

# Lyons Inquiry Survey

March 2007





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# 1 Executive Summary

## 1.1 Background, objectives and methodology

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- 1.1.1 In April 2005 the Lyons Inquiry into Local Government commissioned BMG Research to conduct a quantitative survey<sup>1</sup> exploring public attitudes towards local government funding and responsibilities to feed into the independent inquiry on local government conducted by Sir Michael Lyons.
- 1.1.2 The overarching objective of the project was to enable the Inquiry to understand the 'backdrop' of public attitudes to local government funding and responsibilities against which potential reforms will be considered, and final recommendations be made.
- 1.1.3 The fieldwork was conducted in three waves for a number reasons; firstly to allow for further exploration of issues arising from each wave, secondly to explore the extent to which public perceptions varied over time, and thirdly to explore the impact of external factors such as media reports.
- 1.1.4 This report combines the results from all waves of research. Where questions were common to more than one wave, results have been combined, however any notable differences in responses to the same question over different waves have been noted. Consequently some of the results reported are drawn from a single wave, some from two waves and some from all three waves of research.
- 1.1.5 It should be noted that there are limitations to asking survey questions in such a complex subject area. These survey results must therefore be viewed alongside the more in-depth qualitative work that was carried out as part of the overall programme of research, and not considered in isolation.
- 1.1.6 A random probability sampling approach was used, with the Postcode Address File (PAF) for England used as the sample frame, in line with ODPM, as was (now the Department for Communities and Local Government), guidance<sup>2</sup>.

## 1.2 Role of local government

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### Responsibility for provision of services (paragraphs 3.1.1 to 3.1.3)

- 1.2.1 In wave one respondents were asked who they thought were responsible for the provision of a range of services. A majority believed the local councils were responsible for providing:
- Refuse collection (88%);
  - Leisure Services (82%);
  - Social housing (76%);
  - Planning/development control (72%);
  - Social services (61%);
  - Public transport (54%).

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<sup>1</sup> Qualitative work was undertaken by NOP World and the Office of Public Management, and reported on separately to this report. The findings from this were considered in detail when designing the quantitative survey.

<sup>2</sup> BVPI user satisfaction guidance 2005/6.

- 1.2.2 Conversely a majority believed central government was responsible for providing:
- NHS (84%);
  - Education (63%);
  - Police (56%).
- 1.2.3 Views were fairly balanced in relation to roads and fire and rescue services, with similar proportions believing local councils were responsible for their provision, as those who thought they were provided by central government (44%: 34%, and 43%: 46% respectively).

**Who should set standards of delivery (paragraphs 3.1.4 to 3.1.15)**

- 1.2.4 When asked whether different services should be provided to national standards laid down by central government, or if local councils should be free to decide on the level of service, the pattern of responses across waves one and two closely reflected who respondents thought was currently responsible for the provision of each service (from wave one).
- 1.2.5 A majority believed local councils should be free to decide the level of service they provided in relation to:
- Leisure services (76%);
  - Refuse collection (74%);
  - Social housing (68%);
  - Planning/development control (66%);
  - Social services (59%);
  - Public transport (58%).
- 1.2.6 Conversely a majority believed central government should set national standards for:
- NHS (80%);
  - Education (69%);
  - Police (67%);
  - Fire and rescue services (60%).
- 1.2.7 Opinions were balanced in relation to roads (49%: 44%).
- 1.2.8 Where central government was regarded as bearing the responsibility for setting standards, this tended to be because it was regarded as being better at 'seeing the bigger picture' (53%), having 'more money' (26%) and 'more power' (23%).
- 1.2.9 Where local councils were regarded as bearing the responsibility for setting standards, this tended to be because they had 'a better understanding of the local picture' (65%), they were 'better able to target resources to needs' (46%), and 'better able to reflect local needs' (31%).
- 1.2.10 However, while a majority felt local councils should be responsible for setting standards for many of the services (see above), close to a half of wave three respondents felt that all councils should provide the same level of service (47%), and a further three in ten (30%) that they should be required to provide a minimum

level of service, with some freedom to decide on local priorities over and above this.

- 1.2.11 Only just over one in ten (13%) believed that councils should be entirely free to provide the standard of service they felt reflected what the community wanted and needed.

### **Responsibility for setting council tax levels (paragraphs 3.1.16 to 3.1.18)**

- 1.2.12 Despite the relatively strong support for universal minimum standards of service delivery (see above), in wave one on balance it was local councils that respondents felt should have the greatest control over setting council tax levels (41% felt they should have the most say), and central government the least (53% felt the government should have the least say). Views were balanced as to the role of local residents, with just over a third (35%) feeling they should have the most say, and an equal proportion (35%) feeling they should have the least say.

### **Who should set priorities (paragraphs 3.1.19 to 3.1.23)**

- 1.2.13 When asked whether they felt local councils or central government should decide what happened to a range of services if more money became available, or cuts had to be made on public services in their local area, the pattern of responses very much reflected who respondents felt was responsible for service provision (see paragraph 1.2.1), and who they felt should be responsible for setting the standards of service delivery (see paragraph 1.2.4). For example, 68% felt local councils should be responsible for such decisions in relation to leisure services, and 19% central government, 63% felt local councils should be responsible for such decisions in relation to public transport, and 25% central government
- 1.2.14 However, while more respondents felt central government rather than local councils should make the decisions over priorities in relation to the NHS (52%: 24%), education (44%: 34%), post-16 education (51%: 24%), the police (49%: 34%), and fire and rescue services (42%: 39%), this was to a lesser extent than was the case in relation to service provision etc.
- 1.2.15 This suggested that there was, to some extent, a contradiction in respondents' views: while they believed central government was responsible for the provision of core services (health, education, security), and that it should be responsible for setting the standards of delivery of such services, they were less convinced that central government alone should be able to decide how these services should be prioritised at a local level.

### **Attitudes towards concept of variable service delivery (paragraphs 3.2.1 to 3.2.5)**

- 1.2.16 At waves one and three respondents were asked whether they thought it mattered if local levels of service were not the same in different parts of the country. Considering the combined data from both waves, well over half (55%) of all respondents believed it did matter if local levels of service were not the same, with only just over a quarter (26%) who felt that it did not matter, yielding a net level of agreement of -28%<sup>3</sup>.
- 1.2.17 Levels of agreement that different standards did not matter were higher (38%) once the concept of charging different levels of council tax was introduced.

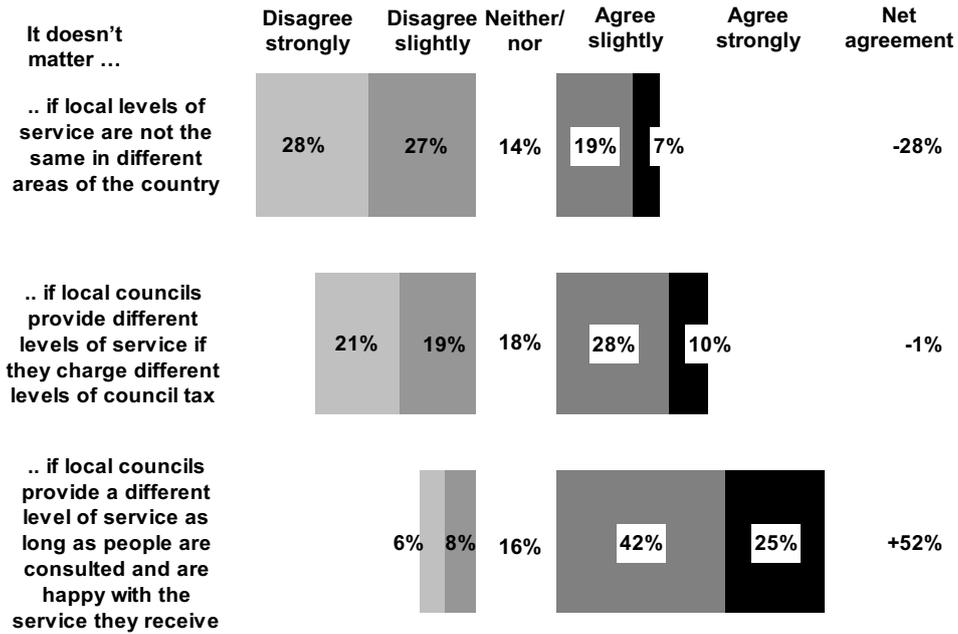
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<sup>3</sup> Net level of agreement is the proportion who agree strongly or slightly minus the proportion who disagree slightly or strongly.

However, a similar proportion (40%) did not agree even on this basis, yielding an ambivalent net level of agreement of -1%.

- 1.2.18 Objections to the concept of variable service provision were substantially reduced once the concept of successful public consultation was introduced; two thirds (67%) agreed that it did not matter if local councils provided a different level of service as long as people were consulted and were happy with the service they receive, and only 14% disagreed, yielding a net level of agreement of +52%.

**Figure 1**  
**Level of agreement with statements relating to level of service delivery**  
**(All respondents) (W1 and W3)**



Unweighted sample base 2114.

- 1.2.19 While the pattern of responses was similar across wave one and wave three, there did appear to be an increasing level of acceptance of the concept of variable service delivery, particularly if the variability was linked to levels of council tax, and even more so if it met the needs of local people.

**Figure 2**  
**Proportion who agree with statements relating to level of service delivery (W1 and W3)**

<b>It doesn't matter</b>	<b>Wave 1 %</b>	<b>Wave 3 %</b>
.. if local levels of service are not the same in different areas of the country	22	32
.. if local councils provide different levels of service if they charge different levels of council tax	31	45
.. if local councils provide a different level of service as long as people are consulted and are happy with the service they receive	63	70
.. if local councils provide a different level of service as long as services address people's needs in that area	Na	69
<b>Unweighted sample base</b>	<b>1058</b>	<b>1056</b>

### Public involvement in setting standards of service (paragraphs 3.2.12 to 3.2.14)

- 1.2.20 When asked which public services they personally wanted to have a say in what standards of service was delivered, over half (54%) of respondents in wave three mentioned at least one service.
- 1.2.21 The two areas that attracted the highest level of interest were the police and community safety (25%), and the NHS (19%), and the order of services largely reflected those services respondents would prioritise if more money became available to spend on public services.
- 1.2.22 Those who felt council tax in their area provided poor value for money were more likely than those who felt it provided good value for money to report a desire to have a say in at least one of the listed services (62% compared to 50%). The services they were more likely to wish to have a say in were:
- Police and community safety (30% compared to 22% of those who felt council tax offered good value for money);
  - NHS (25% compared to 14%)
  - Their local schools (17% compared to 9%);
  - Social services (15% compared to 9%);
  - Road maintenance (15% compared to 9%);
  - Refuse collection (17% compared to 12%).

### Public influence on how council tax is spent (paragraphs 3.2.15 to 3.2.18)

- 1.2.23 Respondents were also asked the extent to which they felt people in their local area **were** able to influence how council tax was spent, the extent to which they **should** be involved, and the extent to which they **personally would like** to be involved.
- 1.2.24 Over half (55%) of all respondents felt that people **were** able to influence how council tax was spent in their local area to a small or a great extent, while close to two in five (38%) did not feel they were at all.
- 1.2.25 Close to three quarters (73%) of respondents in wave three felt that people **should** be able to influence how council tax was spent, and over two fifths (45%) would personally like to be involved. While this represented a relatively positive level of desire for personal engagement, there was clearly a gap between the extent to which respondents felt local people **should** be involved in decisions regarding council tax, and the extent to which they personally wanted to, or felt able to, get involved.
- 1.2.26 Despite the fact that respondents who felt council tax in their area provided poor value for money were more likely to report a desire to have a say in standards of delivery of at least one service (see section 1.2.22), and to feel that people in their local area were not able influence how council tax was spent in their area (46% compared to 30% of those who felt council tax offered good value), and to feel that people in their local area **should** be able to influence how council tax was spent

(35% to a great extent compared to 24% of those who felt council tax offered good value), they were equally **unlikely** to want to, or feel able to, get involved personally in such decisions (42% not at all compared to 37% of those who felt council tax offers good value).

### **Preferred methods of consultation (paragraphs 3.2.19 to 3.2.22)**

- 1.2.27 To further investigate the concept of public consultation all respondents in the second wave were asked to select the methods of consultation their local council should use if they were to consult people about issues to do with service provision.
- 1.2.28 Positively two in five respondents (41%) identified face-to-face surveys, followed closely by postal surveys (39%). Three in ten (29%) reported that routine local elections would be enough and a quarter (25%) that they should use leaflets/posters. Other methods of consultation were chosen by less than one in five of respondents.
- 1.2.29 In wave three, those respondents who reported that they would personally like to be involved in making decisions about how council tax was spent in their area were asked how they would prefer to get involved.
- 1.2.30 Of the 45% who expressed an interest in getting involved themselves, a half (50%) reported that they would prefer to do so via public meetings, two fifths (41%) via surveys, focus groups and related research mechanisms, and around a quarter via petitions (28%), meetings with councillors (27%), meetings of groups to which they belonged (24%), at a meeting with council staff (24%), and written communication (22%). Few mentioned standing for council elections (6%).

### **Roles and responsibilities of different individuals/groups in local community (paragraphs 3.2.23 to 3.2.26)**

- 1.2.31 In wave three all respondents were asked the following:
- ‘Now thinking about your local community, which of these individuals or groups, if any, do you think are:
- ‘Best placed to make your area a good place to live?’
  - ‘Responsible for the overall quality of services and facilities in your local area?’
  - ‘Best placed to encourage new jobs and businesses to come to your local area?’
- 1.2.32 Respondents were most likely to feel that local people themselves were best placed to make their area a good place to live (66%), while they viewed their local council (55%) and local councillors (47%) as responsible for the overall quality of services.
- 1.2.33 Interestingly, while respondents were more likely to feel that central government had responsibility for the provision of some key services (police, education, NHS, fire and rescue services), and that they should set the standards for provision of these services, and that central government should be the main or part provider of funding for local services, relatively few respondents mentioned government ministers either as best placed to make their local area a good place to live (16%), or as responsible for the overall quality of local services (18%).

- 1.2.34 Business people were largely regarded (71%) as best placed to encourage new jobs and businesses to come to their local area, and again government ministers were mentioned by relatively few respondents (24%).
- 1.2.35 In relation to encouraging new jobs and businesses, around a third mentioned local people themselves (37%), local councils (35%) and local MPs (33%).

## **1.3 Local taxation**

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### **Who should fund local services (paragraphs 4.1.1 to 4.1.2)**

- 1.3.1 When asked where funds for local services should come from over half (52%) of all respondents at wave one felt central government and local councils should provide similar amounts of funding for local services.
- 1.3.2 Just over one in ten (13%) felt central government should be the main provider of funds using national taxation, and a quarter (25%) felt that local services should be mainly funded by local councils using council tax.

### **Awareness of council tax banding (paragraphs 4.2.2 to 4.2.4)**

- 1.3.3 Despite the fact that around three quarters (78%) of all respondents reported that the householder pays all of their council tax, it is clear that many people did not know which council tax band their house was in, regardless of whether they paid all/some council tax themselves, or whether council tax benefit paid it all. Over a third simply did not know (34%), and around a further quarter (23%) provided the incorrect band.

### **Proportion of spending that comes from council tax (paragraphs 4.2.5 to 4.2.7)**

- 1.3.4 Similarly, few people were able to offer an educated opinion when asked what proportion of the money their local council spends every year comes from council tax. Over a third (35%) did not offer a response, and around two fifths (44%) provided the incorrect balance of funding for their local council.

### **Perceptions of value for money (paragraphs 4.2.8 to 4.2.13)**

- 1.3.5 At all three waves of the survey respondents were asked whether they thought council tax in their area provides good value for money or not.
- 1.3.6 There were some clear differences in the response across the three waves, with a significantly lower proportion feeling that council tax represented good value for money at wave two: close to a fifth (19%) of all respondents surveyed in wave two felt it did to an extent, compared to 31% in wave one, and 37% in wave three.
- 1.3.7 Correspondingly, while over half (51%) of those surveyed in wave two felt it did not offer good value for money, this compared with around two fifths (42%) of those in wave one and a third (34%) in wave three.
- 1.3.8 While this may be partly explained by question-order effects, we would suggest that ongoing publicity surrounding the possibility of revaluation and possible council tax increases around the time of wave two interviewing (31 August to 7 October) may well have had an effect on perceptions of value for money. Such PR

included stories about people being imprisoned, or threatened with imprisonment, as a result of non-payment of council tax, calls for council tax re-banding to be scrapped, rises in the level of council tax, 'pensioner' protests, and the postponement of revaluation.

- 1.3.9 At wave three, those respondents who felt council tax did not offer value for money were asked for their reasons. The main reasons given related to general service provision, rather than specific services: the fact that the value of the services did not reflect the amount paid (18%), council tax was high despite poor services (11%), and the services provided were not those that were needed (10%).
- 1.3.10 However some specific services were mentioned by close to one in ten respondents (8% street cleaning, refuse collection, road and pavement maintenance).

## **1.4 Perceptions of fairness**

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### **The basis of local taxation**

#### **Factors that are/should be taken into account in setting local taxes (paragraphs 5.1.1 to 5.1.6)**

- 1.4.1 While a fifth (20%) of all respondents did mention property value, and a third (32%) mention property size, as a factor that should be taken into account when deciding how much local tax a household should pay, only just over one in twenty (6%) felt property value should be the main factor in setting local taxes, and just under one in ten property size (9%).
- 1.4.2 As came through in the NOP World qualitative work, income was seen as the more equitable basis on which to calculate local tax, mentioned by over two fifths at all (42%), and by close to a quarter (24%) as the main factor that should be taken into account. So it is clear that there is a reasonably strong sense that a local tax should be based on a household's ability to pay, rather than the size of the property, the size of the household, use of services or the value of the property.
- 1.4.3 In terms of the factors that people believe **were** taken into account when calculating how much council tax a household would pay, responses from wave two tended to be relatively accurate, with over three fifths (62%) mentioning property value, over two fifths (43%) mentioning property size, and close to three in ten the area in which they lived (29%).

#### **Fairness of basing council tax on property values (paragraphs 5.1.7 to 5.1.11)**

- 1.4.4 In wave two respondents were reminded that council tax levels were currently based on the value of a household's property and asked the extent to which they think it was fair that this was the case.
- 1.4.5 Reflecting the overall pattern of results, the majority (55%) of respondents believed that basing council tax on property value was unfair to an extent with a third (32%) considering this to be very unfair. Under a quarter (23%) felt that it was fair, and only 3% considered this to be very fair.

