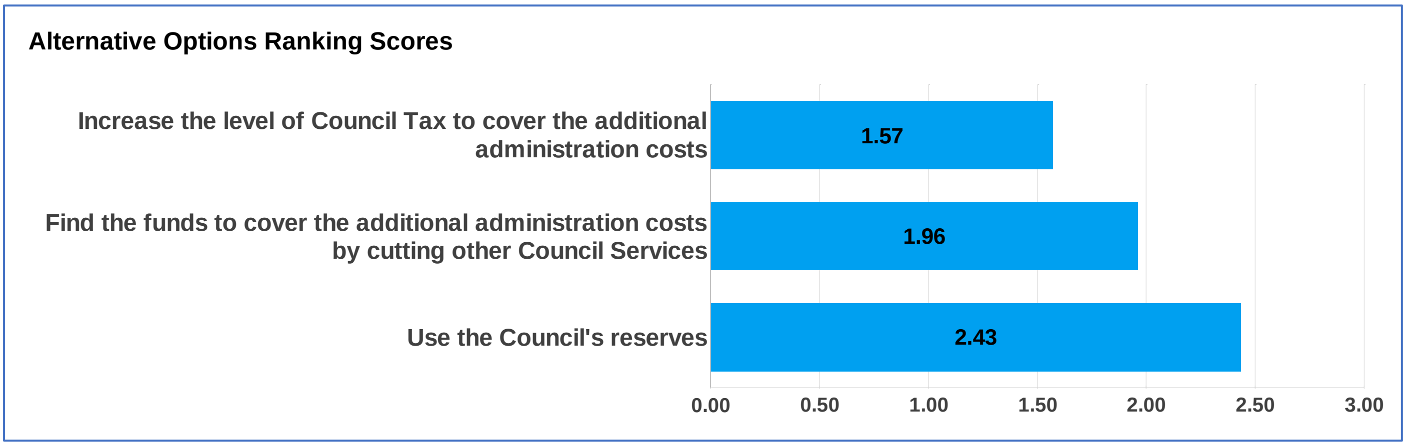
The chart shows the response by subgroup categories. No significant differences in responses were identified between subgroup categories.



Ranking of Alternative Options

Survey respondents were asked to rank the alternative options for covering the additional administration costs in order of preference.

- A total of 302 responses were received.
- Overall, 'use council reserves' was ranking the most preferred option and 'increase council tax to cover additional administration costs' was ranked the least preferred option.



Demographics

No significant differences in scores were identified between subgroup categories.

ADDITIONAL COMMENTS

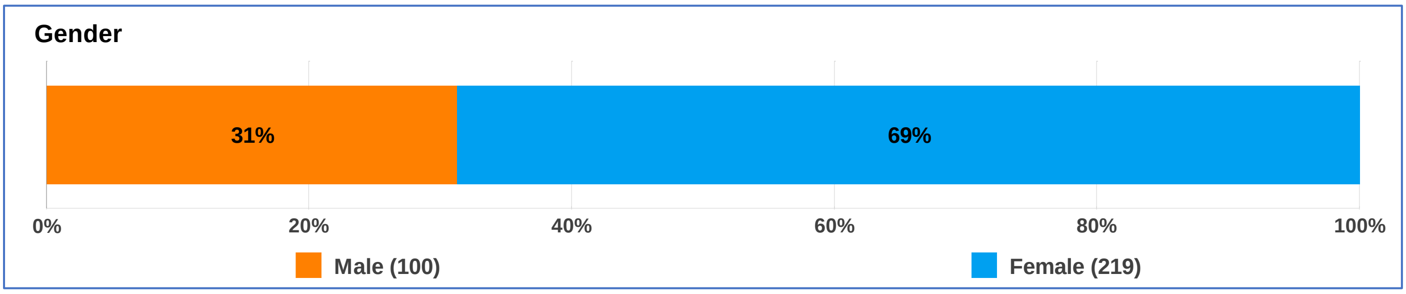
All respondents were given the opportunity at the end of the survey to provide any additional comments.

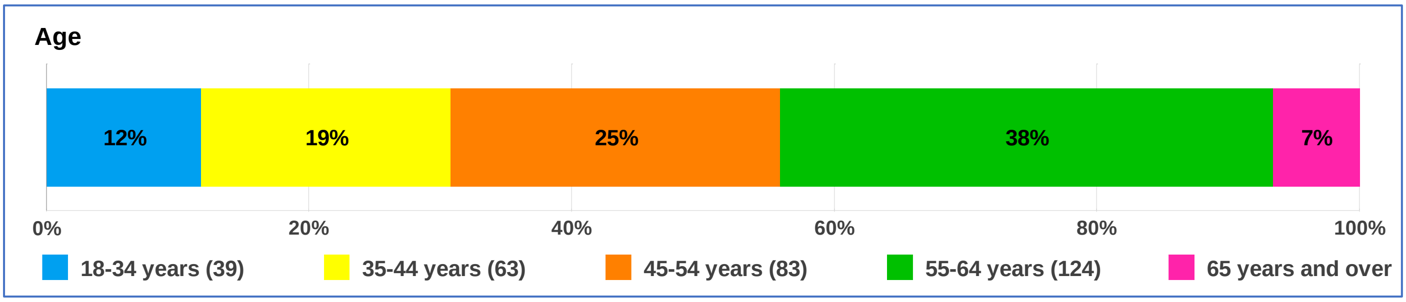
- A total of 47 comments were received.
- The most common theme was 'support the most needy' with 15 comments.

