

Proposed Tolerance Rule to Fylde's Council Tax Reduction (CTR) Scheme 2025

Infusion Research Report

1. Introduction

What is the council tax reduction scheme?

Council Tax Reduction (CTR) is a discount for Council Tax. The level of discount is based on the income of the household.

Why is a change to the Council Tax Reduction scheme being considered?

Universal Credit (UC) payments change frequently. The Council must recalculate council tax reduction awards every time UC payments change, which can change the CTR award and so the amount of council tax owed, producing a revised council tax bill and amended payments. This can be disruptive for council taxpayers and for the Council and is likely to get worse as more customers are moved to Universal Credit.

What are the proposed changes?

Fylde Council propose to introduce a tolerance rule to the CTR support scheme for small changes in the amount of UC payments. This would freeze CTR awards for these small UC changes, CTR would continue to be paid at its current level unless or until UC changed by more than the tolerance, no correspondence would be issued and there would be no amendment to the amount of council tax to pay. Analysis of UC awards for the past 15 months, and evidence from other Local Authorities who have introduced the change, indicates a tolerance level of £15 per week would provide the best balance of risk and impact. Indications are that this would:

- reduce the number of CTR support reassessments for residents
- reduce the number of council tax adjustment notices sent to residents
- reduce the number of council tax payment changes imposed on residents
- provide stability for council tax repayments and for council tax recovery
- reduce customer contact

Who will this effect?

Most UC recipients see regular small increases and decrease in their UC awards so changes to CTR awards should mostly have very small gains or losses over time and changes to UC payments above the tolerance level of £15 per week would be processed as usual. Pension aged residents would continue to receive their maximum award of CTR

Responses & methodology

A total of **79** respondents completed the proposed tolerance rule to Fylde's council tax reduction (CTR) scheme consultation survey, which was live from Monday, 1st September 2025 to Tuesday, 14th October 2025.

A link to the survey was placed on Fylde council's consultation and engagement page and appeared on the council's social media. On the 12th and 16 of September 2025 Infusion fieldworkers carried out face-to-face interviews at Fylde Council Town Hall.

Data table one below shows the number of responses received via each of the response channels.

Data table one

Response Channel	%	Number
Online	72.2%	57
Face-to-face	27.8%	22
Paper surveys	-	-
Total	100%	79

2. Survey results

Q: I have read the background information (above) about the Council Tax Reduction Scheme.

Base: 79

Before completing the survey, respondents were made aware of the importance of reading the background information and asked to confirm they had done so before proceeding. Examples of how the proposed CTR tolerance could work were provided to further aid understanding.

Responses to the question are shown in data table two below.

Data table two

Response	%	Number
Yes	100%	79
No	-	-
Total	100%	79

Q: Do you agree or disagree that Fylde Council should introduce a tolerance to small frequent Universal Credit award changes for residents receiving Council Tax Reduction support?

Base: 79

Responses to the question are shown in data table three below.

Data table three

Response	%	Number
Strongly agree	41.8%	33
Agree	34.2%	27
Neither/ nor	7.6%	6
Disagree	8.9%	7
Strongly disagree	5.1%	4
Don't know/ not sure	2.5%	2
Total	100%	79

Q: The Council is proposing to introduce a tolerance level of £15 per week, which would freeze a resident's Council Tax Reduction award if their Universal Credit award increased or decreased by less than £15 per week. Do you agree this is an appropriate tolerance level?

Base: 79

Responses to the question are shown in data table four below.

Data table four

Response	%	Number
Strongly agree	29.1%	23
Agree	38%	30
Neither/ nor	13.9%	11
Disagree	10.1%	8
Strongly disagree	6.3%	5
Don't know/ not sure	2.5%	2
Total	100%	79

Q: If you do not agree with a £15 per week tolerance level, what do you think would be an appropriate amount and why?

Base: 13

Responses to the question have been categorised in data table five below. Some comments covered more than one topic.

Data table five

Topic	Number of comments
£0.00 tolerance per week	4
£10.00 tolerance per week	2
Disagree	2
Unsure/ don't know	1
£25.00 tolerance per week	1
50p tolerance per week	1
Comments on individual circumstances	4

All comments received in response to the above question are show below.

*"Nothing as people who work always have to keep paying gout for the people who don't work
Unsure"*

"There should be no tolerance. People should be provided with the money they are owed"

"Zero, UC recipients already have access to huge amounts of support, as it is a gateway benefit, that those of us struggling just above these thresholds don't. This is adding to that and provides net contributors with poor value for money as a result"

"It'll hurt people who can't afford it and make life harder"

"£25"

"Yet again those on state benefits gain more than those on minimum wage and struggling it is wrong to make benefits pay rather than work pay"

"£10 per week as £15 too high"

“£60 per month is too much. I am on a limited income and don't get relief... And what do the council do anyway. They're hardly overworked and the %'s are insufficient for change”

“Zero”

“£10”

“50p”

“We are pensioners of 81 and 78 and we don't get any help with Council Tax or Universal Credit”

Q: Do you agree or disagree that any residents who might be adversely affected by this change would be able to contact the Council for assistance and advice?