- 1.4.6 For those who felt it was unfair, the key reasons were because they felt it was fairer to base council tax on income/ability to pay (41%).
- 1.4.7 Even amongst those who felt basing council tax levels on property value was fair, the key reason was because they felt that property value was a good indication of wealth/ability to pay (45%).

#### **Variability of council tax levels by property value (paragraphs 5.1.12 to 5.1.14)**

- 1.4.8 In wave one, respondents were asked to imagine two identical houses with similar households living in each, with one house in a high value area and the other in a low value area. They were then asked whether they thought the house in the high value area or the house in the low value area should pay more council tax, or whether they should pay the same amount.
- 1.4.9 Again there were clear indications that many respondents did not agree with the concept of linking council tax to property value: while just over a quarter (27%) did feel that the household in the high value area should pay more council tax, close to two thirds (65%) felt they should both pay the same.

#### **Impact of increased property value on council tax (paragraphs 5.1.15 to 5.1.17)**

- 1.4.10 This view was echoed again in wave one, when respondents were asked the extent to which they agreed or disagreed that if a person's house went up in value more than others in that area they should pay more council tax. While a quarter (25%) did agree that this should be the case, over half (55%) disagreed to some extent, including over a third (35%) who disagreed strongly.

#### **Attitudes towards regular revaluation (paragraphs 5.1.18 to 5.1.19)**

- 1.4.11 In wave one, over two in five (43%) respondents agreed that there should be regular revaluations to take into account changes in house prices, while just over a third (34%) disagreed with the concept, This yielded a net level of agreement of +9%, indicating a certain level of ambivalence.
- 1.4.12 So it is clear that, while respondents did not tend to agree with the concept of basing local tax on property value, as long as council tax **was** based on property value, on balance more agreed than disagreed that there should be regular revaluations to take account of the changes in house prices.

#### **Attitudes towards subsidising others**

- 1.4.13 It should be noted that this section is largely based on a set of hypothetical questions that tended both to be difficult for respondents to answer (hence some questions had high levels of 'don't knows'/'not provided'), and that were also more difficult to analyse definitively.
- 1.4.14 Consequently some caution should be shown when considering the results of this section of the report.

#### **Opinions regarding subsidising other households (paragraphs 5.2.3 to 5.2.5)**

- 1.4.15 At waves one and three, respondents were asked to imagine that they were asked to pay a slightly higher rate of council tax in order to reduce the amount of tax that other people have to pay, and to suggest which types of households they would be willing to pay a slightly higher rate of local taxation for.

- 1.4.16 While over seven in ten (71%) of all respondents at wave one mentioned at least one type of household they would be prepared to pay slightly more for, this fell to under six in ten (58%) at wave three.
- 1.4.17 Specifically, respondents in wave three were less likely than those in wave one to mention 'retired people/the elderly/pensioners' (25% compared to 55%) They were also less likely to mention people who had a disability (30% compared to 41%), and students (8% compared to 21%), as types of households they would be prepared to pay more for than respondents in wave one. This suggested that in general respondents in wave three were less likely to see the case for subsidising others.

#### **Opinions regarding elderly/pensioners (paragraphs 5.2.6 to 5.2.7)**

- 1.4.18 The second wave of research asked respondents to consider the issue of the elderly and council tax in a little more detail. In particular they were asked for their view on whether the elderly should or should not pay less council tax if they owned a property without a mortgage, and secondly, if they had a lot of savings, pensions or investments.
- 1.4.19 Three quarters (74%) of respondents thought that the elderly should automatically pay less council tax even if they own a property without a mortgage. This proportion fell to half (51%) when savings, pensions and investments were introduced, indicating that half of all respondents, whether consciously or not, had some support for means testing, and reinforces the impression that property is regarded differently to other forms of wealth.

#### **Opinions regarding subsidising elderly/pensioners (paragraphs 5.2.8 to 5.2.20)**

- 1.4.20 As a large number of respondents in wave one indicated spontaneously that they would be prepared to subsidise pensioners, and to further consider the linkage between pensioners paying less and other households paying more to accommodate this, respondents were asked the extent to which they felt it was fair that 'for pensioners to pay less local income tax other households will have to pay more'.
- 1.4.21 In wave three the terminology for this question was changed to 'retired people should pay less council tax meaning that other households will have to pay more'. The term 'retired people' was used to explore the extent, if any, to which the term 'pensioners' may be generating a more emotional response.
- 1.4.22 At first glance it appeared that there had been a significant uplift in the proportion of respondents who felt this was fair from wave two to three (from 36% to 60%), indicating a stronger perception of the equity of subsidising retired people than pensioners, which might suggest that the change in terminology had not had an impact.
- 1.4.23 To a certain extent this may in fact be the case, however, it should be noted that the former question related the issue of some groups paying less to local income tax, rather than council tax: while close to a quarter of respondents at wave two (22%) felt unable to answer the question on the basis of local income tax, this figure had fallen to 7% at wave three where council tax was referenced.
- 1.4.24 On the basis of council tax rather than local income tax, less than one in five (17%) felt it was unfair that other households would have to pay more so that

retired people could pay less, indicating a general acceptance of the fact that people in retirement should be subsidised.

- 1.4.25 However, as noted earlier, half of all respondents, whether consciously or not, had some support for means testing in relation to savings, pensions and investments (see paragraph 1.5.19).
- 1.4.26 To identify the 'other households' that should pay more to enable pensioners to pay less, respondents who felt it was fair that other households should pay more so that pensioners could pay less were asked to identify the types of people they felt should and should not pay more tax.
- 1.4.27 Unsurprisingly respondents identified high earners as the primary group to pay more to compensate for pensioners paying less (46%). A much smaller proportion (17%) mentioned that all working people should pay more. Over a quarter (27%) could not or refused to provide an answer to this question.
- 1.4.28 Amongst this group who felt it was fair for households to pay more to compensate for pensioners paying less, just over a quarter (28%) mentioned people on a low income, and a further 13% disabled people, as groups who should **not** have to pay more. Again a large proportion (46%) could not or refused to provide an answer.

**Extra amount would be prepared to pay to subsidise retired people (paragraphs 5.2.21 to 5.2.23)**

- 1.4.29 In wave three, those respondents who mentioned 'retired people' as a type of household for which they would be prepared to pay a slighter higher level of council tax, were asked how much extra they and their household would be willing to pay in order to reduce the amount of council tax that retired people would have to pay.
- 1.4.30 While around a quarter (27%) were not prepared to specify an amount, a similar proportion (25%) reported that they would be prepared to pay an extra 1%, a fifth (20%) that they would be prepared to pay an extra 2%, and a further fifth (18%) an extra 5%.
- 1.4.31 Considering this in terms of the total sample indicates that around a fifth (19%) of all respondents were prepared to name a specific additional sum that they would be prepared to pay to subsidise retired people.

**Attitudes towards richer areas subsidising poorer areas (paragraphs 5.3.1 to 5.3.2)**

- 1.4.32 While there were clear indications that many respondents from wave one did not support the concept of basing council tax levels on property value, close to a half (49%) did feel that it was fair that people living in rich local authority areas should pay more council tax to ensure that poorer areas could receive a similar level of service. In contrast just under three in ten (28%) believed this was unfair to some degree.
- 1.4.33 However it should be noted that this concept was not explored in as much detail as other issues relating to the subsidising of other groups.

## **1.5 Support for other taxes and charges**

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### **Attitudes to a local income tax**

#### **Views on replacement of council tax with local income tax (paragraphs 6.1.1 to 6.1.8)**

- 1.5.1 In wave two respondents were read a short description (outlined below) on local income tax and asked their opinion of whether council tax should be partly/entirely replaced with a local income tax or whether it should continue to be based purely on property values:

'Some people have said that it would be fairer for Council Services to be paid for out of a local income tax rather than the current council tax which is based on property values.

'Local income tax would be in addition to the current national income tax that you may already pay from your salary. Local Income tax would be based on the individual's earnings, which includes salary, savings and investments.'

- 1.5.2 Overall half felt (49%) there should be a move away from council tax being entirely based on property values, comprised of a third (33%) saying that council tax should be entirely replaced with a local income tax and 16% saying that it should be partly replaced. Just over one in ten (14%) thought that council tax should continue to be based solely on property values.
- 1.5.3 It should be noted however that over a third (37%) of respondents interviewed were unable to provide an opinion based on the information and options provided.
- 1.5.4 Interestingly, regardless of whether respondents thought that council tax should be partially or entirely replaced, or that it should remain based purely on property values, there was a strong sense that council tax should be based at least partly on people's ability to pay (78% of those who believed it should be partly replaced, and 80% of those who felt it should be entirely replaced by a local income tax). (It should be noted that the concept of council tax benefit was not explored at this stage.)
- 1.5.5 Two thirds (66%) of respondents who felt council tax should continue to be based upon property value alone felt that this was a good indication of wealth/ability to pay.

#### **Perceived impact of replacing council tax with local income tax (paragraphs 6.1.9 to 6.1.12)**

- 1.5.6 In wave two, all respondents were asked to consider the impact of moving to a local income tax in relation to the amount of tax pensioners, and their own household, would pay.
- 1.5.7 Half (50%) of all respondents believed that pensioners would pay less tax if there were to be a move to local income tax, however only just over one in ten (13%) thought that the amount their own household would pay would go up. This suggests that respondents did not link pensioners paying less tax to a possible rise in the amount of tax their own household would have to pay.
- 1.5.8 Again it should be noted that around a quarter (24% and 27% respectively) of respondents did not know or did not provide an answer.

## Attitudes to charging

### Views on charging for services (paragraphs 6.2.1 to 6.2.7)

- 1.5.9 At all waves respondents were asked whether they thought local councils should be allowed to offer better quality services to those households that choose to pay more for them.
- 1.5.10 In waves one and three, opinions were very much balanced, with close to half (48% and 46% respectively) saying that local councils should, and similar proportions (48% in both waves) that they should not be allowed to offer better quality services to those who choose to pay more for them.
- 1.5.11 Of the group that think local councils should be allowed to do so, 17% at both wave one and wave three felt this should be the case for all services, and 31% and 29% respectively for some services.
- 1.5.12 While a similar proportion at wave two felt local councils should be able to offer this for all services (15%), significantly fewer thought they should be able to offer it for some services (7%), and close to three quarters (72%) felt that local councils should not be able to offer any services on this basis.
- 1.5.13 While this may in part be due to changes in question-order, it may also be in part due to increased media coverage of possible increases in council tax, and issues relating to revaluation, over the period of wave two fieldwork (see paragraph 1.4.8). Certainly more negative perceptions of value for money would suggest that respondents at wave two might be more sensitive towards council tax levels than those at wave one and those at wave three.
- 1.5.14 At wave two, the 7% of respondents who felt that local councils should be able to charge more for some services were asked which services they thought it would be okay to charge for. Over half (53%) thought that this would be okay for education and between a quarter and a third identified public transport (31%), the police (30%), leisure services (30%), NHS (28%) and refuse collection (26%). Other services were mentioned by less than two in ten respondents.
- 1.5.15 At wave three respondents were also asked whether their household would be prepared to pay extra in order to receive a new or better service from their council. Whereas around half (46%) felt that councils should be allowed to offer new or better services to those who chose to pay for them, only 29% reported that their household would actually take advantage of such an opportunity. Of these, one in ten (9%) reported that their household would consider this option for all services, and one in five (20%) that their household would consider this option for some services.
- 1.5.16 When those who reported that they would be prepared to pay more for some services were asked for which services they would be prepared to pay more, the key areas identified were the police (44%) and the NHS (30%).
- 1.5.17 Around a fifth mentioned public transport (21%), roads (21%), refuse collection (20%), education (18%), social services (18%) and leisure services (17%).
- 1.5.18 In terms of level of service usage, it was those who were high or medium users of services who were more likely to report that their household would **not** be prepared to pay extra to receive a new or better service from their local council (65% and 71% respectively compared to 43% of low users of services).
- 1.5.19 In contrast, close to a third (32%) of low users of services reported that their household **would** be prepared to pay extra for **all** services.

- 1.5.20 This points to a dichotomy, whereby those who are most likely to use services are least likely to wish to pay for them, and *vice versa*.

## 2 Introduction

### 2.1 Background and objectives

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- 2.1.1 In April 2005 the Lyons Inquiry into Local Government commissioned BMG Research to conduct a quantitative survey<sup>4</sup> exploring public attitudes towards local government funding and responsibilities to feed into the independent inquiry on local government conducted by Sir Michael Lyons.
- 2.1.2 The overarching objective of the project was to enable the Inquiry to understand the 'backdrop' of public attitudes to local government funding and responsibilities against which potential reform options will be considered, and final recommendations made. However, it should be noted that there are limitations to asking survey questions in such a complex subject area. These survey results must therefore be viewed alongside the more in-depth qualitative work that was carried out as part of the overall programme of research, and not considered in isolation.
- 2.1.3 More specifically, the objectives of the quantitative research were to explore:
- Perceptions of who delivers which services, and thoughts as to who should;
  - Central/local standard setting for service provision;
  - Attitudes towards differential service provision;
  - Willingness to pay for enhanced services;
  - Perceptions of council tax value for money;
  - Perceived sources of local government finance;
  - Suggestions for the basis upon which council tax should be calculated;
  - Use of services;
  - Attitudes towards property value as a basis for local taxation;
  - Attitudes towards other ways of paying for local services e.g. local income tax and charging;
  - Attitudes towards whether certain groups should be subsidised by other tax payers;
  - Role of communities in setting local service priorities and funding levels.

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<sup>4</sup> Qualitative work was also undertaken by NOP World and the Office for Public Management, and reported on separately to this report. The findings from this were considered in detail when designing the quantitative survey.

## 2.2 Reporting

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- 2.2.1 This report summarises the findings from three waves of face-to-face interviews with random samples of the public, the first conducted between 27th May and 1st July 2005, the second between 31<sup>st</sup> August and 7<sup>th</sup> October 2005, and the third between 13<sup>th</sup> June and 16 July 2006.
- 2.2.2 As well as providing a national overview, the report also considers key regional and demographic differences (see section 7), and summarises the results of a process of cluster analysis (see section 8).
- 2.2.3 Reporting has been structured on a thematic basis. Where possible, and where results are consistent across the three waves, data have been combined, however, where results vary across the waves, these have been highlighted throughout the body of the report.
- 2.2.4 Relevant waves are indicated in the text and copies of each of the three questionnaires are available on the Lyons Inquiry website [www.lyonsinquiry.org.uk](http://www.lyonsinquiry.org.uk) which will eventually transfer to the National Archive website at <http://www.nationalarchives.gov.uk/preservation/webarchive/publicinquiries.htm>
- 2.2.5 Where differences are noted these are significant at the 95% level of confidence.
- 2.2.6 A detailed outline of the research method is included in Appendix 1.
- 2.2.7 A summary of how the sample breaks down by the key demographic variables is included in Appendix 2.

## **3 Role of local government**

### **3.1 Responsibilities compared to central government**

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#### **Who has responsibility for provision of services**

3.1.1 In wave one respondents were asked who they thought was responsible for providing a range of services, their local council, central government or some other body. If the respondent suggested a private company, they were probed to see whether they thought it was working for central government or their local Council (or neither). The graph overleaf shows the detailed response to this question but in summary, on balance a majority believed the local council are responsible for providing:

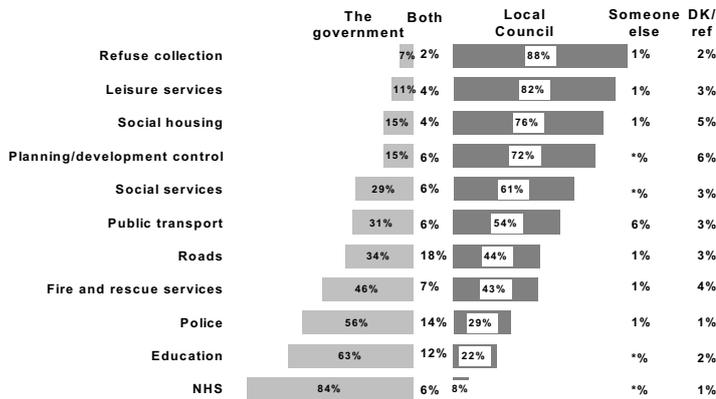
- Refuse collection;
- Leisure services;
- Social housing;
- Planning/development control;
- Social services;
- Public transport.

3.1.2 Conversely a majority believed central government is responsible for providing:

- Police;
- Education;
- NHS.

3.1.3 Views were fairly balanced in relation to roads and fire and rescue services, with similar proportions believing local councils are responsible for their provision, as thought they are provided by central government.

**Figure 3**  
**Who respondent thinks is responsible for provision of services**  
**(All respondents) (W1)**



Unweighted sample base 1058.

**Who should set standards of service delivery**

3.1.4 Respondents at waves one and two were asked whether they thought a range of services should be provided to national standards as laid down by central government, or if local councils should be free to decide what level of service they provide.

3.1.5 The pattern of responses closely reflects who respondents thought each service was provided by (only asked in wave one) with a majority in agreement that local Councils should be free to decide what level of service they provide in relation to:

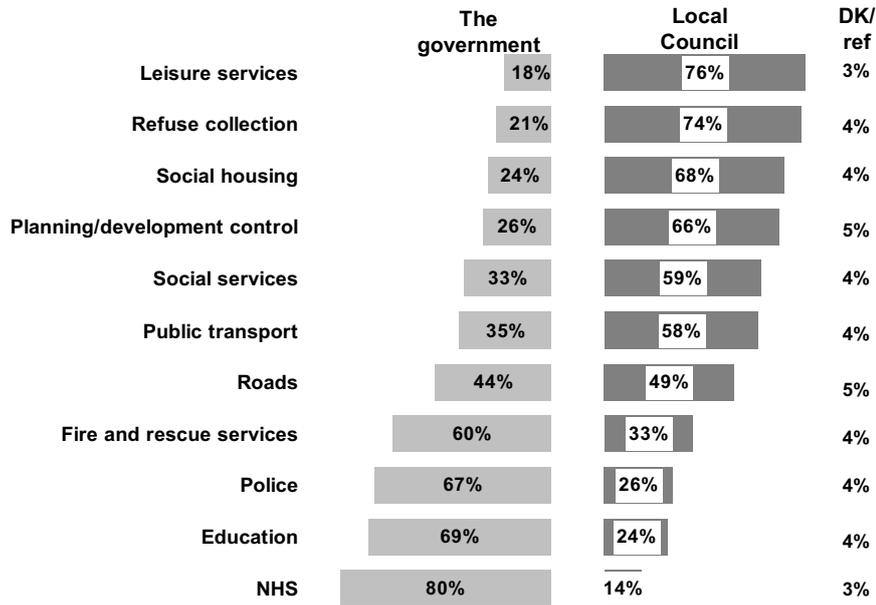
- Leisure services;
- Refuse collection;
- Social housing;
- Planning/development control;
- Social services;
- Public transport.