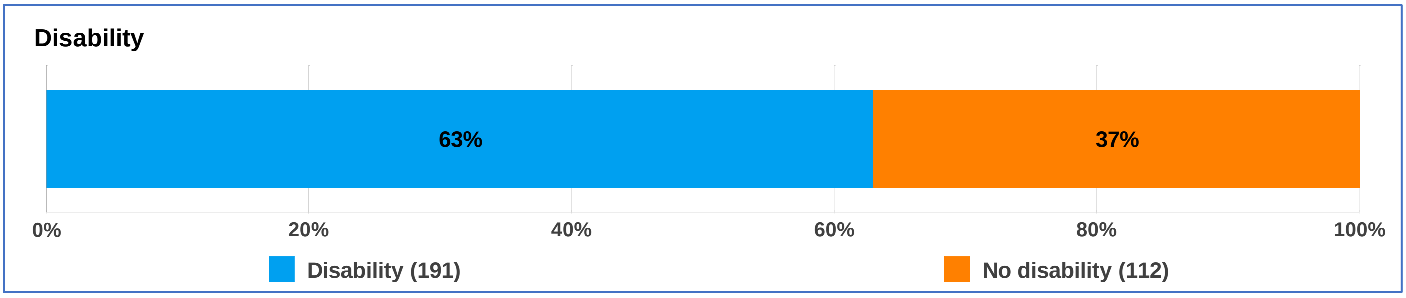
Theme	No.	Examples
Support the most needy	15	• Those of us working want to be treated fairly. If we earn as much as someone on benefits help us out. I am in full support of those who are genuine on benefits, I've been there myself many years ago. Just make sure you rid those who are claiming and shouldn't! • People who are on benefits and struggling with money should be given all the support they need, not threatened with court actions and or bailiffs... • If changing the system helps the councils budget and families in the process then it makes sense to change it. Increasing council tax is not the best idea in my opinion and cutting services not great either.
Suggestions	10	• Get more money from the London Councils who are sending their council tenants down here. They should pay a decent amount for every person until that person is in work and paying for themselves. • We need a fairer system based occupancy and council services use. A house of multiple family members shouldnt be the same rate as an over 60 year old living alone on a just above minimum wage (therefore not entitled to benefits or reductions) who uses less services. • I believe residents who receive full DLA or PIP should have these payments taken into account for council tax instead of using the payments for new cars and holidays to Disneyland Florida.
Cost of living	9	• It's not good at all . Bins have got to be empty and children have got to be educated. As a pensioner and entitled to no extra help it's a struggle. • Something needs to be done I know of those flouting the system and those really struggling having to pay the whole bill it's a very unfair way of doing things right now. • Without the council tax reduction scheme we would not be able to afford to stay in current home and would be suffering financially.
Council Budgets & Services	7	• I fell that the council tax goes up every year and we get less and less and less for it.

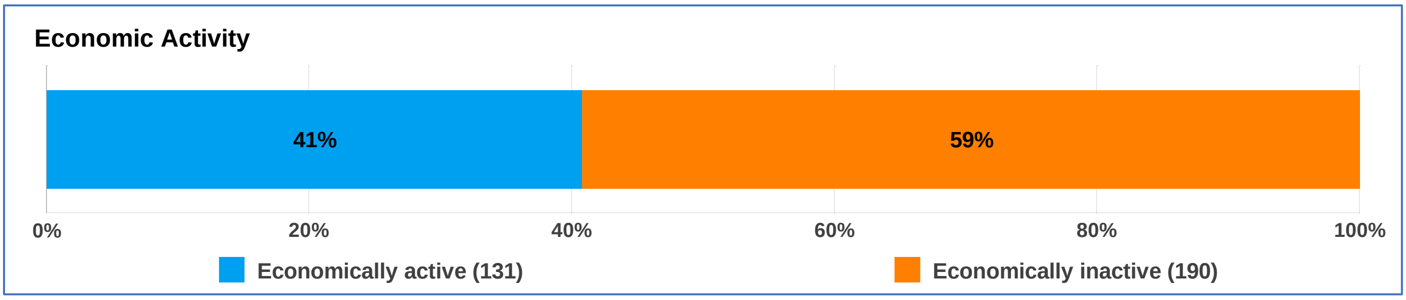
Theme	No.	Examples
		• If there isn't weigh money to provide discount and it is no port government funded then don't run the dishing scheme for working age households who are able to work. Why would this in turn lead to a logical case to expand and increase the discounts and alter thresholds to increase the number of households qualifying for discount and therefore effectively not be required to pay any council tax.
Other themes		• Incentive to work – 3 • Fraud -3 • Scrap/Lower Council tax -3 • Pensioners - 3