Base: 79

Responses to the question are shown in data table six below.

Data table six

Response	%	Number
Strongly agree	50.6%	40
Agree	35.4%	28
Neither/ nor	5.1%	4
Disagree	5.1%	4
Strongly disagree	2.5%	2
Don't know/ not sure	1.3%	1
Total	100%	79

Q: Do you, or does someone in your household, receive a Council Tax reduction at this time?

Base: 75

Responses to the question are shown in data table seven below.

Data table seven

Response	%	Number
Yes	24%	18
No	76%	57
Total	100%	75

3. Respondent profile

Q: Are you...

Base: 79

Responses to the question are shown in data table eight below.

Data table eight

Response	%	Number
Male	53.2%	42
Female	45.6%	36
Non-binary	-	-
Prefer not to say	1.3%	1
Prefer to self-describe	-	-
Total	100%	79

Q: Are you...

Base: 77

Responses to the question are shown in data table nine below.

Data table nine

Response	%	Number
Heterosexual/ straight	87%	67
Bisexual	1.3%	1
Non-binary	-	-
Gay man	1.3%	1
Gay woman/ lesbian	-	-
Prefer not to say	10.4%	8
Total	100%	77

Q: Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

Base: 78

Responses to the question are shown in data table ten below.

Data table ten

Response	%	Number
Yes, limited a lot	15.4%	12
Yes, limited a little	17.9%	14
Yes, but it doesn't limit me	5.1%	4
Prefer not to say	3.8%	3
No	57.7%	45
Total	100%	78

Q: Do you experience any of the following in your day-to-day life? Tick all that apply.

Base: 73

Responses to the question are shown in data table 11 below.

Data table 11

Response	Number
Experience none of the above	33
Physical impairments	18
Mobility impairments	13
Hearing impairments	12
Mental health issues	11
Prefer not to say	6
Vision impairments	4
Learning difficulties	2
Other	1
Speech impairments	-

Q: What is your employment status?

Base: 79

Responses to the question are shown in data table 12 below.

Data table 12

Response	%	Number
Retired	54.4%	43
Working full-time (30+ hours)	19%	15
Working part-time (16-30 hours)	8.9%	7
Long term sick or disabled	6.3%	5
Unemployed/not working	3.8%	3
Caring responsibilities	1.3%	1
Working part-time (less than 16 hours)	1.3%	1
Unpaid work, including regular voluntary/work experience	-	-
In full-time education (student)	-	-
In part-time education	-	-
Looking after the (student) home/family	-	-
Prefer not to say	5.1%	4
Total	100%	79

Q: Which age group do you belong to?

Base: 79

Responses to the question are shown in data table 13 below.

Data table 13

Answer	%	Number
19 to 24	2.5%	2
25 to 34	-	-
35 to 44	6.3%	5
45 to 54	8.9%	7
55 to 64	21.5%	17
65 to 74	40.5%	32
75+	19%	15
Prefer not to say	1.3%	1
Total	100%	79

Q: Which of the following best describes your ethnicity?

Base: 76

Responses to the question are shown in data table 14 below.

Data table 14

Answer	%	Number
White - includes English/Welsh/Scottish/Northern Irish/British Irish Gypsy or Irish Traveller, any other White background	93.4%	71
Mixed/Multiple ethnic groups - includes White and Black Caribbean, White and Black African, White and Asian, any other Mixed/Multiple ethnic background	-	-
Asian/Asian British - includes Indian, Pakistani, Bangladeshi, Chinese, any other Asian background	1.3%	1
Black/African/Caribbean/Black British - includes African Caribbean, any other Black/African/Caribbean background	-	-
Other ethnic group - includes Arab, any other ethnic group	-	-
Prefer not to say	5.3%	4
Total	100%	76

4. Respondent location

Please provide the first 4 digits of your postcode. We're collecting postcodes to help us understand which areas of Fylde are most engaged.

Base: 70

Data table 15

Postcode	Number
FY1 8	1
FY4 1	1
FY4 2	1
FY4 8	1
FY8	2
FY8 1	16
FY8 2	15
FY8 3	10
FY8 4	5
FY8 5	2
PR3 0	1
PR4	3
PR4 1	8
PR4 2	1
PR4 3	3
Total	70

Appendix I: CTR tolerance examples

Key terms

UC: Universal Credit

CTR: Council Tax reduction

Example 1

Month: May 2025

UC amount: £1000

CTR Award: £40.00

Basis of the award: Initial award of £40 CTR based on a £1000 UC award

Month: June 2025

UC amount: £1050

CTR award: £40.00

Basis of the award: UC award increases to £1050 but CTR award does not change as UC has only increased by £50, which is within £65 tolerance level. UC amount stays as £1000 on the CTR claim.