3.1.6 Conversely a majority believed central government should set national standards for:

- Fire and rescue services;
- Education;
- Police;
- NHS.

3.1.7 Opinions are balanced in relation to roads.

**Figure 4**  
**Who should have responsibility for setting standards of service delivery**  
**(All respondents) (W1 and W2)**



Unweighted sample base 2300.

- 3.1.8 At wave two, respondents were probed on their reasons for feeling that either central government or local Councils should set standards of delivery for specific services.
- 3.1.9 Taking responses as a whole, regardless of the service in question, half of respondents who felt that central government should set standards of service delivery for at least one of the listed services felt this was because 'it is better at seeing the bigger picture' (53%). Around a quarter felt 'it has more money' (26%) and 'it is more powerful' (23%).
- 3.1.10 Two in three (65%) of those who felt that local councils should set standards of service delivery for at least one of the listed services felt this because it has a 'better understanding of the local situation'. Just under a half (46%) felt it is 'better able to target resources to needs' and a third (31%) that it is 'better able to reflect local needs'.

**Figure 5**  
**Why respondent thinks central government/local councils are best placed to set standards – unprompted**  
**(All respondents mentioning central government or local council for at least one service) (W2)**

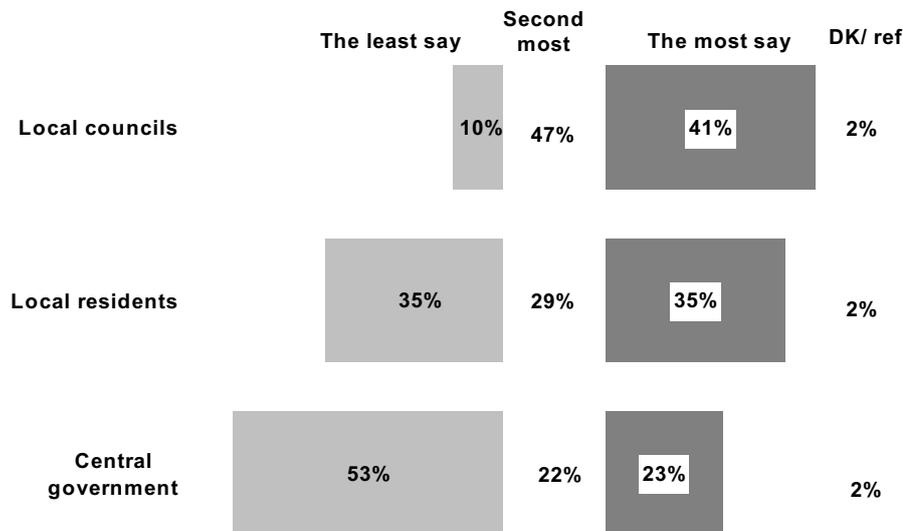
	<b>Central government (%)</b>	<b>Local councils (%)</b>
Better at seeing the bigger picture	53	-
More money	26	-
More powerful	23	-
Have better ideas	12	8
More trustworthy	6	1
Better understanding of local situation	-	65
Better able to target resources to needs	-	46
Better able to reflect local needs	-	31
Other	2	*
Don't Know/Refused	7	3
<b>Unweighted sample base</b>	<b>1095</b>	<b>1013</b>

- 3.1.11 Respondents were also asked to give their reasons for feeling that central government should be responsible for setting standards for specific services, rather than in general.
- 3.1.12 For all services, where respondents did feel central government should be responsible for setting standards of service, the key reason is that they felt 'there should be national standards throughout/there should be the same level of service everywhere'. This is particularly the case for:
- Education;
  - Police;
  - Fire and Rescue;
  - NHS.
- 3.1.13 Other reasons given for feeling that central government should be responsible for setting standards for specific services focus on the need for local councils to be regulated, and the fact that local councils waste too much money.
- 3.1.14 Similarly, respondents were also asked to give their reasons for feeling that local councils should be responsible for setting standards for specific services, rather than in general.
- 3.1.15 Again, for all services, similar proportions of those who felt local councils should be responsible for setting standards for specific services felt this is because 'they are better at understanding the local situation' (above two thirds for each service). Other reasons mentioned included the fact that local councils are currently doing a good job so there is no need to change, and that they are more accountable to local people.

### **Who should be responsible for setting council tax levels**

- 3.1.16 Responsibility for setting council tax levels was only explored in wave one of the survey.
- 3.1.17 Respondents were asked, of local councils, central government and local residents, which should have the most say, the second most say and the least say in relation to setting levels of council tax.
- 3.1.18 On balance it is local councils that respondents felt should have the greatest control over setting council tax levels (over two fifths - 41% - felt they should have the most say) and central government the least (over half - 53% - felt central government should have the least say). While over a third (35%) felt that local residents should have the most say, an equal proportion felt that they should have the least say.

**Figure 6**  
**Who should have most/least say in setting levels of council tax**  
**(All respondents) (W1)**



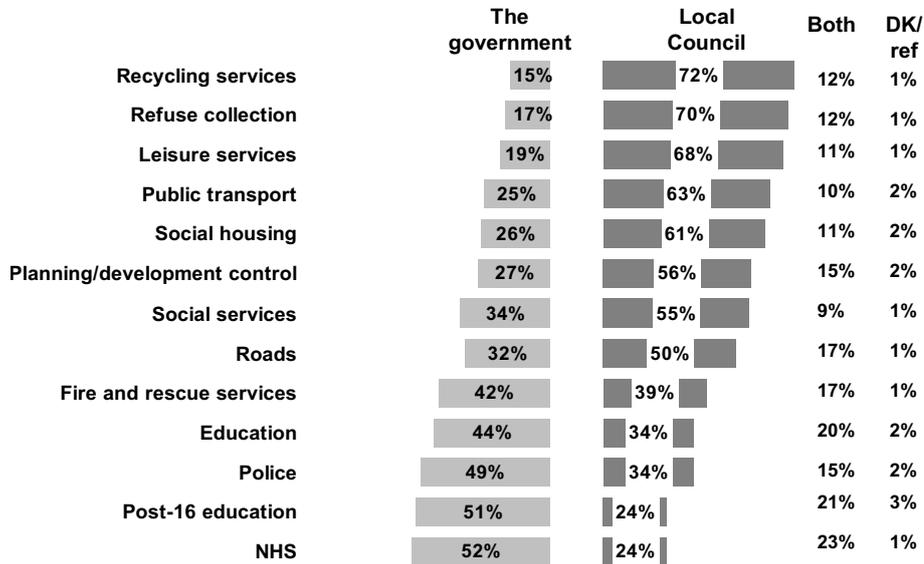
Unweighted sample base 1058.

### Who should set priorities

- 3.1.19 In wave three, respondents were asked whether they felt local councils or central government should decide what should happen to a range of services if more money became available, or cuts had to be made on public services in their local area.
- 3.1.20 The pattern of response was very similar to that given when respondents were asked who they thought is responsible for the provision of services, and who they thought should be responsible for the standards of service delivery.
- 3.1.21 On balance the majority felt that local councils should decide what should happen to the following services if more money became available, or cuts had to be made on public services in their local area:
- Recycling services;
  - Refuse collection;
  - Leisure services;
  - Public transport.
  - Social housing;
  - Planning/development control;
  - Social services.
- 3.1.22 However, while more respondents felt central government rather than local councils should make the decisions in relation to the NHS, education, the police and fire and rescue services, this is to a lesser extent than seen in relation to

responses to questions about who should be responsible for standards of service provision.

**Figure 7**  
**Who should decide what should happen to a range of services if more money became available, or cuts had to be made on public services in their local area.**  
**(All respondents) (W3)**



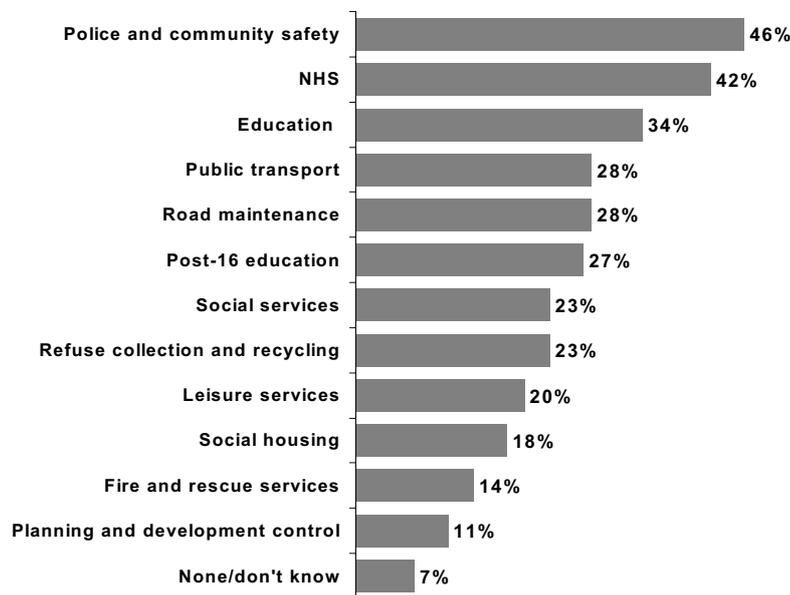
Unweighted sample base 1056.

3.1.23 This suggests that there is to some extent a contradiction in respondents' views: while they believe central government is responsible for the provision of core services (health, education, security), and that it should be responsible for setting the standards of delivery of such services, they are less convinced that central government alone should be able to decide how these services should be prioritised at a local level.

### How services should be prioritised

- 3.1.24 In wave three, respondents were asked which services they think should be a priority if more money became available to spend on public services in their local area.
- 3.1.25 Clearly crime and anti-social behaviour (46%), health (42%) and education (34%) are regarded as priorities, with over a quarter also mentioning public transport (28%), road maintenance (28%) and post-16 education (27%).

**Figure 8**  
**Which services should be a priority if more money became available to spend on public services in their local area.**  
**(All respondents) (W3)**



Unweighted sample base 1056.

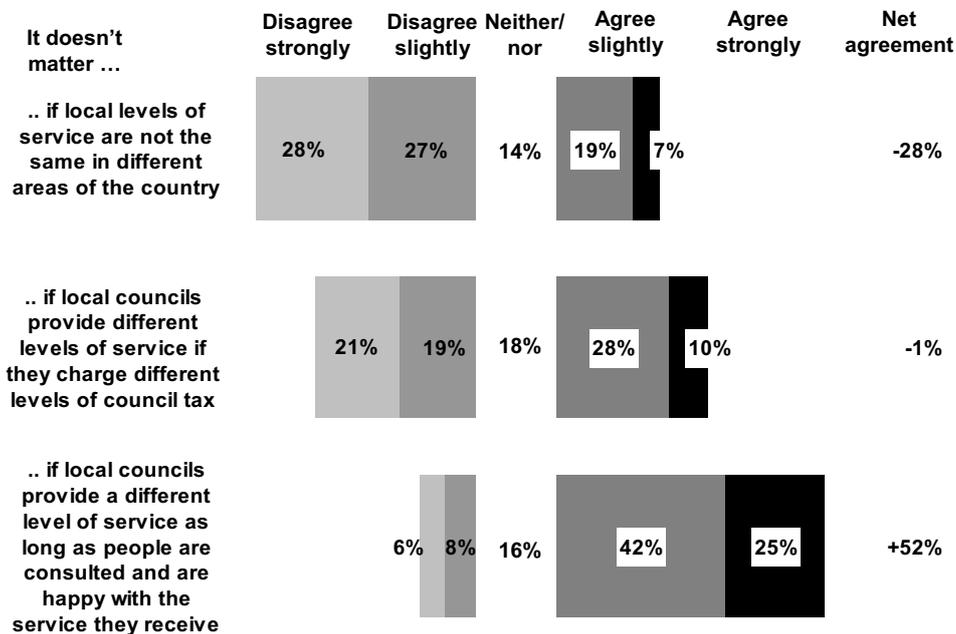
- 3.1.26 Respondents were also asked which services they thought could be reduced or cut if public services in their local area were to be reduced or cut to save money. Perhaps unsurprisingly the majority (55%) did not feel that any of the listed services could be reduced or cut, and a further 13% did not offer an opinion. Specific services were mentioned by 7% or less for all services apart from planning and control (10%).

## 3.2 Importance of local communities

### Attitudes towards concept of variable service delivery

- 3.2.1 In waves one and three, respondents were asked to rate their level of agreement with a number of statements relating to the idea of variable service provision.
- 3.2.2 Respondents were asked whether they thought it matters if local levels of service are not the same in different parts of the country. Considering the combined data from both waves, well over half (55%) of all respondents believed it does matter if local levels of service are not the same, with only just over a quarter (26%) feeling that it does not matter, yielding a net level of agreement of -28%.
- 3.2.3 Levels of agreement were higher (38%) once the concept of charging different levels of council tax was introduced. However, a similar proportion (40%) did not agree even on this basis.
- 3.2.4 Objections to the concept of variable service provision were substantially reduced once the concept of successful public consultation was introduced, with two thirds (67%) agreeing that it doesn't matter if local councils provide a different level of service as long as people are consulted and are happy with the service they receive, and only 14% disagreed, yielding a net level of agreement of +52%.

**Figure 9**  
**Level of agreement with statements relating to level of service delivery**  
**(All respondents) (W1 and W3)**



Unweighted sample base 2114.

- 3.2.5 While the pattern of responses is similar across wave one and wave three, there did appear to be an increasing level of acceptance of the concept of variable service delivery, particularly if the variability is linked to levels of council tax, and even more so if it meets the needs of local people.

**Figure 10**

**Proportion who agree with statements relating to level of service delivery (W1 and W3)**

<b>It doesn't matter</b>	<b>Wave 1 %</b>	<b>Wave 3 %</b>
.. if local levels of service are not the same in different areas of the country	22	32
.. if local councils provide different levels of service if they charge different levels of council tax	31	45
.. if local councils provide a different level of service as long as people are consulted and are happy with the service they receive	63	70
.. if local councils provide a different level of service as long as services address people's needs in that area	Na	69
<b>Unweighted sample base</b>	<b>1058</b>	<b>1056</b>

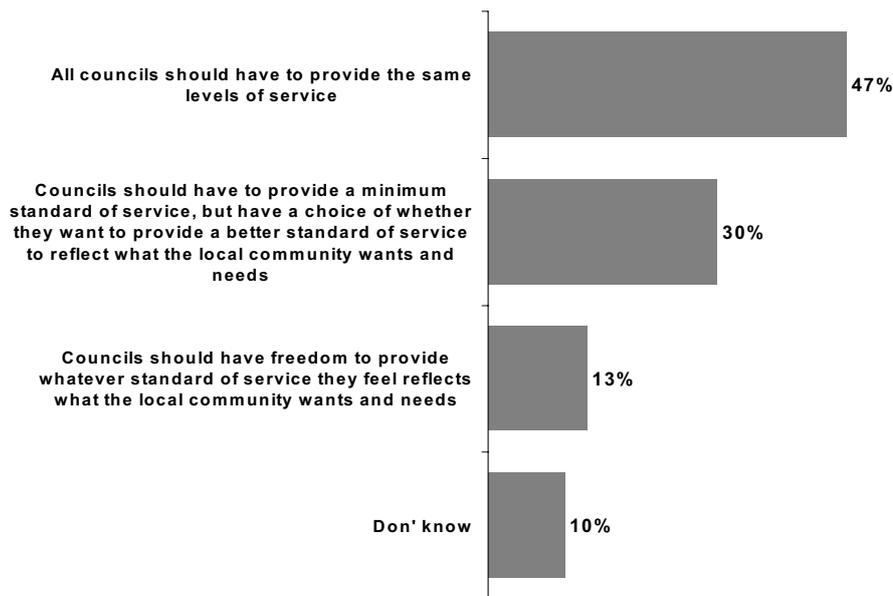
### Levels of service that should be provided

- 3.2.6 The concept of levels of service provision was explored further in wave three, in relation to the amount of freedom councils should or should not have with regard to the level of service they provide. Respondents were asked whether they feel that all councils should provide the same level of service, or whether councils should be able to provide different levels of service depending on what the communities they serve want and need.
- 3.2.7 When presented with this choice between councils providing the same level of service, or councils being able to provide different levels of service depending on what the communities they serve want and need<sup>5</sup>, overall, opinions were very balanced, with close to half (47% and 46% respectively) choosing each statement.
- 3.2.8 Respondents who feel that councils should be able to provide different standards of service depending on what the communities they serve want and need were also asked about the need or otherwise for a threshold for a minimum standard of service. They were asked whether they felt councils should have to provide a minimum level of service, but have a choice of whether they want to provide a better standard of service to reflect what the local community wants and needs, or whether they felt councils should have the freedom to provide whatever standard of service they felt reflects what the local community wants and needs.

<sup>5</sup> In this question respondents are asked to choose between two statements, rather than to rate their level of agreement with a range of statements as in the previous section.

- 3.2.9 Two thirds (65%) of those who felt that councils should be able to provide different standards of service depending on what the communities they serve want and need did feel that there should in fact be a minimum standard of service, and around three in ten (28%) that councils should be entirely free to make decisions on the level of service provision based upon local needs.
- 3.2.10 So on a total sample basis (see below), close to half (47%) felt that all councils should provide the same level of service, three in ten (30%) that councils should have to provide a minimum level of service, but have a choice of whether they want to provide a better standard of service to reflect what the local community wants and needs, and just over one in ten (13%) that councils should have the freedom to provide whatever standard of service they feel reflects what the local community wants and needs.
- 3.2.11 This indicates that there was certainly a greater weight of opinion towards minimum levels of service, whether local variation is possible or not over and above this.