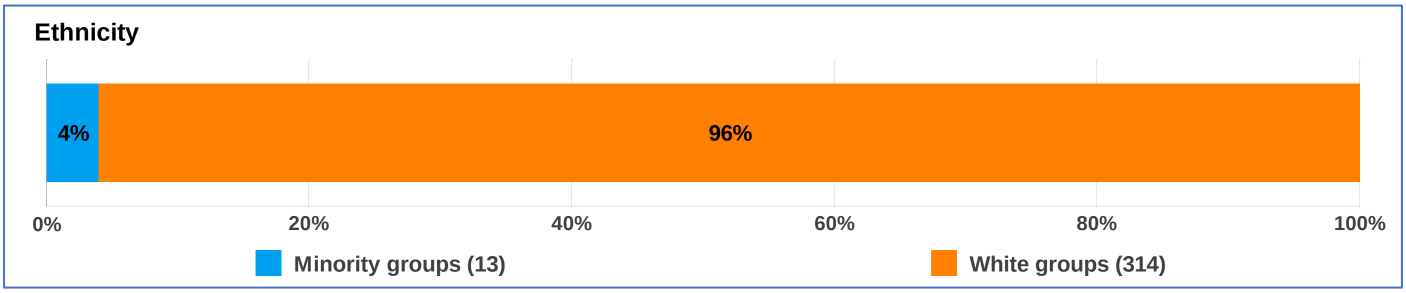
DEMOGRAPHICS

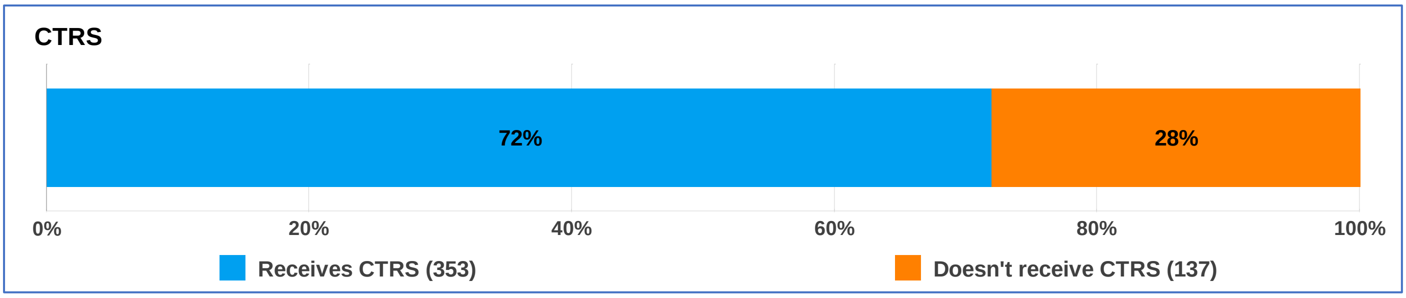












OTHER REPRESENTATIONS

There were also two comments that were received from residents.

Email Comments
Thank you for sharing the details of Swale Borough Council's consultation on the proposed changes to the Council Tax Support scheme for 2026/27. I welcome the review and would like to provide my comments: • Increasing support levels: Raising the maximum level of support in Band 1 to 90% or 100% would provide significant relief to households on the lowest incomes. Extending increased support to Bands 2–4 would also make the scheme fairer for those who may not qualify for the highest level of assistance but are still struggling with the cost of living. • Removal of the Minimum Income Floor: I support this proposal, as the current approach can penalise self-employed claimants whose earnings fluctuate. Removing it would ensure that support is based on actual income, which feels fairer and more accurate. • Compensation income: I would suggest that compensation payments, especially those intended to cover personal injury, hardship, or other specific losses, should be excluded from income calculations. This would help to protect vulnerable residents from losing support due to one-off payments that are not truly part of their household income. Overall, I support the direction of these proposals and believe they would make the scheme more supportive, equitable, and reflective of the real circumstances faced by residents on low incomes.
I think it should be stay the same or we be given more off as prices rise Everything else is going up so living is becoming more difficult

KCC response to changes to Local Council Tax Reduction Schemes

Kent County Council (KCC) acknowledges receipt of your letter dated 13th August 2025 setting out the Borough's intention to consult on proposals to change the current Local Council Tax Reduction Schemes (LCTRS).