Month: July 2025

UC amount: £1100

CTR amount: £35

Basis of the award: UC award increases to £1100. As the UC amount has increased from £1000 to £1100, this is over the tolerance level and the CTR claim is reassessed and the CTR award reduces. The UC amount changes to £1100 on the CTR claim.

Month: August 2025

UC amount: £1150

CTR award: £35.00

Basis of the award: UC award increases to £1150. As the UC amount has increased from £1100 to £1150, this is under the tolerance level so the CTR claim is not reassessed and the CTR award stays at £35. The UC amount remains at £1100 on the CTR claim.

Month: September 2025

UC amount: £1000

CTR award: £40.00

Basis of award: UC award decreases to £1000. As the UC amount on the CTR claim has decreased from £1100 to £1000, this is over the tolerance level so the CTR claim is reassessed and the CTR award increases to £40. The UC amount on the claim reduces to £1000.

Month: October 2025
 UC amount: £900
 CTR award: £45.00
 Basis of the award: UC award decreases to £900. As the UC amount has decreased from £1000 to £900, this is over the tolerance level so the CTR claim is reassessed and the CTR award increases to £45. The UC amount on the claim reduces to £900.

Example 2

Month: May 2025
 UC amount: £1000
 CTR award: £30.00
 Basis of the award: Initial award of £30 CTR based on a £1000 UC award.

Month: June 2025
 UC amount: £900
 CTR award: £40.00
 Basis of the award: UC award decreases to £900. As the UC amount has decreased from £1000 to £900, this is over the tolerance level so the CTR award is reassessed and the CTR award increases to £40. The UC amount changes from £1000 to £900 on the CTR claim.

Month: July 2025
 UC amount: £1100
 CTR award: £25.00
 Basis of the award: UC award increases to £1100. As the UC amount has increased from £900 to £1100, this is over the tolerance level and the CTR claim is reassessed and the CTR award reduces. The UC amount changes to £1100 on the CTR claim.

Month: August 2025
 UC amount: £1150
 CTR award: £25.00
 Basis of the award: UC award increases to £1150. As the UC amount has increased from £1100 to £1150, this is under the tolerance level so the CTR claim is not reassessed and the CTR award stays at £25. The UC amount remains at £1100 on the CTR claim.

Month: September 2025
 UC amount: £900
 CTR award: £40.00
 Basis of the award: UC award decreases to £900. As the UC amount on the CTR claim has decreased from £1100 to £900, this is over the tolerance level so the CTR claim is reassessed and the CTR award increases to £40. The UC amount on the claim reduces to £900.

Month: October 2025
 UC award: £900
 CTR award: £40.00
 Basis of the award: UC award stays at £900. As the UC amount has not changed the CTR claim is not reassessed and the CTR award stays at £40. The UC amount on the claim remains at £900.

Example 3

Month: May 2025
 UC amount: £1200
 CTR award: £40.00
 Basis of the award: Initial award of £40 CTR based on a £1200 UC award.

Month: June 2025
 UC amount: £1000
 CTR award: £45.00
 Basis of the award: UC award decreases to £1000. As the UC amount has decreased from £1200 to £1000, this is over the tolerance level so the CTR award is reassessed and the CTR award increases to £45. The UC amount changes from £1200 to £1000 on the CTR claim.

Month: July 2025
 UC amount: £1100
 CTR award: £40.00
 Basis of the award: UC award increases to £1100. As the UC amount has increased from £1000 to £1100, this is over the tolerance level and the CTR claim is reassessed and the CTR award reduces. The UC amount changes to £1100 on the CTR claim.

Month: August 2025
 UC amount: £1150
 CTRE award: £40.00
 Basis of the award: UC award increases to £1150. As the UC amount has increased from £1100 to £1150, this is under the tolerance level so the CTR claim is not reassessed and the CTR award stays at £40. The UC amount remains at £1100 on the CTR claim.

Month: September 2025
 UC amount: £1000
 CTR award: £45.00
 Basis of the award: UC award decreases to £1000. As the UC amount on the CTR claim has decreased from £1100 to £1000, this is over the tolerance level so the CTR claim is reassessed and the CTR award increases to £45. The UC amount on the claim reduces to £1000.

Month:	October 2025
UC amount:	£950
CTR award:	£45.00
Basis of the award:	UC award decreases to £950. As the UC amount has decreased from £1000 to £950, this is under the tolerance level so the CTR claim is not reassessed and the CTR award stays at £45. The UC amount remains at £1000 on the CTR claim.