**Figure 11**  
**Levels of service**  
**(All respondents) (W3)**



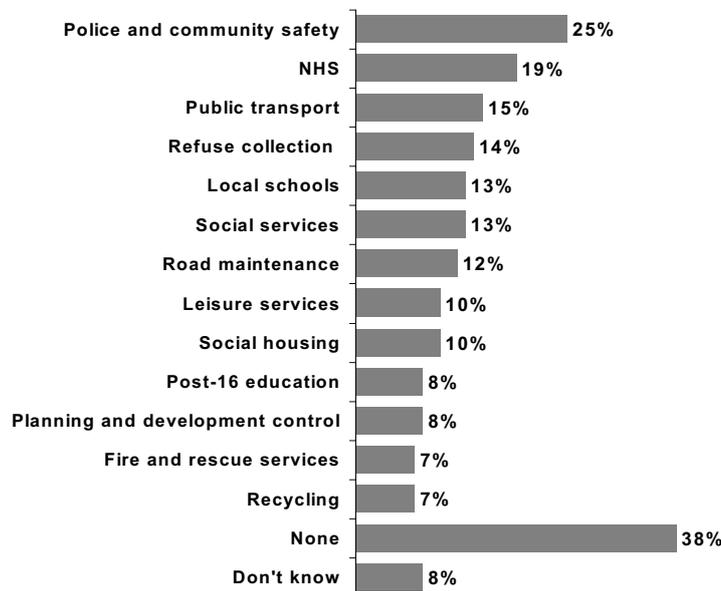
Unweighted sample base 1056.

## Public involvement in setting standards of service

3.2.12 When asked which public services they personally want to have a say in what standards of service are delivered, close to two in five (38%) report that they do not want to be involved in setting standards of service delivery for any of the listed services, and around a further one in ten (8%) did not offer an opinion.

3.2.13 The two areas that attracted the highest level of interest are the police and community safety (25%), and the NHS (19%), and the order of services largely reflects those services respondents would prioritise if more money became available to spend on public services.

**Figure 12**  
**Which services respondents would want to have a say in setting standards of service delivery.**  
**(All respondents) (W3)**



Unweighted sample base 1056.

3.2.14 Those who felt council tax in their area provides poor value for money were more likely than those who felt it provides good value for money to report a desire to have a say in at least one of the listed services (62% compared to 50%). The services they were more likely to wish to have a say in were:

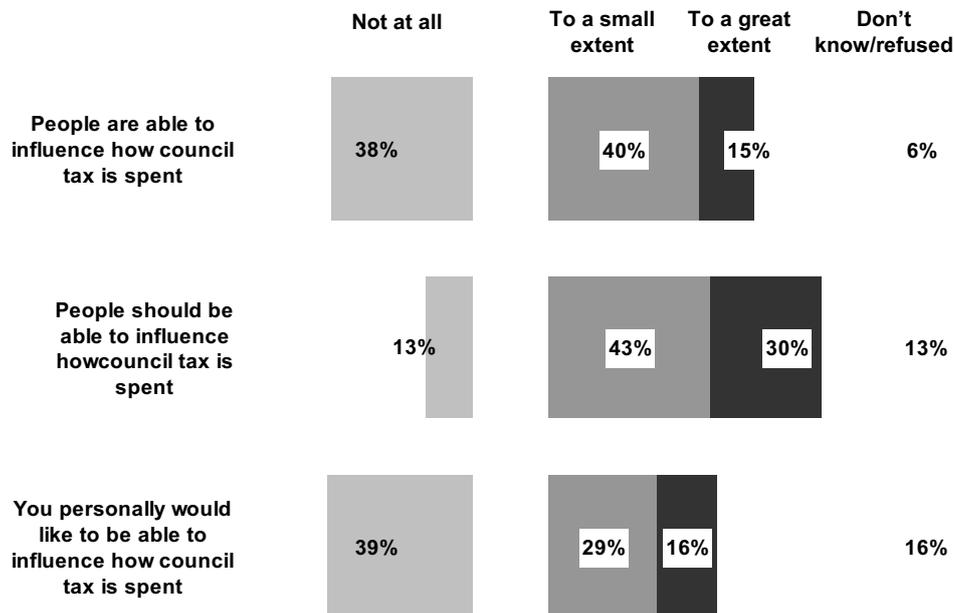
- Police and community safety (30% compared to 22% who feel council tax offers good value for money);
- NHS (25% compared to 14%)
- Their local schools (17% compared to 9%);
- Social services (15% compared to 9%);
- Road maintenance (15% compared to 9%);

- Refuse collection (17% compared to 12%).

### Public influence on how council tax is spent

- 3.2.15 Respondents were asked the extent to which they felt people in their local area **are** able to influence how council tax is spent, the extent to which they **should** be involved, and the extent to which they **personally would like** to be involved.
- 3.2.16 Over half (55%) of all respondents felt that people **are** able to influence how council tax in their local area is spent to a small or a great extent, while close to two in five (38%) did not feel they are at all.
- 3.2.17 Close to three quarters (73%) of respondents in wave three felt that people **should** be able to influence how council tax is spent, and over two fifths (45%) would personally like to be involved. While this represents a relatively positive level of desire for personal engagement, there is clearly a gap between the extent to which respondents felt local people **should** be involved in decisions regarding council tax, and the extent to which they personally want to, or feel able to, get involved.

**Figure 13**  
**Extent to which respondents feel people in their local area are able to influence how council tax is spent, the extent to which they should be involved, and the extent to which they personally would like to be involved**  
**(All respondents) (W3)**



Unweighted sample base 1056.

- 3.2.18 Despite the fact that respondents who felt council tax in their area provides poor value for money were more likely to report a desire to have a say in standards of delivery of at least one service (see section 3.2.8), and to feel that people in their local area are not able influence how council tax is spent in their area (46% compared to 30% of those who feel council tax offers good value), and to feel that people in their local area **should** be able to influence how council tax is spent (35% to a great extent compared to 24% of those who feel council tax offers good value), they were equally **unlikely** to want to, or feel able to, get involved

personally in such decisions (42% not at all compared to 37% of those who feel council tax offers good value).

### Preferred methods of consultation

- 3.2.19 To further investigate the concept of public consultation all respondents in the second wave were asked to select the methods of consultation their local council should use if they were to consult people about issues to do with service provision.
- 3.2.20 Positively two in five respondents (41%) identified face-to-face surveys, followed closely by postal surveys (39%). Three in ten (29%) reported that routine local elections would be enough and a quarter (25%) that they should use leaflets/posters. Other methods of consultation were chosen by less than one in five of respondents.

**Figure 14**  
**Methods of consultation respondents think their local council should use – prompted (All respondents) (W2)**

	%
Face to face surveys	41
Postal surveys	39
Routine local elections would be enough	29
Leaflets/posters	25
Local magazine/newspaper	19
Telephone surveys	16
Public meetings led by council members	16
Radio and TV advertising	16
Referendum	16
Public exhibitions, displays, stalls, road shows	12
Focus groups/workshops	11
Council website consultation	6
Meetings	6
Don't know	2
<b>Unweighted sample base</b>	<b>(1242)</b>

- 3.2.21 In wave three, those respondents who reported that they would personally like to be involved in making decisions about how council tax is spent in their area were asked how they would prefer to get involved.
- 3.2.22 Of the 45% who expressed an interest in getting involved themselves, a half (50%) reported that they would prefer to do so via public meetings, two fifths (41%) via surveys, focus groups and related research mechanisms, and around a quarter via petitions (28%), meetings with councillors (27%), meetings of groups to which they belong (24%), at a meeting with council staff (24%) and written communication (22%). Few mentioned standing for council elections (6%).

**Figure 15****Methods of involvement in making decisions about how council tax is spent respondents would prefer– prompted****(Respondents who would like to be involved in making decisions about how council tax is spent in their area) (W3)**

	%
At a public meeting	50
Surveys/focus groups etc.	41
By signing a petition	28
At a meeting with a Councillor	27
At a meeting of a group they belong to	24
At a meeting with council staff	24
By writing a letter/sending an email	22
In a telephone call to the council	18
By standing for election as a Councillor	6
None of these	1
Don't know	5
<b>Unweighted sample base</b>	<b>(479)</b>

### **Roles and responsibilities of different individuals/groups in local community**

- 3.2.23 In wave three all respondents were asked 'Now thinking about your local community, which of these individuals or groups, if any, do you think are:
- 'Best placed to make your area a good place to live?
  - 'Responsible for the overall quality of services and facilities in your local area?'
  - 'Best placed to encourage new jobs and businesses to come to your local area?'
- 3.2.24 Respondents were most likely to feel that local people themselves are best placed to make their area a good place to live (66%), while they view their local council (55%) and local councillors (47%) as responsible for the overall quality of services.
- 3.2.25 Interestingly, while respondents were more likely to feel that central government should have responsibility for the provision of some key services (police, education, NHS, fire and rescue services), and set the standards for provision of these services, and that central government should be the main or part provider of funding for local services, relatively few respondents mentioned government ministers either as best placed to make their local area a good place to live, or as responsible for the overall quality of local services.
- 3.2.26 Business people were largely regarded (71%) as best placed to encourage new jobs and businesses to come to their local area, and again government ministers were mentioned by relatively few respondents (24%). In relation to encouraging new jobs and businesses, around a third mentioned local people themselves (37%), local councils (35%) and local MPs (33%).

**Figure 16**  
**Roles and responsibilities of different individuals/groups in local community –**  
**prompted (All respondents) (W3)**

	<b>Best placed to make area a good place to live %</b>	<b>Are responsible for the overall quality of services %</b>	<b>Best placed to encourage new jobs and businesses %</b>
Local people themselves	<b>66</b>	37	37
Local council	35	<b>55</b>	35
Councillors in local council	33	<b>47</b>	26
Local MP	31	29	33
Business people	30	25	<b>71</b>
Senior police officers	29	19	21
Voluntary or community groups	22	15	16
Head teachers	17	14	12
Parish or Town Councillors	17	16	14
Government ministers	16	18	24
Religious leaders	15	13	11
None/don't know	7	7	8
<b>Unweighted sample base</b>	<b>(1056)</b>		

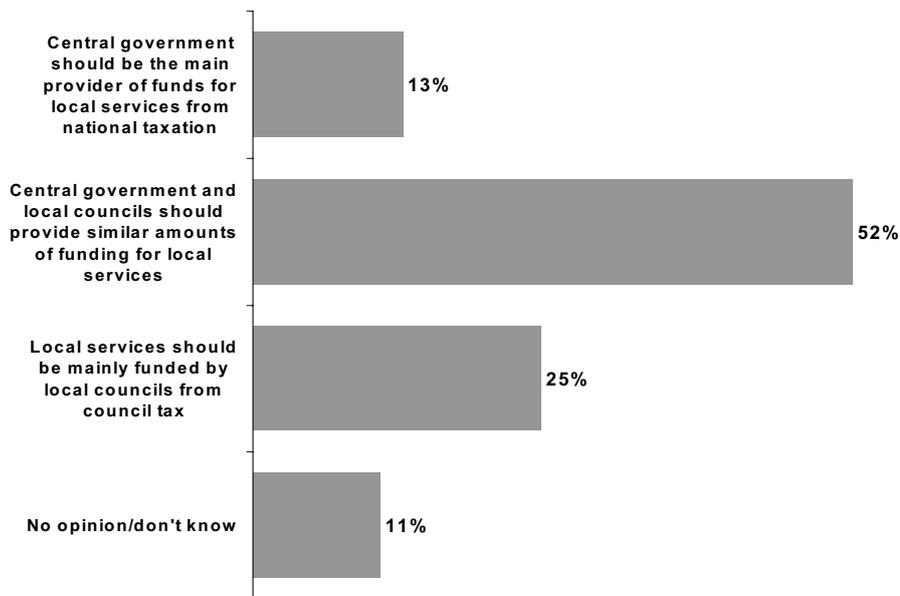
## 4 Local taxation

### 4.1 Who should fund local services

#### Who should fund local services

- 4.1.1 In wave one, when asked where funds for local services should come from, a majority (52%) felt central government and local councils should provide similar amounts of funding for local services.
- 4.1.2 Just over one in ten (13%) felt central government should be the main provider of funds for local services, using national taxation, and a quarter (25%) that local services should be mainly funded by local councils using council tax.

**Figure 17**  
**Who respondent thinks should fund local services**  
**(All respondents) (W1)**



Unweighted sample base 1058.

## 4.2 Knowledge of and attitudes towards council tax

### Payment of council tax

4.2.1 Across all waves, over three quarters (78%) of all respondents live in households that pay full council tax, and close to a further one in ten (7%) in households that pay some, with help from council tax benefit. Around one in ten (11%) live in households where council tax is entirely paid by council tax benefit, and 3% reported that they are exempt from paying council tax.

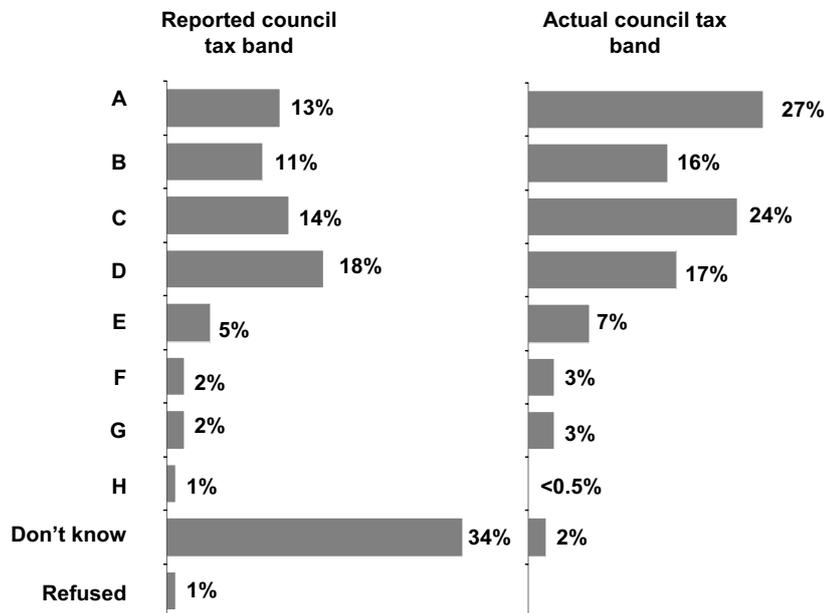
### Awareness of council tax banding

4.2.2 Over a third of all respondents (34%) did not know what their council tax band is. Of those who gave a banding roughly equal proportions mentioned bands A to C, close to a fifth (19%) band D, with less than one in ten (9%) mentioning higher bands.

4.2.3 Comparing responses to the actual council tax bands of the households surveyed emphasises this high level of confusion.

4.2.4 Overall 42% of all respondents were able to report their actual council tax band.

**Figure 18**  
**Reported and actual council tax band**  
**(All respondents) (W1, W2 and W3)**

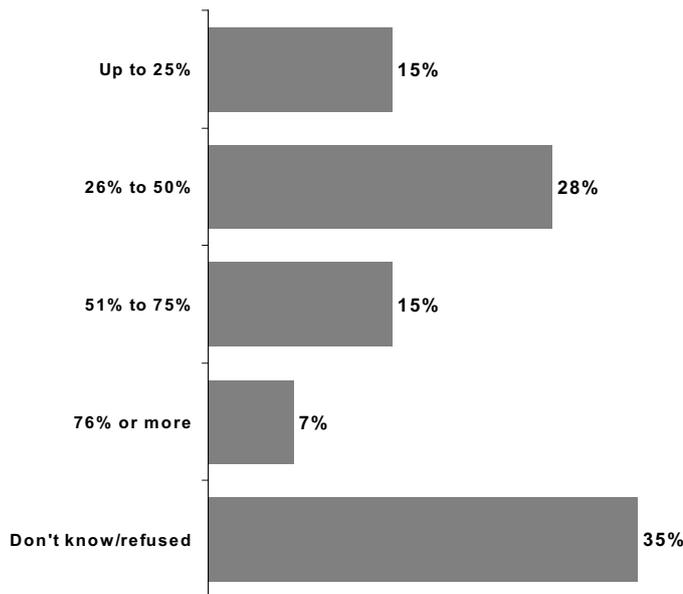


Unweighted sample base 3356

### Knowledge of proportion of spending that comes from council tax

- 4.2.5 Across all three waves a third (35%) of all respondents were unable to offer a response when asked what proportion of all the money the council spends every year comes from council tax, and over two fifths (44%) suggested the wrong proportion. Further feedback from interviewers suggests that many of those who did offer a response were merely guessing, and any conclusions drawn from these results should take this into account.
- 4.2.6 Interestingly the range of responses given to this question is more spread than that reported in the Lyons Inquiry qualitative work conducted by NOP World, where the majority of those that attended the focus groups felt that the greatest proportion of spending came from council tax. In this quantitative survey three fifths (58%) believed the proportion is less than 75%, with 7% believing it is more than this.
- 4.2.7 Clearly the major conclusion from this work is that there is a lack of knowledge of the overall proportion of spending that is derived from council tax.

**Figure 19**  
**Suggested proportion of money spent by the council that comes from council tax**  
**(All respondents) (W1, W2 and W3)**

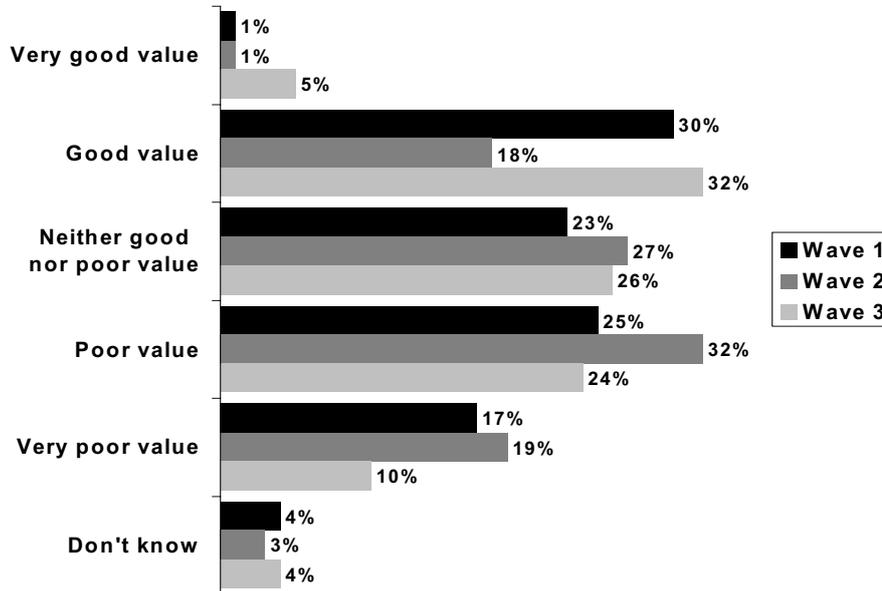


Unweighted sample base 3356.