KCC acknowledges that the current arrangements were developed mutually between collection and precepting authorities with the aim of mitigating the original reduction in funding from the estimated cost of previous Council Tax Benefit arrangements. This agreement was based on setting a maximum discount of less than 100% for working age households on the lowest incomes (with tapered reductions in discounts as income increases), adopting standard criteria for other aspects of local schemes, such as minimum income thresholds, and reductions in empty property discounts. The mutual agreement was subsequently refined and local schemes updated to mirror the welfare reforms under the Welfare Reform and Work Act 2016.

KCC has supported changes made by districts to simplify local schemes with a move to a banded approach. This has provided more certainty for individuals as discounts only change should their circumstances mean they move into a different band. The change to a banded approach has reduced the assessment burden on districts and has not materially affected the taxbase (other than impacts that would have occurred due to any economic upturn or downturn affecting employment and income levels).

KCC does not support the latest proposals to provide a higher level of discount (either 90% or 100%) for those in the lowest income band or increasing the discount in other bands. KCC does not support other options under consideration such as removing the minimum income floor and believes the current scheme should be retained. The reasons for this response are set out below.

1. Impending Local Government Reorganisation
The government has recognised that although councils were invited to submit proposals for unitary government, in the meantime councils should continue to deliver essential services and meet statutory obligations. In doing so the government has been clear that decisions of existing councils should not compromise the future sustainability of new councils or fetter future decisions of new councils. Included in the examples of such decisions are local council tax support schemes and council tax exemption schemes.

KCC is concerned that the stated rationale for the consultation is the ability of individual households to pay discounted council tax bills, and the impact of the KCC decision in the 2025-26 budget to withdraw the discretionary subsidy previously provided (a subsidy that can only exist under two-tier arrangements) and knock-on impact on the budget for district collection teams. Nowhere in the consultation has it been acknowledged that changing schemes for 2026-27 to allow higher discounts will reduce the overall taxbase (both for existing councils as well as newly re-organised councils). It also fails to acknowledge that a re-organised unitary authority would probably take a broader view, rather than just considering the impact of schemes on individual recipient households and impact on cost of council tax collection. Instead, new unitary authorities would be left with lower taxbases, potentially exacerbated over a wider geographical area than just the current district boundary. Because this decision will affect the council tax base (and thus the future sustainability of new councils to deliver a wider range of services) we believe this is a fundamental flaw and should have been explicitly covered in the consultation.

2. Work Incentive
KCC is concerned that increasing the discount acts as a disincentive for claimants to seek improved employment and does not encourage individuals to take more personal responsibility and to make sound choices that lead to better life outcomes. Increasing discounts simply reinforces the something for nothing culture and does nothing to address the concerns of residents who feel that the welfare system is too generous and open to abuse.

3. Impact of Proposed Changes
Effectively the cost of LCTRS discounts is borne by all taxpayers and this has not been made clear in the consultation, or respondents asked whether they support a greater share of the council tax they pay being used to support those on low incomes. KCC believes that it should have been made much more explicit in the consultation that the proposals will impact on all council taxpayers.

It is a long-standing legal principle that in managing their financial affairs, councils have a fiduciary duty to all taxpayers. KCC contends that this fiduciary duty does not just apply to the individual collection authority budget and that in discharging statutory functions with regard to council tax collection authorities are already under a duty to seek to maximise collection at lowest possible cost. In only considering the impact of the costs of administration of LCTRS compared to the income the collection authority receives from its share of council tax collection the Authority has failed to demonstrate that this meets the fiduciary responsibility to all taxpayers.

4. Comparison with Other Councils
KCC is concerned that there does not appear to be any analysis of schemes in other council areas. Schemes offering 100% discount remain in place in only a minority of other councils, with the most common schemes offering 70%-80% discounts i.e. in line with the current arrangements. There has been no acknowledgement in the consultation that the proposals would result in more generous discounts than in most other council areas. This should have been made clearer (along with the implicit impact on all taxpayers)

5. Evidence of Impact on Collection Rates, Council Tax Collection Costs and other impacts.
The consultation has not explicitly stated how offering a higher discount will impact on council tax collection rates (it is implied that the difficulty households face in paying existing discounted bills impacts on collection, but no evidence has been supplied). This lack of evidence on collection rates for households in receipt of support through LCTRS and households paying full council tax should have been made available to inform consultees.

No evidence has been provided to precepting authorities or other consultees on the cost of administering current LCTRS or costs of council tax collection for those paying full council tax. No evidence has been provided on the lower costs of administering the proposed new schemes for respondents to judge whether these savings are appropriate compared to costs. Since one of the stated objectives is to reduce the cost of administering schemes this information should have been provided.

No evidence has been provided on other impacts e.g. impact on council tax hardship schemes. These shortcomings in the evidence strongly suggest that not all impacts have been fully considered.

6. Alternatives

KCC is concerned about the lack of alternatives considered. These have been limited to continuing with the current scheme, either with the subsidy from preceptors restored, or reducing other services to maintain council tax collection. The consultation should have spelt out other alternatives such as improving council tax collection to pay for the cost of collection, doing more to tackle fraud and error, increased efficiencies in council tax collection, and reductions in discounts. This lack of alternatives again suggests not everything has been considered.