## Perceptions of value for money

- 4.2.8 At all three waves of research respondents were asked whether they thought council tax in their area provides good value for money or not.
- 4.2.9 There are some clear differences in the response across the three waves, with a significantly lower proportion feeling that council tax represents good value for money at wave two: close to a fifth (19%) of all respondents surveyed in wave two felt it does to an extent, compared to 31% in wave one, and 37% in wave three.
- 4.2.10 Correspondingly, while over half (51%) of those surveyed in wave two felt it does not offer good value for money, this compares with around two fifths (42%) of those in wave one and a third (34%) in wave three.
- 4.2.11 While this may be partly explained by question-order effects, we would suggest that ongoing publicity surrounding the possibility of revaluation and possible council tax increases around the time of wave two interviewing (31 August to 7 October) may well have had an effect on perceptions of value for money. Such PR included stories about people being imprisoned, or threatened with imprisonment, as a result of non-payment of council tax, calls for council tax re-banding to be scrapped, rises in the level of council tax, 'pensioner' protests, and the postponement of revaluation.

**Figure 20**  
**Perceptions of value for money**  
**(All respondents) (W1, W2, W3)**



Unweighted sample base 1058/1242/1056.

- 4.2.12 At wave three, those respondents who felt council tax did not offer value for money were asked for their reasons. The main reasons given relate to general service provision, rather than specific services: the fact that the value of the services does not reflect the amount paid (18%), council tax is high despite poor services (11%), and the services provided are not those that are needed (10%).
- 4.2.13 However some specific services were mentioned by close to one in ten respondents (8% street cleaning, refuse collection, road and pavement maintenance). The full range of responses is indicated in the table below.

**Figure 21**  
**Reasons why council tax does not offer good value for money – unprompted**  
**(Respondents that think it is does not offer good value for money) (W3)**

	<b>%</b>
The value of the service does not reflect the amount paid	18
Council tax is high despite poor services	11
They are not providing the services that are needed	10
Street cleaning is poor	8
Refuse collection is poor	8
Poor maintenance of roads/footpaths	8
Poor services (unspecified)	7
Lack of policing	6
Do not use/receive the services we pay for	5
Lack of facilities/activities	5
A lot of money is wasted	4
They do not spend any money on this area	3
Others mentioned at 2% or less	
<b>Unweighted sample base</b>	<b>348</b>

## 5 Perceptions of fairness

### 5.1 The basis of local taxation

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#### Factors that are/should be taken into account in setting local taxes

- 5.1.1 In wave one respondents were asked what factors they thought should be taken into account when deciding how much local tax a household should pay. In wave two they were asked what factors they think actually are taken into account when calculating how much council tax a household will pay.
- 5.1.2 While a fifth (20%) of all respondents did mention property values as a factor that they felt should be taken into account when deciding how much local tax a household should pay, only just over one in twenty (6%) felt it should be the main factor, indicating that the current system does not reflect the views of residents. (It should be noted that the concept of council tax benefit was not explored at this stage.)
- 5.1.3 As came through in the qualitative work, income is seen as the more equitable basis on which to calculate local tax, mentioned by over two fifths (42%) at all, and close to a quarter (24%) as the main factor that should be taken into account.
- 5.1.4 There is to some degree a question mark as to what respondents regard as a household's wealth, but it does seem likely that they are referring once again to financial wealth rather than property value, given that the latter is mentioned by relatively few respondents.
- 5.1.5 In any case, it is clear that there is a reasonably strong sense that a local tax should be based on a household's ability to pay or wealth, rather than the size of the property, the size of the household, use of services or the value of the property.
- 5.1.6 In terms of the factors that people believe **are** taken into account when calculating how much council tax a household will pay, responses from wave two tend to be relatively accurate, with over three fifths (62%) mentioning property value, over two fifths (43%) mentioning property size, and close to three in ten (29%) the area in which they live.

**Figure 22**  
**Main and other factors that should be taken into account when deciding how much local tax a household should pay – unprompted**  
**(All respondents) (W1/W2)**

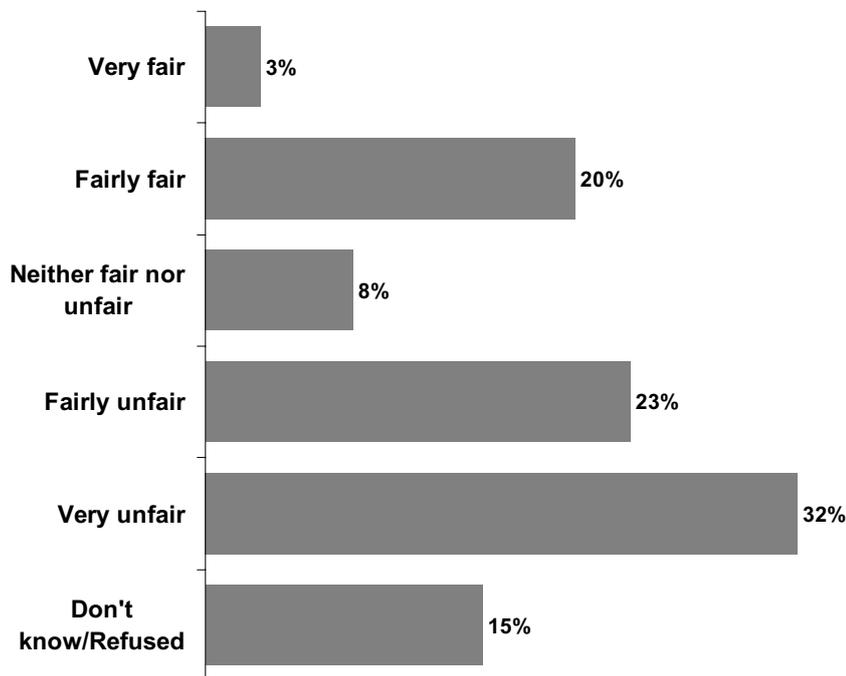
	Wave one Should be taken into account		Wave two Are taken into account
	Main factor %	All factors %	%
The total income of the household	24	42	4
W1: How wealthy they are	16	35	na
W2: Their total assets*	na	na	7
The number of working people living in the household	9	29	5
The size of the property they live in	9	32	43
How much they use services	9	23	9
The number of people living in the household	7	26	7
How much the property they live in is worth	6	20	62
Whether the household includes particular types of people such as disabled people or students	4	19	1
The area in which they live	4	20	29
How much ground the property sits on (including garden and other grounds)	1	12	15
Whether they own the property they live in (outright or mortgage)	*	8	6
The size of mortgage the household has	na	na	3
Other	1	1	1
Don't know/refused	11	10	10
<b>Unweighted sample base</b>	<b>1058</b>		<b>1242</b>

\* Including income, savings and the value of their property

### Fairness of basing council tax on property values

- 5.1.7 In wave two respondents were reminded that council tax levels are currently based on the value of a household's property and asked the extent to which they thought it is fair that this is the case.
  
- 5.1.8 Reflecting the results in the previous section, the majority of respondents (55%) believed that basing council tax on property value is unfair to an extent with a third (32%) considering this to be very unfair. Under a quarter (23%) felt that it is fair, and only 3% considered this to be very fair, yielding a net level of fairness of -32 %.

**Figure 23**  
**The extent to which respondents think it is fair that Council Tax is based on property values (W2)**  
**(All respondents)**



Unweighted sample base 1242.

- 5.1.9 Amongst those who thought it is fair to base council tax on property value the key reasons given were that it is a good indication of people's wealth and ability to pay (45%), and that the bigger the house or better the area the more you should pay (31%). Other responses were mentioned by less than one in ten respondents.

**Figure 24**  
Reasons why basing council tax based on property value is fair – unprompted  
(Respondents that think it is fair) (W2)

	%
Property value is a good indication of wealth/ability to pay	45
Bigger the house/better area- more you should pay	31
Not worth changing the system	8
Rich areas get better services so they should pay more	4
Other	5
None	*
Don't know/Refused	7
<b>Unweighted sample base</b>	<b>270</b>

- 5.1.10 Again in line with results in the previous section, amongst respondents who think this system is unfair, the main reason given was that it would be fairer to base council tax levels on income/ability to pay.
- 5.1.11 Around one in six felt property value does not indicate your wealth (15%), that council tax should be based on the number of people in your household (15%), and just over one in ten that it should be based on services used (12%).

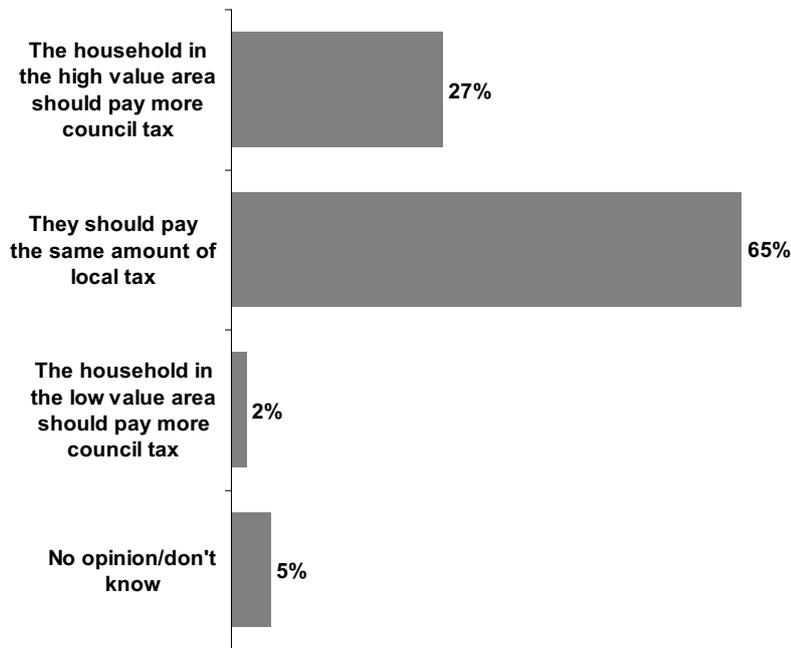
**Figure 25**  
Reasons why basing council tax based on property value is unfair – unprompted  
(Respondents that think it is unfair) (W2)

	%
Fairer to base on income/ability to pay	41
Property value does not indicate your wealth	15
Should be based on the number of people in the household	15
Should be based on services used	12
Property value fluctuates	8
Should not be penalised for adding value to home	2
All working adults should contribute	2
Recent price rises mean houses will move up a band	1
Other	5
None/Don't know	2
<b>Unweighted sample base</b>	<b>699</b>

### Variability of council tax levels by property value

- 5.1.12 In wave one, respondents were asked to imagine two identical houses with similar households living in each, with one house in a high value area and the other in a low value area, They were then asked whether they thought the house in the high value area or the house in the low value area should pay more council tax, or whether they should pay the same amount.
- 5.1.13 Close to two thirds of all respondents (65%) believed that both should pay the same amount of council tax, and this is the option chosen by the majority of all sub-groups.
- 5.1.14 However a quarter (27%) did feel the household in the high value area should pay more. Very few (2%) felt the household in the low value area should pay more, and this proportion does not rise above 5% for any sub-group.

**Figure 26**  
**Whether similar households in high and low value areas should pay more council tax (All respondents) (W1)**

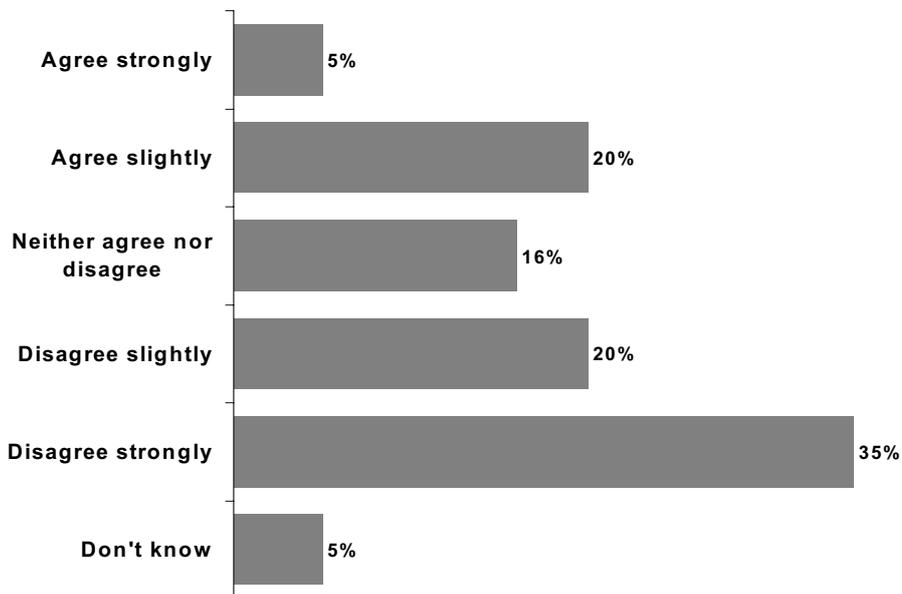


Unweighted sample base 1058.

### Impact of increased property value on council tax

- 5.1.15 In wave one respondents were asked the extent to which they agree or disagree that if a person's house goes up in value more than others in that area then they should pay more council tax.
- 5.1.16 While a quarter (25%) agreed that this should be the case, over half (55%) disagreed to an extent, with over a third (35%) disagreeing strongly, yielding a net level of agreement of -30%.

**Figure 27**  
**Level of agreement that if a person's house goes up in value more than others in that area then they should pay more council tax**  
**(All respondents) (W1)**



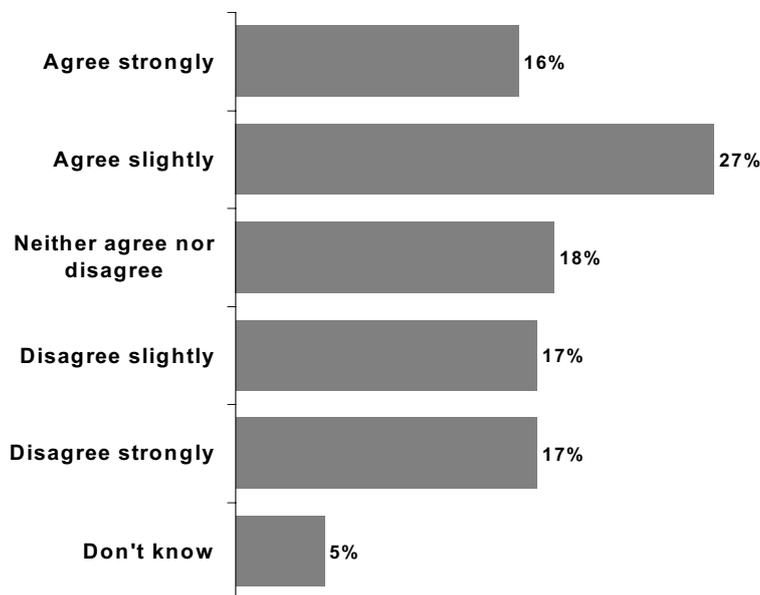
Unweighted sample base 1058.

- 5.1.17 The pattern of responses taken as a whole suggest that there is a key group who feel strongly that they should not be penalised for a rise in the value of their property, perhaps generated by an investment in home improvement, by having to pay a higher level of council tax. This is explored in more detail in section 9 of this report, which summarises the cluster analysis that was conducted on the survey data.

## Attitudes towards regular revaluation

- 5.1.18 In the first wave, respondents were reminded that council tax levels are currently based on the value of a household's property and asked their level of agreement that there should be regular revaluations to take into account changes in house prices.
- 5.1.19 Over two in five (43%) agreed that this should be the case, while just over a third (34%) disagreeing with the concept of regular revaluations, giving a net level of agreement of +9% indicating a degree of ambivalence towards the concept.

**Figure 28**  
**Level of agreement that there should be regular revaluations to take into account changes in house prices**  
**(All respondents) (W1)**



Unweighted sample base 1058.

## 5.2 Attitudes towards subsidising others

- 5.2.1 It should be noted that this section is largely based on a set of hypothetical questions that tend both to be difficult for respondents to answer (hence some questions have high levels of 'don't knows'/not provided'), and that are also more difficult to analyse definitively.
- 5.2.2 Consequently some caution should be shown when considering the results of this section of the report.

### Opinions regarding subsidising other households

- 5.2.3 At waves one and three, respondents were asked to imagine that they were asked to pay a slightly higher rate of council tax in order to reduce the amount of tax that other people have to pay, and to suggest which types of households they would be willing to pay a slightly higher rate of local taxation for.

- 5.2.4 While over seven in ten (71%) of all respondents at wave one mentioned at least one type of household they would be prepared to pay slightly more for, this falls to under six in ten (58%) at wave three.
- 5.2.5 Specifically, respondents in wave three were less likely than those in wave one to mention 'retired people/the elderly/pensioners' (25% compared to 55%) They were also less likely to mention people who have a disability, and students, as types of households they would be prepared to pay more for than respondents in wave one. This suggests that in general, respondents in wave three were less likely to see the case for subsidising others.

**Figure 29**

**Types of households would pay a slightly higher rate of council tax in order that they might pay less  
(All respondents) (W1 and W3)**

	<b>Wave 1 %</b>	<b>Wave 3 %</b>
<b>Mention anyone</b>	<b>71</b>	<b>58</b>
Elderly people/pensioners/retired people	55	25
People who have a long term illness or disability	41	30
Students	21	8
People who do not work but take care of sick or disabled friends or family	16	20
People on low incomes but with no savings	13	14
People with children	12	11
People who live on their own	12	11
People who are wholly reliant on benefits	10	9
People who live in poor areas	7	8
No-one	22	36
Don't know	7	6
<b>Unweighted sample base</b>	<b>1058</b>	<b>1056</b>

## Opinions regarding elderly/pensioners

- 5.2.6 The second wave of research asked respondents to consider the issue of the elderly and council tax in a little more detail. In particular they were asked for their view on whether the elderly should or should not pay less council tax if they owned a property without a mortgage, and secondly, if they have a lot of savings, pensions or investments.
- 5.2.7 Three quarters (74%) of respondents felt that the elderly should automatically pay less council tax even if they own a property without a mortgage. This proportion falls to 51% when savings, pensions and investments are introduced, indicating that half of all respondents, whether consciously or not, have some support for means testing, and reinforcing the impression that property is regarded differently to other forms of wealth.

**Figure 30**

**Whether respondents think that elderly people should automatically pay less council tax even if they...**

**a) ..... own their property without a mortgage**

**b) .....have a lot of savings, pensions or investments**

**(All respondents) (W2)**

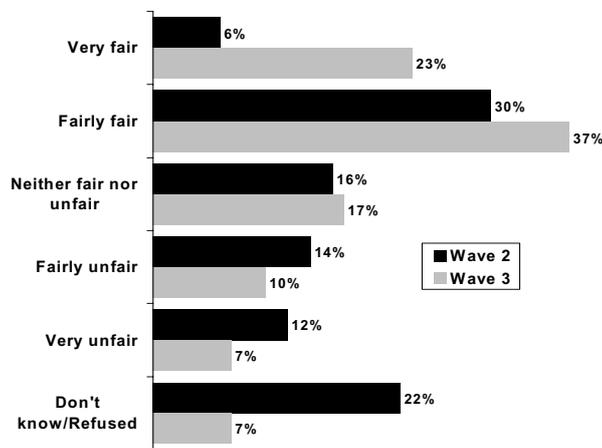
	<b>a) Own property without a mortgage %</b>	<b>b) Have a lot of savings, pensions or investment %</b>
Yes - should automatically pay less Council Tax	74	51
No - should not automatically pay less Council Tax	18	37
Don't Know	8	12
<b>Unweighted sample base</b>	<b>1242</b>	

## Opinions regarding subsidising pensioners/retired people

- 5.2.8 As a large number of respondents in wave one indicated spontaneously that they would be prepared to subsidise pensioners, and to further consider the linkage between pensioners paying less and other households paying more to accommodate this, respondents in wave two were asked the extent to which they feel it is fair that 'for pensioners to pay less local income tax other households will have to pay more'.
- 5.2.9 In wave three the terminology for this question was changed to 'retired people should pay less council tax meaning that other households will have to pay more'. The term 'retired people' was used to explore the extent, if any, to which the term 'pensioners' may be generating a more emotional response.
- 5.2.10 At first glance it appears that there has been a significant uplift in the proportion of respondents who felt this is fair from wave two to three (from 36% to 60%), indicating a stronger perception of the equity of subsidising retired people than pensioners, which might suggest that the change in terminology has not had an impact.

- 5.2.11 To a certain extent this may in fact be the case, however, it should be noted that the former question related the issue of some groups paying less to local income tax, rather than council tax: while close to a quarter of respondents at wave two (22%) felt unable to answer the question on the basis of local income tax, this figure has fallen to 7% at wave three where council tax is referenced.
- 5.2.12 On the basis of council tax rather than local income tax, less than one in five (17%) felt it is unfair that other households will have to pay more so that retired people can pay less, indicating a general acceptance of the fact that people in retirement should be subsidised.
- 5.2.13 However, as noted earlier, half of all respondents, whether consciously or not, had some support for means testing in relation to savings, pensions and investments.

**Figure 31**  
**Extent to which respondents feel it is fair that 'For pensioners (W2)/retired people (W3) to pay less local income tax (W2)/council tax (W3), other households will have to pay more'**  
**(All respondents) (W2 and W3)**



Unweighted sample base 1242/1056.

- 5.2.14 The 36% in wave two who felt it is fair for other households to pay more local income tax so that pensioners can pay less, and the 60% in wave three who felt it is fair for other households to pay more council tax so that retired people can pay less, were asked why they feel this should be the case.
- 5.2.15 The balance of response differs somewhat across the two waves: the term 'pensioner' appears to direct respondents' thoughts to the fact that these people have spent their life working and paying into the system (64%), while the term 'retired people' points them more to considering their current income (48%).

**Figure 32**

**Reasons for feeling it is fair that 'For pensioners (W2)/retired people (W3) to pay less local income tax (W2)/council tax (W3), other households will have to pay more' (Respondents who feel it is fair for households to pay more to so that pensioners/retired people can pay less) (W2 and W3)**

	<b>Wave 2 (Pensioners) %</b>	<b>Wave 3 (Retired people) %</b>
They have paid into the system and are entitled to help	<b>64</b>	<b>35</b>
Pensioners/retired people have less income	<b>30</b>	<b>48</b>
<b>Unweighted sample base</b>	<b>454</b>	<b>627</b>

- 5.2.16 When those who felt it is unfair for other households to pay more so that pensioners (34%) or retired people (17%) can pay less were asked why, the balance of response again differs: in relation to 'pensioners', key reasons for feeling it is unfair are that working people shouldn't have to pay more tax (40%), that not all pensioners are on a low income/wealthy pensioners should not get help (26%) and that it should be means-tested (21%).
- 5.2.17 In relation to 'retired people', there appears to be a more straightforward approach, which is that everyone should pay the same (32%), and a feeling that working people shouldn't have to pay more tax (22%).

**Figure 33**

**Reasons for feeling it is unfair that "For pensioners (W2)/retired people (W3) to pay less local income tax (W2)/council tax (W3), other households will have to pay more' (Respondents who feel it is unfair for households to pay more to so that pensioners/retired people can pay less) (W2 and W3)**

	<b>Wave 2 (Pensioners) %</b>	<b>Wave 3 (Retired people) %</b>
Unfair for working people to pay more tax	<b>40</b>	<b>22</b>
Not all pensioners on low income/wealthy pensioners should not get help	<b>26</b>	<b>17</b>
Local income/council tax should be means tested	<b>21</b>	<b>4</b>
Everyone should pay the same	<b>7</b>	<b>32</b>
<b>Unweighted sample base</b>	<b>332</b>	<b>178</b>

- 5.2.18 At wave two, to identify the 'other households' that should pay more to enable pensioners to pay less, respondents who feel it is fair that other households should pay more so that pensioners can pay less were asked to identify the types of people they feel should and should not pay more tax.
- 5.2.19 Unsurprisingly respondents identify high earners as the primary group to pay more to compensate for pensioners paying less. A much smaller proportion (17%) mentioned that all working people should pay more. A further quarter (27%) could not or refused to provide an answer.

**Figure 34**

**Types of people respondents think should pay more to compensate for pensioners paying less – unprompted**  
**(Respondents that said it was fair for households to pay more to compensate for pensioners to pay less) (W2)**

	<b>%</b>
High earners	46
All working people	17
No one/None	5
Other	6
Don't know/Refused	27
<b>Unweighted sample base</b>	<b>454</b>

- 5.2.20 Amongst this group who feel that it is fair for households to pay more to compensate for pensioners paying less, just over a quarter (28%) mentioned people on a low income, and a further 13% disabled people, as groups who should not have to pay more. Again a large proportion (45%) could not or refused to provide an answer.

**Figure 35**

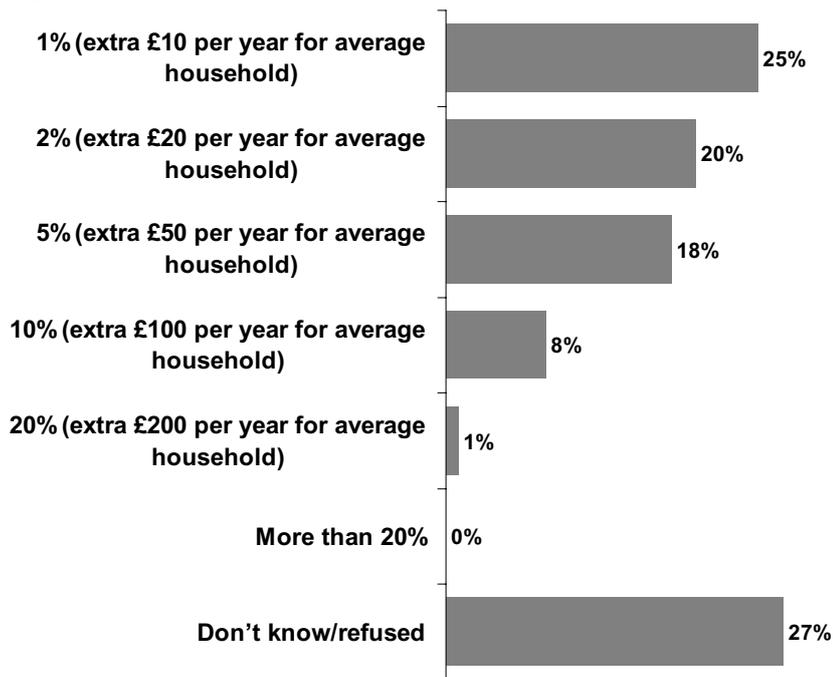
**Types of people respondents think should not pay more to compensate for pensioners paying less – unprompted**  
**(Respondents that said it was fair for households to pay more to compensate for pensioners to pay less) (W2)**

	<b>%</b>
People on low income	28
Disabled	13
Key workers- NHS staff, Teachers	1
No one/None	9
Other	7
Don't know/Refused	46
<b>Unweighted sample base</b>	<b>454</b>

### Extra amount would be prepared to pay to subsidise retired people

- 5.2.21 In wave three, the 25% of respondents who mentioned ‘retired people’ as a type of household for which they would be prepared to pay a slighter higher level of council tax, were asked how much extra they and their household would be willing to pay in order to reduce the amount of council tax that retired people would have to pay.
- 5.2.22 While around a quarter (27%) were not prepared to specify an amount, a similar proportion (25%) reported that they would be prepared to pay an extra 1%, a fifth (20%) that they would be prepared to pay an extra 2%, and a further fifth (18%) an extra 5%.
- 5.2.23 Considering this in terms of the total sample indicates that around a fifth (19%) of all respondents were prepared to name a specific additional sum that they would be prepared to pay to subsidise retired people.

**Figure 36**  
**Extra council tax would be willing to pay to reduce the amount retired people have to pay**  
**(Those who would be willing to pay a slightly higher rate of council tax for retired people) (W3)**



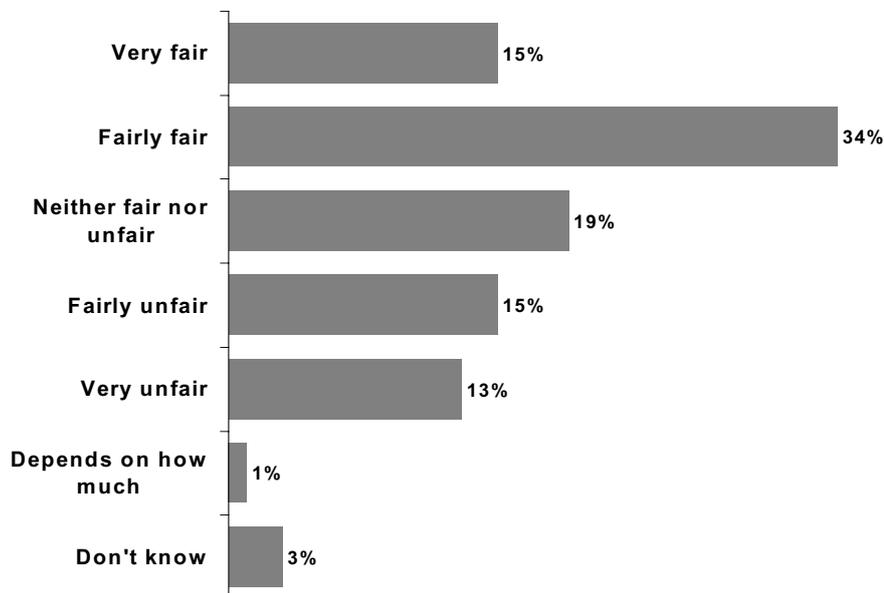
Unweighted sample base 270

## 5.3 Attitudes towards richer areas supporting poorer ones

### Fairness of richer areas subsidising poorer areas

- 5.3.1 At wave one all respondents were asked how fair or unfair they think it is that people in rich local authority areas should pay more council tax to ensure that poorer areas can receive a similar level of service.
- 5.3.2 Close to half (49%) felt this is fair to an extent, with around one in seven (15%) believing it to be very fair. In contrast just under three in ten (28%) believed that this is unfair to some degree, yielding a 'net fair' rating of +21%.

**Figure 37**  
**Perceptions of fairness that people in rich local authority areas should pay more to ensure that poorer areas can receive a similar level of service**  
**(All respondents) (W1)**



Unweighted sample base 1058.

## 6 Support for other taxes and charges

### 6.1 Attitudes to a local income tax

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#### Views on replacement of council tax with a local income tax

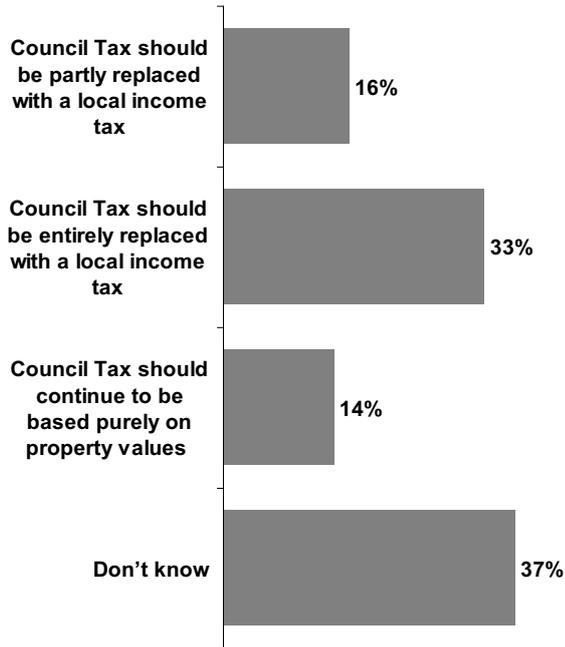
- 6.1.1 In wave two, respondents were read a short description (outlined below) on local income tax and asked their opinion of whether council tax should be partly/entirely replaced with a local income tax or whether it should continue to be based purely on property values:

'Some people have said that it would be fairer for council services to be paid for out of a local income tax rather than the current council tax which is based on property values.

'Local income tax would be in addition to the current national income tax that you may already pay from your salary. Local Income tax would be based on the individual's earnings, which includes salary, savings and investments.'

- 6.1.2 Overall half (49%) felt there should be a move away from council tax being entirely based on property values, with a third (33%) saying that council tax should be entirely replaced with a local income tax and 16% saying that it should be partly replaced. Just over one in ten (14%) thought that council tax should continue to be based solely on property values.
- 6.1.3 It should be noted however that over a third (37%) of respondents interviewed were unable to provide an opinion based on the information and options provided, with this figure rising to over half of those whose households do not pay all their council tax.

**Figure 38**  
**Attitudes towards local income tax**  
**(All respondents) (W2)**



Unweighted sample base 1242.

- 6.1.4 Amongst those whose households do pay all their council tax, over half (53%) felt that council tax should be partly or entirely replaced with the kind of local income tax described.
- 6.1.5 Perhaps surprisingly, while those who felt that council tax provides good value for money were somewhat more likely than those who did not to feel that it should continue to be based purely on property values (20% compared to 13%), nevertheless two fifths (40%) of this group felt that it should be partly or wholly replaced by a local income tax.
- 6.1.6 Respondents were then asked to provide reasons for their chosen response with regard to replacing council tax with a local income tax.
- 6.1.7 Interestingly, regardless of whether respondents thought that council tax should be partially or entirely replaced, or that it should remain based purely on property values, there was a strong sense that council tax should be based at least partly on people's ability to pay.
- 6.1.8 Two thirds (66%) of respondents who felt council tax should continue to be based upon property value alone felt that this is a good indication of wealth/ability to pay. Unsurprisingly the proportion saying it should be based on income/ability to pay is higher (around four fifths) amongst respondents who felt council tax should be partly/entirely replaced by local income tax.

**Figure 39****Reasons why council tax should be partly replaced by a local income tax****(Respondents who think council tax should be partly replaced by a local income tax)  
(W2)**

	<b>%</b>
Household Income is the fairest system/Should be based on ability to pay	78
Should be partly based on the number of people	5
Property value is the fairest system	2
Should be partly based on the use of services	2
Other	8
None	1
Don't Know	6
<b>Unweighted sample base</b>	<b>181</b>

**Figure 40**  
**Reasons why council tax should be entirely replaced by a local income tax**  
**(Respondents who think council tax should be entirely replaced by a local income tax)**  
**(W2)**

	<b>%</b>
Fairer to base on income/ability to pay	80
Should be based on the number of people in the household	7
Property value fluctuates	3
Should be based on the number of working people in the household	4
Should not be penalised for adding value to home	*
Other	3
Don't know	4
<b>Unweighted sample base</b>	<b>471</b>

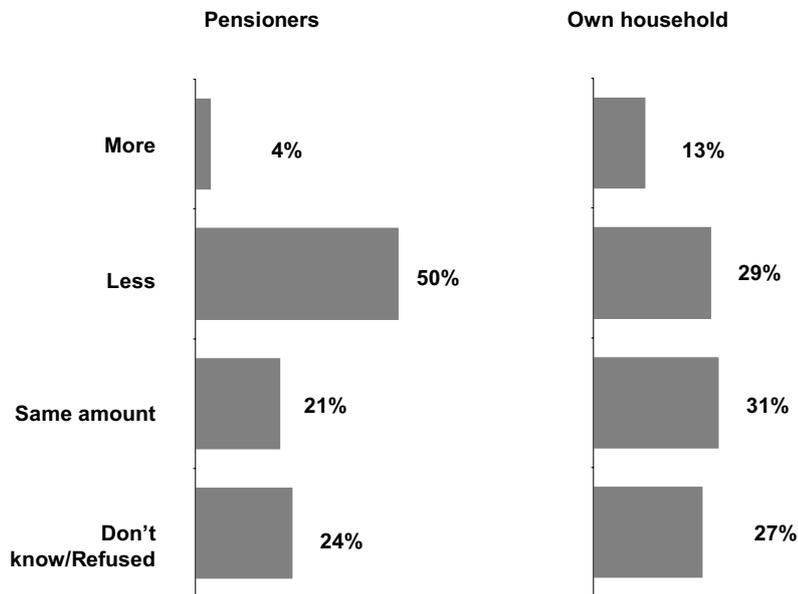
**Figure 41**  
**Reasons why council tax should remain based on property value**  
**(Respondents who think council tax should remain based on property value) (W2)**

	<b>%</b>
Property value is a good indication of wealth/ability to pay	66
Bigger the house/better area the more you should pay	16
Should be means tested	3
Other	10
None	*
Don't Know	6
<b>Unweighted sample base</b>	<b>190</b>

**Perceived impact of replacing council tax with a local income tax**

- 6.1.9 In wave two, all respondents were asked to consider the impact of moving to a local income tax in relation to the amount of tax pensioners, and their own household, would pay.
- 6.1.10 Half of all respondents (50%) believed that pensioners would pay less tax if there were to be a move to local income tax, however only just over one in ten (13%) thought that the amount their own household would pay would go up.
- 6.1.11 This suggests that respondents do not link pensioners paying less tax to a possible rise in the amount of tax their own household would have to pay. However it should be noted that those with higher household incomes were more likely to make this association: those with higher household incomes (£24,000+) were equally likely to believe that pensioners would pay less with a move to a local income tax than those with a lower household income, but are also more likely to suggest that they will pay more with such a move (around a quarter of those earning £24,000+ believe they will pay more tax).
- 6.1.12 Again it should be noted that around a quarter of respondents did not know or did not provide an answer.