As Kent County Council is a statutory consultee on any LCTRS changes, we would expect to receive a full explanation if comments made in this response are not incorporated into final proposals.

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Kent Fire and Rescue Service response to letter on proposed changes to Local Council Tax Reduction Scheme (LCTRS) for 2026/27

Kent Fire and Rescue Service (KFRS) acknowledges receipt of your letter dated 12 August 2025 setting out the Councils intention to consult on proposals to change the current Local Council Tax Reduction Schemes (LCTRS).

KFRS is unable to support the current proposals to increase the maximum discount level (to 90% or 100%) for the lowest income band or to increase discounts in other bands. We also oppose other options under consideration and strongly recommend that the existing scheme be retained for the reasons detailed below, all of which centre on the sustainable funding of essential public services.

Direct Impact on the Council Tax Base and Service Sustainability

The most significant concern for this Authority is the direct and immediate reduction in the overall council tax base that would result from providing higher LCTRS discounts.

As a major precepting authority, our budget for essential services is directly funded by a portion of the total council tax collected. Any reduction to the overall tax base directly translates into a reduction in the available funding for our service or requires a greater increase in the council tax rate for all other taxpayers to compensate.

The consultation has not explicitly acknowledged the degree to which changing schemes for 2026-27 to allow higher discounts will diminish the shared tax base.

Fiduciary Duty to All Taxpayers

This Authority, like the collection authority, has a fiduciary duty to all local taxpayers to ensure efficient financial management and the sustainable funding of public services.

The proposal appears to primarily consider the financial impact on the individual collection authority's budget and the income received from its share of council tax. It fails to demonstrate how this meets the broader fiduciary responsibility to all taxpayers by seeking to maximise the collected revenue required to fund all local services at the lowest possible cost.

By reducing the amount of council tax payable by a category of households, the collection risk and administrative burden are simply shifted, and the cost of the discount is effectively borne by all other taxpayers through a lower overall tax base.

Lack of Comparative Analysis

We note the absence of any comprehensive analysis of LCTRS schemes currently operating in other comparable council areas.

The most common LCTRS schemes across the UK continue to require a minimum contribution from working-age households, often providing discounts in the range of

70% to 80%, in line with current arrangements in this area. The proposals under consideration (90% or 100% discount) would result in a scheme more generous than those in most other council areas. This important context should have been made clear to all consultees, alongside the implicit financial impact on all taxpayers.

Insufficient Evidence on Collection and Administration

The consultation is light on the necessary evidence required for precepting authorities to make an informed judgement:

- Collection Rates: No concrete evidence has been provided to show how a higher discount will specifically impact council tax collection rates for LCTRS recipients versus full-rate payers. The assertion that difficulty in paying the existing discounted bill impacts collection needs to be substantiated with data.

- Administration Costs: Critical information on the current cost of administering LCTRS and the cost of general council tax collection has not been supplied. Without this, it is impossible for consultees to accurately assess whether the anticipated administrative savings under the new scheme are proportionate to the proposed reduction in the tax base.

Conclusion

Although KFRS formally opposed the County's decision to withdraw its contribution towards the costs of administering the current LCTRS we are unable to support the Councils current proposals to now change the LCTRS, for the reasons set out above. Therefore, KFRS urges the Council to reconsider these proposals.

Matthew Scott
Kent Police and Crime Commissioner

Office telephone: 01622 677055
Email: contactyourpcc@kent.police.uk

www.kent-pcc.gov.uk

The Office of the Kent
Police and Crime
Commissioner
Sutton Road
Maidstone
Kent
ME15 9BZ

Lisa Fillery
Director of Resources
S151 Officer
Swale Borough Council

By Email only – no hard copy to follow
lisafillery@swale.gov.uk

11 November 2025
Ref: OPCC/MS/FIN/027/25
Please quote reference on all replies

Dear Lisa

Swale CTRS Consultation

Thank you for the opportunity to respond to the proposed changes to the Council Tax Reduction Scheme (CTRS).

As a precepting authority I recognise the challenges faced by billing authorities following the withdrawal of the CTRS grants and understand the rationale behind why you would consider simplifying the scheme.

From a Kent Police and Crime Commissioner perspective, it was not feasible for me to continue contributing into the scheme once Kent County Council had made their decision to end their support, given they were the major contributor by a considerable margin. However, your proposal for a simplification of the scheme raises a number of concerns that I set out below.

The proposed new scheme, replicated across Kent, could lead to a potential reduction in council tax base and income with an estimated impact of up to £1.9m for the police and crime element of the precept. This element of the precept provides vital funds for the Chief Constable to deliver policing services across Kent as well as my ability to provide support services for victims and witnesses of crime. Given we are already facing substantial funding challenges, the significance of this should not be under-estimated and, while I will do my utmost to limit any impact, any notable change in funding such as this will place additional strain on the services both myself and the Chief Constable provide to the public of Kent. In all likelihood this will mean having to find additional savings of a similar magnitude from the overall policing and crime budget.