**Figure 42**  
**Whether respondents think that pensioners/their household would pay more, less or the same amount of tax if there was a move to local income tax rather than council tax?**  
**(All respondents) (W2)**



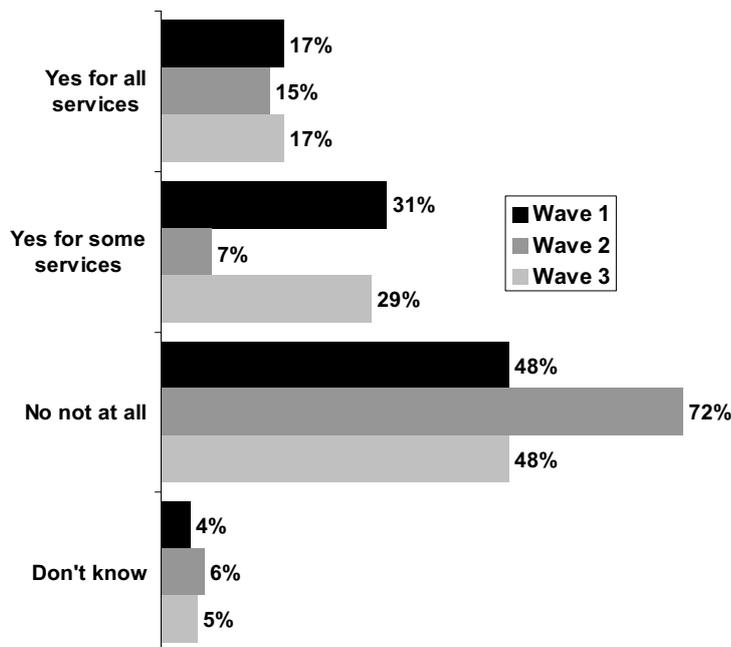
Unweighted sample base 1242.

## 6.2 Attitudes to charging

### Views on charging for services

- 6.2.1 At all waves respondents were asked whether they thought local councils should be allowed to offer better quality services to those households that choose to pay more for them.
- 6.2.2 In waves one and three, opinions were very much balanced, with close to half (48% and 46% respectively) saying that local councils should, and similar proportions (48% in both waves) that they should not be allowed to offer better quality services to those who choose to pay more for them.
- 6.2.3 Of the group that felt local councils should be allowed to do so, 17% at both wave one and wave three felt this should be the case for all services, and 31% and 29% respectively for some services.
- 6.2.4 While a similar proportion at wave two felt local councils should be able to offer this for all services, significantly fewer felt they should be able to offer it for some services (7% compared to 31% in wave one), and close to three quarters (72%) felt that local councils should not be able to offer any services on this basis.
- 6.2.5 While this may in part be due to changes in question-order, it may also be in part due to increased media coverage of possible increases in council tax, and issues relating to revaluation, over the period of wave two fieldwork. Certainly considerably more negative perceptions of value for money would suggest that respondents at wave two may be more sensitive towards council tax levels than those at wave one and those at wave three (see paragraph 5.2.11).

**Figure 43**  
**Whether local councils should be allowed to offer better quality services to households that choose to pay more for them**  
**(All respondents) (W1, W2, W3)**

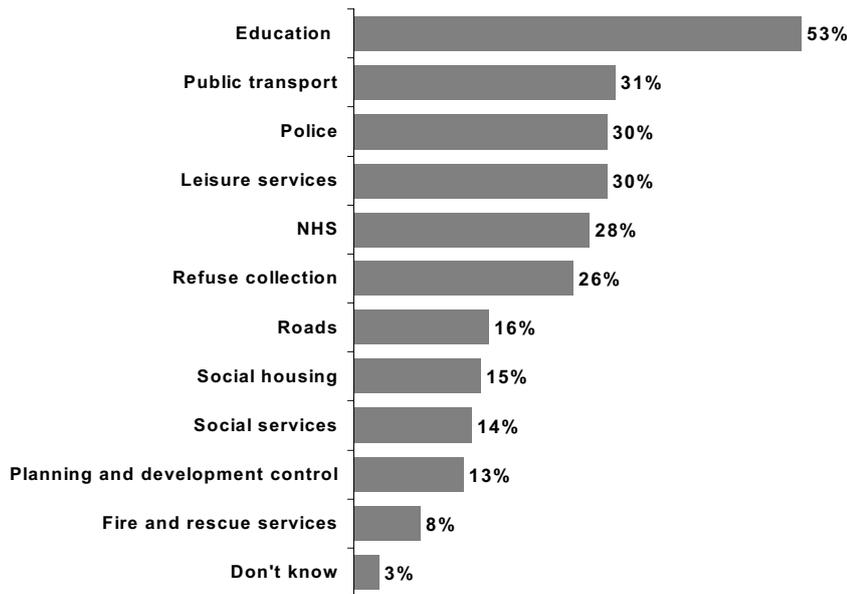


Unweighted sample base 1058, 1242, 1056.

6.2.6 At wave two respondents who felt that local councils should be able to charge more for some services were asked which services they thought it would be okay to charge for.

6.2.7 Over half (53%) thought that this would be okay for education and between a quarter and a third identify public transport (31%), the police (30%), leisure services (30%), NHS (28%) and refuse collection (26%). Other services were mentioned by less than two in ten respondents.

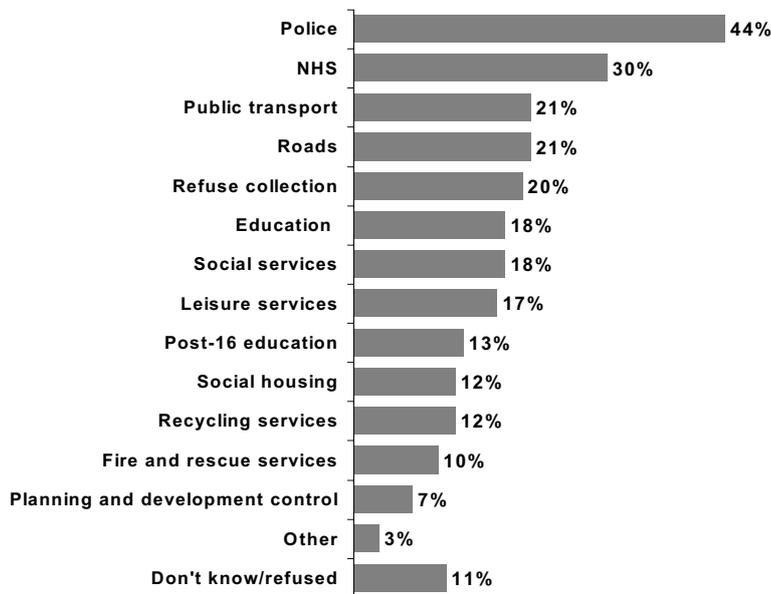
**Figure 44**  
**Services for which it would be acceptable to charge – unprompted**  
**(Respondents who said local councils should be allowed (for some services) to offer better quality services to those households that choose to pay more for them) (W2)**



Unweighted sample base 79.

- 6.2.8 At wave three respondents were also asked whether their household would be prepared to pay extra in order to receive a new or better service from their council.
- 6.2.9 Whereas around half (46%) felt that councils should be allowed to offer new or better services to those who choose to pay for them, only 29% reported that their household would actually take advantage of such an opportunity. Of these, one in ten (9%) reported that their household would consider this option for all services, and one in five (20%) that their household would consider this option for some services.
- 6.2.10 When those who reported that they would be prepared to pay more for some services were asked which services their household would be prepared to pay more for, the key areas identified were the police (44%) and the NHS (30%).
- 6.2.11 Around a fifth mentioned public transport (21%), roads (21%), refuse collection (20%), education (18%), social services (18%) and leisure services (17%).

**Figure 45**  
**Services for which household would be prepared to pay more to receive an extra level of service – unprompted**  
**(Respondents who said their household would be prepared to pay for some) (W3)**



Unweighted sample base 201.

- 6.2.12 In terms of level of service usage, it is those who were high or medium users of services who were more likely to report that their household would **not** be prepared to pay extra to receive a new or better service from their local council (65% and 71% respectively compared to 43% of low users of services).
- 6.2.13 In contrast, close to a third (32%) of low users of services reported that their household **would** be prepared to pay extra for **all** services.
- 6.2.14 This points to a dichotomy, whereby those who are most likely to use services are least likely to wish to pay for them, and *vice versa*.

## 7 Sub-sample analyses

### 7.1 Regional variations

#### Centralist vs. localist perspective

- 7.1.1 This section considers the extent to which respondents express a more centralist point of view, i.e. tending to believe more in the concentration of authority within central government, or a more localist perspective, i.e. tending to believe that local government should play more of a role.
- 7.1.2 Along with those in Central areas, Northern respondents were the most likely to exhibit a more localist view, believing that local councils should have the most say in setting levels of council tax. Nevertheless, while those in the South do have more centralist perspective than those in the North and in Central areas (28% felt central government should have the most say in setting council tax levels compared to 18% in Central areas and 20% in the North), they are more likely to feel local residents should have the most say in setting council tax levels than either central government or local councils (39%).

**Figure 46**

**Who should have the most say in setting levels of council tax  
(All respondents by region) (W1)**

	<b>North %</b>	<b>Central %</b>	<b>South %</b>
Central government	20	18	28
Local councils	<b>47</b>	<b>48</b>	30
Local residents	32	31	<b>39</b>
<b>Unweighted sample base</b>	<b>393</b>	<b>186</b>	<b>479</b>

- 7.1.3 While the pattern of response is similar in terms of who respondents think is responsible for providing particular services, the belief that local councils are responsible is generally much stronger in the North, while those in the South are more likely to attribute responsibility to central government, with those in Central areas falling between the two.
- 7.1.4 In line with this, again while the pattern of response is similar in relation to who respondents think should be responsible for setting the standards of service delivery, those in the North favour local councils more than those in Central areas and the South. In contrast, those in Central areas and the South exhibit a more centralist perspective.

**Figure 47**  
**Who should decide standards of service delivery**  
**(All respondents by region) (W1 and W2)**

		<b>North %</b>	<b>Central %</b>	<b>South %</b>
Refuse collection	CG*	<b>22</b>	17	<b>22</b>
	LC*	70	<b>77</b>	74
Leisure services	CG	19	15	19
	LC	72	<b>77</b>	<b>78</b>
Planning/development control	CG	25	22	<b>29</b>
	LC	66	69	65
Social housing	CG	25	20	27
	LC	63	<b>73</b>	68
Public transport	CG	27	26	<b>47</b>
	LC	<b>64</b>	<b>68</b>	48
Social services	CG	25	<b>33</b>	<b>39</b>
	LC	62	60	56
Roads	CG	36	41	<b>52</b>
	LC	<b>53</b>	<b>53</b>	44
Fire and rescue services	CG	54	56	<b>68</b>
	LC	<b>36</b>	<b>37</b>	27
Education	CG	62	65	<b>76</b>
	LC	<b>28</b>	<b>28</b>	19
Police	CG	62	65	<b>72</b>
	LC	28	29	24
NHS	CG	74	79	<b>85</b>
	LC	<b>17</b>	<b>15</b>	11
<b>Unweighted sample base</b>		<b>899</b>	<b>469</b>	<b>932</b>

\* CG = central government, LC = local council

7.1.5 Similarly, while the overall pattern of response was similar, respondents in the North showed a stronger propensity to feel that local councils rather than central government should make the decisions if more money became available or cuts had to be made than those in Central and Southern regions.

7.1.6 It is interesting to note that, in contrast to the overall pattern of responses, those in the North responded similarly to those in Central areas and the South in relation to the NHS, viewing central government as best placed to make such decisions.

**Figure 48**

**Who should make decisions if more money became available or cuts had to be made (All respondents by region) (W3)**

		North %	Central %	South %
Refuse collection	CG*	11	<b>25</b>	14
	LC*	<b>76</b>	64	<b>71</b>
Leisure services	CG	9	<b>26</b>	<b>21</b>
	LC	<b>77</b>	66	64
Planning/development control	CG	13	<b>32</b>	<b>32</b>
	LC	<b>68</b>	53	51
Social housing	CG	16	<b>32</b>	<b>29</b>
	LC	<b>72</b>	58	54
Public transport	CG	15	<b>27</b>	<b>32</b>
	LC	<b>78</b>	66	50
Social services	CG	24	<b>38</b>	<b>38</b>
	LC	<b>66</b>	55	47
Roads	CG	18	<b>42</b>	<b>33</b>
	LC	<b>64</b>	40	48
Fire and rescue services	CG	30	<b>47</b>	<b>47</b>
	LC	<b>46</b>	38	35
Education	CG	30	<b>43</b>	<b>54</b>
	LC	<b>50</b>	32	24
Post 16 education	CG	43	<b>53</b>	<b>56</b>
	LC	<b>36</b>	20	19
Police	CG	42	<b>56</b>	<b>48</b>
	LC	<b>42</b>	30	32
NHS	CG	47	52	54
	LC	27	23	23
<b>Unweighted sample base</b>		<b>360</b>	<b>345</b>	<b>351</b>

\* CG = central government, LC = local council

7.1.7 There are some regional differences in relation to those feeling central government are best placed to set standards of service delivery:

- Those in the North were more likely to feel central government are best placed because they are better at seeing the bigger picture (77% compared to 41% for Central and 47% for Southern areas) and because they are more trustworthy (14% compared to 3% for Central and 4% for Southern areas);
- Those in Central regions were more likely to feel this because they have more money (46% compared to 15% for Northern and 20% for Southern areas);
- Those in the South were more likely to feel this because they are more powerful (29% compared to 21% for Northern and 17% for Central areas), and have better ideas (17% compared to 6% for Northern and 10% for Central areas).

7.1.8 Similarly there are regional differences in relation to those feeling local councils are best placed to set standards of service delivery:

- Those in the North were more likely to feel local councils are best placed because they have a better understanding of the local situation (74% compared to 63% in Central and 61% in Southern areas), because they are better able to target resources to needs (66% compared to 36% in Central and 43% in Southern areas), and because they are better able to reflect local needs (53% compared to 30% in Central and 19% in Southern areas).

7.1.9 While respondents in all regions were most likely to feel that both central government and local councils should contribute similar amounts of funding for local services (North 41%, Central 61%, South 53%), those in the North were more likely than those in other regions to feel that local councils should be the main provider of funds from council tax (North 33%, Central 19%, South 22%).

### **Attitudes towards charging for services**

7.1.10 Respondents in the North and those in Central areas showed stronger agreement than those in the South that it doesn't matter if local levels of service are not the same in different areas of the country, particularly when it is linked to varying levels of council tax, and even more so when the concept of public consultation is introduced.

**Figure 49**  
**Net agreement with concept of variable service delivery**  
**(All respondents by region) (W1 and W3)**

<b>It doesn't matter if .....</b>	<b>North</b>	<b>Central</b>	<b>South</b>
.. local levels of service are not the same in different areas of the country	-25%	-28%	-32%
.. local councils provide different levels of service if they charge different levels of council tax	+7%	+9%	-16%
.. local councils provide a different level of service as long as people are consulted and are happy with the service they receive	+45%	+65%	+48%
<b>Unweighted sample base</b>	<b>753</b>	<b>531</b>	<b>830</b>

7.1.11 Despite agreeing that local levels of service can vary, respondents in the North were more likely to feel local councils should **not** be allowed to offer any new or different services to households that choose to pay more for them (61% compared to 53% in Central and 56% in Southern areas).

### **Attitudes towards subsidising others**

7.1.12 While respondents in the North were least likely to feel that it is fair that people in rich local authority areas should pay more to ensure that people in poorer areas can receive a similar level of service (43% agree), they were most likely to suggest types of households they would be prepared to pay a slightly higher rate of council tax for (76%).

7.1.13 Those in Central areas were most likely to think it is fair for richer areas to subsidise poorer areas (54% agree), and were nearly as likely as those in the North to suggest households they would be prepared to pay a slightly higher rate of council tax for (67%).

7.1.14 Those in the South were less likely than those in Central areas to think it is fair for richer areas to subsidise poorer areas (49% agree), and were least likely to suggest households they would be prepared to pay a slightly higher rate of council tax for (55%).

## **7.2 Variations by level of service use**

7.2.1 In order to explore the extent to which level of use of service impacts on people's views on taxation generally, and council tax in particular, respondents were divided into three categories of service usage: high (have used three or more services in the last six months), medium (have used one or two services in the last six months) and low (have used no services in the last six months).

## Attitudes to charging

- 7.2.2 There was little difference between those who do and those who do not use each service in terms of who they think provide that service.
- 7.2.3 However, low users of services were more agreeable to the idea of variable service delivery than high or medium users, although on balance still not particularly positive even if it is linked to the concept of variable council tax levels. (Levels of net agreement are high across all groups once the concept of successful public consultation is introduced.)