While we appreciate that these changes may reduce the administrative burden for your authority, no details were provided to precepting authorities on the cost of administering of the proposed new scheme so I am unable to judge whether these savings are appropriate compared to costs and the potential reduction in precept collected. Since one of the stated objectives is to reduce the cost of administering schemes this information should have been provided.

The cost of the CTRS discount is borne by all taxpayers and this has not been made clear in the consultation. Respondents have not been asked whether they support a greater share of the council tax they pay being used to support those on low incomes and not on much needed services. I believe that it should have been made much more explicit in the consultation that the proposals will impact on all council taxpayers

Billing authorities have a duty with regard to council tax collection ensuring they seek to maximise collection at the lowest possible cost. It is unclear how this proposal, which on your own modelling shows a reduction in precept meets that statutory obligation.

Nationally, the government has recognised that although councils were invited to submit proposals for unitary government, in the meantime councils should continue to deliver essential services and meet statutory obligations and any decisions taken should not compromise the future sustainability of new councils or fetter future decisions of new councils.

I am concerned that this decision to change local CTRS scheme has not considered the impact on any proposed new unitary authorities in Kent. Nowhere in your consultation has it been acknowledged that changing the scheme for 2026-27 to allow higher discounts will likely reduce the overall taxbase (both for existing councils as well as newly re-organised councils). New unitary authorities would be left with lower taxbases, potentially exacerbated over a wider geographical area than just the current district boundary. Because this decision will affect the council tax base (and thus the future sustainability of new councils to deliver a wider range of services) I believe this is a fundamental flaw and should have been explicitly covered in the consultation.

I am clearly concerned about the wider impact should collection rates and precept income reduce and would urge you to ensure that the broader implications for all precepting authorities have been fully assessed before committing to this action. Should you proceed, we would respectfully request that the full impact of this proposal on policing (and other preceptors) is made clear.

Finally, I would appreciate receiving further detail regarding the underlying assumptions and modelling used to derive the projected tax base reductions, including any anticipated changes in collection rates and claimant behaviour. This will assist in better understanding the implications for me when considering my own precept and the funding I have available for policing in Kent.

Yours sincerely

Matthew Scott
Police & Crime Commissioner for Kent

Swale Borough Council
Equality Impact Assessment

Part 1: Background and information

Title of Proposal (strategy, policy, plan, project, contract, service change)
Council Tax Reduction Scheme 2026/27 for Swale Borough Council
Brief description of proposal (objective & purpose)
A consultation has been carried out to review the Council Tax Reduction scheme (CTRS) for working age claimants. This gives those on a low-income financial help towards their Council Tax.
Is this Proposal new/a review of an existing provision/a change/ deletion of existing provision
This is a review of an existing provision
Who will be affected by this proposal? (Residents, Staff, Visitors, Businesses?)
Residents
Weblink to full details (if applicable)
Lead Director/HoS/Manager
Lisa Fillery/Zoe Kent
EqIA lead officer
Zoe Kent
EqIA contributors (other services involved in proposal)
Date of EqIA
19 December 2025

The Equality Act (2010) places a general duty on all public sector organisations to have 'due regard' to its three main aims.

How does the proposal meet the general duty of the act's aims as listed below? (Please see the guidance document for further detail on what is meant by 'due regard' and types of discrimination).

General duty	Please Explain
Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010	The proposal aims to help those on a low income who may need help towards their Council Tax.
Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.	The scheme disregards welfare benefits that are paid to give extra support to those who may be for example disabled.
Foster good relations between persons who share a relevant protected characteristic and persons who do not share it	Not applicable

Part 2: Impact Assessment and Supporting evidence

Identify the positive and / or negative impact of the proposal change on any of the protected characteristics. Please consider the impact as an employer (staff), a service provider and a community leader (residents, businesses etc).

Protected characteristic	Positive impact	Negative impact	No impact
Age	X		
Disability	X		
Race (including ethnicity and nationality)			X
Religion or Belief			X
Sex			X
Sexual Orientation			X
Gender Reassignment			X
Pregnancy and Maternity			X
Marriage or Civil Partnership			X

Please also consider the impact of the proposal in relation to:

Local characteristic	Positive impact	Negative impact	No impact
Poverty (in relation to groups	X		

with protected characteristics and those without)			
Armed Forces Community (Serving/ Veterans)	X		

Summary of Impact and Supporting Evidence

Please list below any data/evidence you have used to draw your conclusions. This could include national or local data sets, results from consultation and engagement activities or meetings etc. (see guidance document for internal support offer).

Supporting data/evidence	Source
Council Tax Support caseload data	Academy reports
Previous consultations	
Data from consultation to be undertaken	Consultation report

Having considered the impact of the proposal on the general duties of the Equality Act and the impact on groups with protected characteristics, please provide a summary of the overall impact your proposal (with reference to supporting evidence):

The scheme for 2026/27 is looking to provide an increased level of support to all CTRS working age claimants. The scheme for pensioners is not being amended as it is a national scheme.

As more support is being recommended this will improve the financial situation of residents who may be living on low incomes and have protested characteristics.

	Number of claimants	Number and percentage who responded to the consultation
Working age claimants	6,540	304 – 4.6%
CTR Applicants who are disabled	625	
CTR Applicants severely disabled	889	
Total disabled applicants	1,514	189 – 12.5%
CTR Partner disabled/severely disabled	200	

A consultation was carried out for a period of 8 weeks from 1 August 2025 to 28 September 2025. An email was sent to more than 4,700 CTRS claimants and 250 paper forms were posted out to a sample of those who do not have an email address. The consultation was available on the website and was sent to the major preceptors and stakeholders.

The consultation yielded 436 responses.

•73% of respondents supported increasing the maximum support level for working-age claimants.
•Among supporters, 75% favoured raising support to 100%.
•65% overall supported increasing band percentages for Bands 2-4 by 10%.

Demographic analysis revealed:

•Males were slightly less supportive (14% opposed) compared to females (11% opposed).
•Economically inactive respondents were more supportive (83%) than economically active (most opposed at 69%).
•Older age groups (65+) showed higher opposition.
•Respondents with disabilities and those currently receiving CTRS were more supportive (84% and 82%, respectively)

Among the comments opposing the increase in support, key themes included:

•Unfair burden on council tax payers
•Concerns about work incentives and dependency
•Potential negative impacts on council services due to reduced revenue
•Everybody should contribute something

Among the comments in favour of the increase in support, common themes were:

•Financial struggles and cost of living pressures
•Benefits for low-income families.
•Issues related to work incentives
•The difficulties of living on a very low income.

The consultation report gives an overview of the responses from both those who receive CTRS and those who don't.

Making the scheme more generous will help to support those on the lowest incomes who are more likely to fall into groups with protected characteristics, particularly those living in poverty.

Comments were made by those who are on lower incomes who fall out of being entitled to support due to having higher income than is included in the scheme. SBC offers a hardship scheme to help those who may have exceptional circumstances to make one off payments.

Do you have any gaps in data or evidence to assess or understand

impact?

~~Yes~~/No (please delete as appropriate and if 'yes' provide details below))

Gaps in data/evidence	**Planned action to address evidence gaps**
The caseload data combined with the consultation response – provide a full picture – no further consultation needed	

Do you have any plans to reduce the impact on the groups identified?

Proposed Action/Plan	**Purpose**	**Impact Groups**	**Timescale**

To be completed by Equalities Officer
(with Lead Officer)

Part 3: Recommendations and Sign Off

Recommendations should be based on evidence available at the time and aim to mitigate negative impacts or enhance positive impacts on any or all of the protected characteristics.

Recommendation	Lead Officer	Timescale
No further action	Zoe Kent	n/a

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Extraordinary Policy and Resources Committee	
Meeting Date	13 January 2026
Report Title	**Constitution amendment: Various**
EMT Lead	Robin Harris – Monitoring Officer
Head of Service	
Lead Officer	
Classification	**Open**
Recommendations	Policy and Resources committee is asked to: 1. ***Consider*** the amendments at Appendix I and ***determine*** which of the amendments to ***recommend to council*** for their incorporation into the constitution.

1 Purpose of Report and Executive Summary

1.1 This report introduces a number of changes to the constitution to correct errors, provide clarity and generally improve the document. The report asks to Policy and Resources committee to recommend the amendments to council for adoption.

2 Background

2.1 Council voted unanimously in October 2021 to move to a committee system of governance from the 2022/23 municipal year. At the same meeting, council requested the cross-party working group (the Constitution Working Group or “CWG”) which had been established to consider this governance change to continue its work in overseeing the detail of the new constitution.

2.2 The CWG now meets on an ‘as needed’ basis to consider changes to the committees or the constitution of the Council. The CWG has now met twice since June 2025 and has agreed Terms of Reference for the group.

2.3 The amendments proposed, as set out in Appendix I have been raised as issues because they are either in error, could have greater clarity, make decisions more robust and/or improve efficiency.

3 Proposals

3.1 The constitution working group reviewed the proposals in appendix I and were satisfied that the amendments to the constitution could be made.

3.2 Appendix 1 details the other proposals and the reasons for the proposal.

3.3 The Policy and Resources committee is now asked to ***Consider*** the amendments at Appendix I and ***determine*** which of the amendments to ***recommend to council*** for their incorporation into the constitution.

4 Alternative Options Considered and Rejected

4.1 The Committee could not make the proposed amendments, but this is not recommended as improvements would not be made.

5 Consultation Undertaken or Proposed

5.1 The cross-party constitution working group has given consideration to the proposed amendments set out at Appendix I.. Consultation has also taken place with the officers, who are responsible for administering the work in the areas affected.

6 Implications

Issue	Implications
Corporate Plan	Adoption of improvements to the constitution and the removal of errors support the fourth corporate priority of renewing local democracy and making the council fit for the future.
Financial, Resource and Property	No direct implications identified at this stage.
Legal, Statutory and Procurement	The Council is required to have a constitution.
Crime and Disorder	No direct implications identified at this stage.
Environment and Climate/Ecological Emergency	
Health and Wellbeing	
Safeguarding of Children, Young People and Vulnerable Adults	
Risk Management and Health and Safety	
Equality and Diversity	

Privacy and Data Protection	

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Proposed amendments (To follow)

8 Background Papers

8.1 There are no background papers

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EXTRAORDINARY POLICY AND RESOURCES COMMITTEE	
Meeting Date	13 January 2026
Report Title	Reduction in number of Service Committees
EMT Lead	Larissa Reed – Chief Executive
Head of Service	Larissa Reed – Chief Executive
Lead Officer	Larissa Reed – Chief Executive
Classification	Open
Recommendations	That Council: 1. Does not implement the part of decision taken on 2 April 2025 to reduce the committees **by a further reduction of one in the municipal year 26/27** 2. Keeps the committee structure as follows: • Policy and Resources Committee; • Environmental Services and Climate Change Committee; • Housing, Health and Communities Committee; and • Economy and Property Committee.

1 Purpose of Report and Executive Summary

1.1 The purpose of this report is to ask Council not to implement the decision taken by Council on 2 April 2025 to change the committee system to reduce the committees by one for the Municipal Year 26/27.

2 Background

2.1 Swale Borough Council moved from the Cabinet System to the Committee System in May 2022. A cross-party working group was set up to agree the numbers and functions of the committees. This group (Constitutional Working Group) considered a number of options in relation to the number of committees and the size of committees and proposed a model consisting of the Policy and Resources Committee and four Service Committees to Full Council, which was accepted.

2.2 In April 2025, members voted to:

- Take a two stage approach to reduce the service committees from the Policy and Resources Committee and 4 service committees to the Policy and Resource Committee and two service committees by reducing the service committees by one in the municipal year 2025/26 and by a further reduction of one in the municipal year 2026/27.

2.3 From the Municipal year 2025/26, the council has the following committees

- Policy and Resources
- Environmental Services and Climate Change
- Housing, Health and Communities
- Economy and Property

2.4 In 2025 the role of committees in Swale has evolved and the committees are undertaking more scrutiny and have more ‘to note’ reports giving members vital information about both council services and national picture. This has increased the number of items on the committee agendas.

2.5 The concern has been raised that if there are fewer committees, there will be a requirement for an increased number of extraordinary meetings.

3.0 Alternative Options Considered and Rejected

3.1 Option 1
To keep the two stage approach agreed by Council in 2025 to reduce the service committees from the Policy and Resources Committee and three service committees to the Policy and Resources Committee and two service committees by reducing the service committees by one in the municipal year 2025/26, and by a further reduction of one in the municipal year 2026/27. This is not recommended as this would result in either additional meetings or fewer ‘to note’ reports coming to committee.

3.2 Option 2
Reduce the number of Committees but increase the frequency of meetings. This is not recommended for two reasons. Firstly, it reduces the number of members who are able to take part in Committees, and it also puts additional pressure on the members of the new committees who would be required to attend an increased number of meetings.

4.0 Consultation Undertaken or Proposed

4.1 An informal consultation has taken place with the chairs of the committees.

5 Implications

Issue	Implications
Corporate Plan	The Corporate Plan can be delivered with the reduced number of Committees but there would be fewer ‘to note’ information items.
Financial, Resource and Property	The Special Responsibility Allowances for Chairs of Service Committees is £5,938 per annum, this would not be saved.
Legal, Statutory and Procurement	There is no legal requirement to have a set number of Service Committees.
Crime and Disorder	There are no direct crime and disorder implications of this proposal.
Environment and Climate/Ecological Emergency	There are no direct Environmental Emergency implications of this proposal.
Health and Wellbeing	Although there is no direct Health and Wellbeing impact of this decision, fewer evening meetings will be of benefit to staff and members of the council.
Safeguarding of Children, Young People and Vulnerable Adults	There are no direct safeguarding implications of this proposal.
Risk Management and Health and Safety	There are no direct health and safety implications of this proposal.
Equality and Diversity	There are no direct Equality and Diversity implications of this proposal.
Privacy and Data Protection	There are no direct privacy or data protection implications of this proposal.

6 Appendices

None.

7 Background Papers

Report to Full Council on the Committee System Report on Governance Model Change October 2021

Report to Council on the Committee System (2 April 2025)

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