**Figure 50**

**Net agreement with concept of variable service delivery  
(All respondents by level of use of services) (W1 and W3)**

<b>It doesn't matter if .....</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
.. local levels of service are not the same in different areas of the country	-29%	-34%	-4%
.. local councils provide different levels of service if they charge different levels of council tax	-5%	-3%	+16%
.. local councils provide a different level of service as long as people are consulted and are happy with the service they receive	+53%	+51%	+50%
<b>Unweighted sample base</b>	<b>(895)</b>	<b>(996)</b>	<b>(223)</b>

- 7.2.4 Low users were similarly more likely to feel that it is okay for local councils to offer better quality services to those households that choose to pay for them (49% feel it should be allowed to charge for some or all services, compared to 37% of high users and 38% of medium users), and even more likely to report that their household would be prepared to pay extra to receive a new or better service (55% compared to 27% of high users and 26% of medium users).
- 7.2.5 In contrast, high and medium users were more likely to feel the council should not be able to offer new or improved services to those households that choose to pay for them (58% compared to 47% of low users), and even more likely to report that their household would not be prepared to pay extra for any services (65% and 71% respectively compared to 43% of low users).

## Attitudes towards subsidising others

- 7.2.6 Low users of services were more likely to feel that it is fair for those in richer areas to subsidise those in poorer areas (60% compared to 46% of high users and 47% of medium users), and they were the most likely to suggest types of households they would be prepared to pay a slightly higher rate of council tax for (71% compared to 64% of high and medium users). They were also more likely to feel it is fair for other households to pay more so that retired people can pay less council tax (74% compared to 56% of high users and 61% of medium users).

### **7.3 Centralist vs. localist perspective**

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- 7.3.1 Close to a quarter (23%) of wave one respondents believed central government, over two fifths (41%) believed local councils, and over a third (35%) believed local residents should have the most say in setting levels of council tax.
- 7.3.2 Whether respondents think local councils, central government or local residents should have the most say in setting levels of council tax, there is little variation as to who they think should be the main funder of services, with around half of each group feeling central government and local councils should provide similar amounts of funding for local services (55%, 54% and 49% respectively).
- 7.3.3 However, those who felt that central government should mainly fund local services are more likely to say that local residents should have the most say in setting levels of council tax, rather than central government or local councils (41%, 30% and 28% respectively). This indicates that even those with a centralist perspective in terms of funding tend to have a localist approach where setting levels of council tax are concerned.
- 7.3.4 Perceptions of value for money appeared to be linked to who respondents thought should be responsible for setting council tax levels: those who believed local residents should have the most say give a much lower rating of value for money than those who thought central government or local councils should have the most say (-26%, -3% and -1% respectively).
- 7.3.5 Attitudes to the principles behind local property taxation (acceptability of regular revaluations, variable council tax levels, increased council tax for households whose property value is rising more) did not vary significantly, regardless of who respondents thought should have the most say in setting levels of council tax, nor who they thought should mainly fund local services. Nor do views on the possibility of variable service provision and the possibility of charging for services.
- 7.3.6 Unsurprisingly those who thought central government should be the main provider of funds for local services were consistently more likely to feel that central government should set the standards for service delivery than those who thought local councils should be the main provider of funds, and *vice versa*.
- 7.3.7 This is also the case, albeit to a lesser extent, for those who thought central government or local councils should have the most say in setting council tax levels.

### **7.4 Variations by ethnicity**

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- 7.4.1 While there are some differences by ethnicity, these are likely to be somewhat explained by the regional differences described above (see section 8.1), as there is a higher proportion of BME respondents in the South, and a higher proportion of White respondents in the North and in Central areas.
- 7.4.2 BME respondents were most likely to feel that local residents should have the most say over setting levels of council tax rather than local councils or central government (37%, 29% and 27% respectively), while White respondents were most likely to feel that local councils should have the most say (42% compared to 34% local residents and 22% central government).

- 7.4.3 BME respondents were more likely to think that services are provided by central government, and more likely to put forward a centralist view in relation to who should set the standards of service delivery than White respondents.

**Figure 51**  
**Who should decide standards of service delivery**  
**(All respondents by region) (W1)**

		White %	BME %
Refuse collection	CG*	20	<b>27</b>
	LC*	<b>74</b>	67
Leisure services	CG	17	<b>26</b>
	LC	<b>77</b>	68
Planning/development control	CG	25	<b>38</b>
	LC	<b>68</b>	54
Social housing	CG	24	<b>30</b>
	LC	69	63
Public transport	CG	33	<b>50</b>
	LC	<b>60</b>	43
Social services	CG	32	<b>42</b>
	LC	<b>60</b>	49
Roads	CG	43	<b>54</b>
	LC	<b>50</b>	40
Fire and rescue services	CG	60	<b>68</b>
	LC	<b>33</b>	26
Education	CG	68	73
	LC	25	20
Police	CG	66	<b>74</b>
	LC	<b>27</b>	21
NHS	CG	80	85
	LC	15	10
<b>Unweighted sample base</b>			

\* CG = central government, LC = local council

- 7.4.4 However they were no more likely to feel that central government should be the main provider of funds for local services from national taxation (55% compared to 52% of White respondents). This suggests that they may have been more concerned about how standards are set and implemented locally than about how local services are funded.
- 7.4.5 While BME respondents were less likely than White respondents to be homeowners (55% compared to 69% of White respondents), and to pay all of their council tax (73% compared to 78%) – both groups who were resistant to the idea of regular revaluations – the differences were not sufficient to explain their much higher levels of agreement amongst BME respondents that there should be regular revaluations (net agreement +38% compared to +7% for White respondents).

## **7.5 Variations by level of council tax paid**

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- 7.5.1 Those who pay all or some of their council tax were less likely than those who pay none to be prepared to pay more tax for better public services (33%, 28% and 38% respectively).
- 7.5.2 Unsurprisingly those who pay all or some of their council tax were much more negative when rating the value for money of the council tax in their area than those who pay none (44% of those who pay all or some feel it offers poor value for money compared to 30% of those who pay none). They were also more likely to agree with the concept of regular revaluations to take account of increased house prices (52% compared to 43% of those who pay all or some) and that a person should pay more council tax if their house goes up in value more than others in their area (30% compared to 23% of those who pay all or some).
- 7.5.3 However, those who pay none of their council tax were more likely to feel that local councils should not be able to offer new or better services to those households that choose to pay for them (60% compared to 57% of those who pay all, and 51% of those who pay some), and were even more opposed to the idea that their household might be prepared to pay extra to receive new or better services from their local council (17% would be prepared to pay more compared to 21% of those who pay some, and 31% of those who pay all of their council tax).

## **7.6 Variations by deprivation**

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- 7.6.1 This section considers how responses vary by IMD<sup>6</sup> (Indices of Multiple Deprivation).
- 7.6.2 Whilst the net rating is universally negative, perceptions of the value for money of council tax increase somewhat as deprivation decreases, with a net rating of –21% amongst those in quintile 1 (most deprived) to –9% in quintile 5 (least deprived).

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<sup>6</sup> The IMD 2004 was constructed by combining the seven transformed domain scores, using the following weights:

- \* Income (22.5%)
- \* Employment (22.5%)
- \* Health Deprivation and Disability (13.5%)
- \* Education, Skills and Training (13.5%)
- \* Barriers to Housing and Services (9.3%)
- \* Crime and Disorder (9.3%)
- \* Living Environment (9.3%)

- 7.6.3 There were also differences by deprivation in terms of who respondents felt should have the most say in setting levels of council tax, as the table below illustrates: while views are relatively balanced amongst respondents in quintile 1 and, to a lesser extent quintile 2, those in quintiles 3 and 4 are less likely to feel that central government should have the most say, and are relatively balanced between local councils and local residents. Those in quintile 5 are most likely to feel that local councils should have the most say.

**Figure 52**  
**Who should have most say in setting council tax levels**  
**(All respondents by deprivation quintile) (W1)**

	Central government	Local councils	Local residents	Unweighted sample base
Quintile 1 –most deprived (%)	28	37	32	236
Quintile 2 (%)	27	33	38	226
Quintile 3 (%)	14	43	40	195
Quintile 4 (%)	23	42	35	221
Quintile 5 – least deprived (%)	20	50	29	180

- 7.6.4 In terms of what respondents felt should be the main factor taken into account when deciding how much local tax a household should pay, the wealth of a household is mentioned less as deprivation decreases (from 26% of those in quintile 1 to 8% of those in quintile 5), and how much a household use services is mentioned more (from 5% of those in quintile 1 to 16% of those in quintile 5).
- 7.6.5 There are also indications that those in less deprived areas have stronger support for means testing in relation to the elderly: while 14% of respondents in quintile 1 felt that the elderly should **not** automatically pay less council tax if they own their own property without a mortgage, this rises to 28% of those in quintile 5. These figures rose to 28% and 45% respectively when the presence of a lot of savings, pensions and investments is introduced.

## 7.7 Variations by other sub-groups

- 7.7.1 The data have been explored by a range of other sub-groups, such as age and tenure. While differences between sub-groups such as these do exist, they are largely a matter of degree rather than substantive in nature, and are likely to be largely explained by related differences described in the sections above.
- 7.7.2 Full data reports are available that split the data by a range of other sub-groups, such as age, NS-SEC, specific service usage, council tax band, type of council etc.

## 8 Cluster analysis

### 8.1 Introduction

- 8.1.1 In order to explore attitudinal differences, a process of cluster analysis was undertaken to better understand whether there were distinct groups of people in terms of underlying attitude. A detailed explanation of cluster analysis and the method taken is included in Appendix 1.

### 8.2 Cluster definitions

- 8.2.1 There were clearly some attitudinal variations within the sample, with a group who felt that the current system is generally fair, who are more accepting of the existing model of council tax, more receptive to the idea of regular revaluations and the need to subsidise others, and more open to the idea of variable service delivery.
- 8.2.2 Conversely there was another group identified who were less happy with the current system of taxation, who did not agree with the current council tax model, and who were more resistant to the idea of regular revaluations, the concept of subsidising others, and the possibility of variable service provision.
- 8.2.3 In fact, across the three waves, cluster analysis reveals that three core clusters can be created. These could be characterised as 'dissatisfied payers', 'more satisfied non-payers', and 'accepting payers'.

- **Cluster 1, 'dissatisfied payers'**, is the largest group, accounting for 48% of all respondents across the three waves. Respondents in cluster 1 tended to be homeowners who pay all of their council tax.

This group was most negative about the current system of taxation, least likely to feel that council tax represents good value for money, and the least likely to feel that there should be regular revaluations, or that a household should pay more council tax if their house increases in value more than others in the same area. They are least positive about the concept of variable service delivery and the possibility of charging for services, and the least likely to be prepared to pay for services.

Respondents in this group were least likely to name a group that they would be prepared to subsidise, and most likely to feel that it is unfair for richer areas to subsidise poorer areas to ensure they can receive a similar level of service. However, when prompted specifically about the elderly, they were more likely than respondents in the other clusters to feel that this group should pay less council tax, regardless of whether they own their own property or whether they have a lot of savings, pensions or investments.

They were also the least likely to feel that people can, or should be able to, influence how council tax in their area is spent, but tend not to want to be involved in such decisions personally.

- **Cluster 2, 'more satisfied non-payers'**, was the smallest group, representing 20% of all respondents. Respondents in cluster 2 were more likely than those in

other clusters to be women, and they tended to be renters who are currently not in work, who pay none of their council tax. They were more likely than those in other clusters to make use of social housing and social services.

This group were somewhat less negative than those in cluster 1 about the current system of taxation, albeit on balance still negative. Similarly they were somewhat more likely than those in cluster 1 to feel that council tax offers good value for money, although not particularly positive in this respect. They were also more likely to agree with the concept of variable service delivery than those in cluster 1, and more likely to feel that charging for services should be allowed, but equally unlikely as those in cluster 1 to be prepared to pay for services themselves.

Respondents in cluster 2 were more likely than those in cluster 1 to feel that there should be regular revaluations, and to agree that if a person's house goes up in value more than others in that area then they should pay more council tax.

They were also more likely than those in cluster 1 to mention someone that they would be prepared to subsidise, although they were equally unlikely as this group to be prepared to name an extra amount they would be prepared to pay so that retired people can pay less council tax.

They were more likely than those in cluster 1 to feel that people can, and should be able to, influence how council tax in their area is spent, but they were also the least likely to want to be involved in such decisions personally.

- **Cluster 3, 'accepting payers'**, accounts for 32% of all respondents. Like respondents in cluster 1, respondents in cluster 3 also tend to be homeowners who pay all of their council tax.

This group were the least negative about the current system of taxation and most likely to feel that council tax represents good value for money. Despite largely being homeowners, they were most likely to feel it is fair to base council tax on property values, albeit still not particularly positive in this respect, and equally likely as those in cluster 2 to feel that households in higher value areas should pay more, and that there should be regular revaluations.

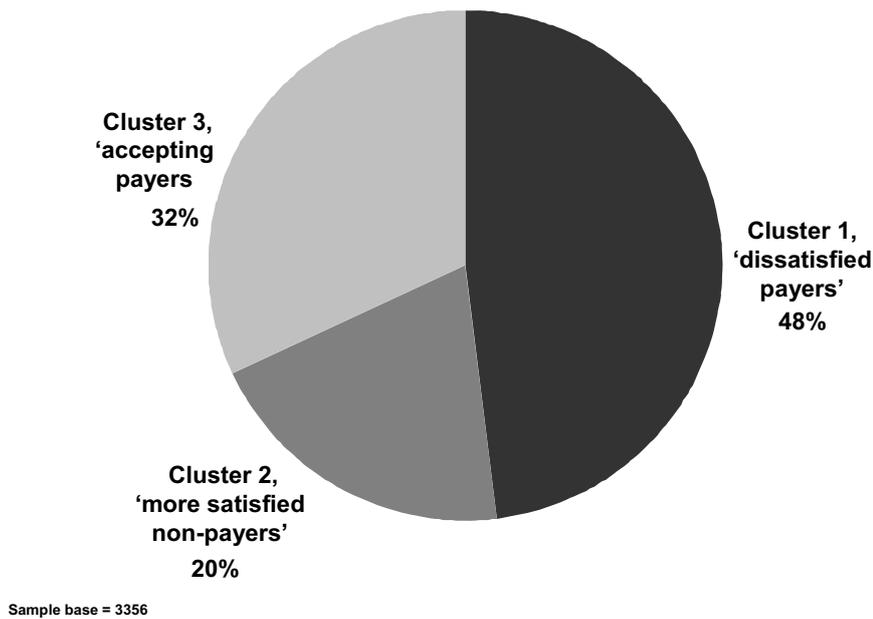
They were most positive about the concept of variable service delivery and the possibility of charging for services, and the most likely to be prepared to pay for services.

Respondents in this group were also as likely as those in cluster 2 to name a group that they would be prepared to subsidise, and the most likely to name an amount they would be prepared to pay to subsidise retired people.

They were most likely to feel that people can, and should be able to, influence how council tax in their area is spent, and also the most likely to want to be involved in such decisions personally.

- 8.2.4 The graph below shows how the sample across the three waves of research breaks down into these three clusters, revealing that the largest group (48%) – cluster 1 – is the group that were most trenchantly negative across a wide range of variables.
- 8.2.5 The relatively more positive group, Cluster 2, accounts for 20% of the sample, and the most positive group, Cluster 3, accounts for 32% of all respondents.

**Figure 53**  
**Size of clusters**  
**(All respondents) (W1, W2, W3)**



**Geographical breakdown of clusters**

- 8.2.6 The table below shows how the clusters break down by region, and reveals that the prevalence of 'dissatisfied payers' is relatively stable by region. The key difference by geography is the higher proportion of 'more satisfied non-payers' in the North, which largely accounts for the smaller proportion of 'accepting payers' in this region as compared to respondents in Central and Southern regions.

**Figure 54**  
**Breakdown of clusters**  
**(All respondents by region) (W1, W2, W3)**

	North %	Central %	South %
Cluster 1 – 'dissatisfied payers'	47	50	46
Cluster 2 – 'more satisfied non-payers'	28	13	20
Cluster 3 – 'accepting payers'	25	36	34
<b>Unweighted sample base</b>	<b>1259</b>	<b>814</b>	<b>1283</b>

## Breakdown of clusters by IMD

- 8.2.7 The table below shows how the clusters break down by IMD quintile, and reveals that again any differences are largely driven by a higher prevalence of 'more satisfied non-payers' in quintile 1 particularly, and quintile 2 to an extent.
- 8.2.8 What is apparent is that the proportion of 'dissatisfied payers' remains relatively consistent across all IMD quintiles apart from the most deprived, and that the proportion of 'accepting payers' increases as deprivation decreases.

**Figure 55**  
**Breakdown of clusters**  
**(All respondents by IMD) (W1, W2, W3)**

	<b>Quintile 1 (most deprived) %</b>	<b>Quintile 2 %</b>	<b>Quintile 3 %</b>	<b>Quintile 4 %</b>	<b>Quintile 5 (least deprived) %</b>
Cluster 1 – 'dissatisfied payers'	40	50	49	51	52
Cluster 2 – 'more satisfied non-payers'	43	22	14	11	2
Cluster 3 – 'accepting payers'	17	29	37	38	45
<b>Unweighted sample base</b>	<b>806</b>	<b>609</b>	<b>638</b>	<b>770</b>	<b>533</b>

## 8.3 Demographic characteristics

- 8.3.1 The table overleaf details the demographic and behavioural characteristics of the three clusters.

**Figure 56**  
**Demographic profile of clusters (All respondents by cluster) (W1, W2, W3)**

	<b>Cluster 1 %</b>	<b>Cluster 2 %</b>	<b>Cluster 3 %</b>
<b>Sex</b>			
Male	45	37	50
Female	55	<b>63</b>	50
<b>Age</b>			
16-24	3	<b>8</b>	3
25-34	12	14	12
35-44	19	18	19
45-59	<b>25</b>	19	<b>25</b>
60-64	8	6	7
65-69	7	6	7
70+	18	<b>24</b>	19
<b>Working status</b>			
Working	<b>55</b>	19	<b>55</b>
Not working	45	<b>81</b>	44
<b>Presence of children</b>			
Yes	25	<b>30</b>	26
<b>Ethnicity</b>			
White	<b>91</b>	86	<b>90</b>
BME	8	<b>13</b>	10
<b>Tenure</b>			
Owners	<b>80</b>	12	<b>84</b>
Renters	20	<b>88</b>	16
<b>Council tax payment</b>			
Pay all	<b>93</b>	17	<b>91</b>
Pay some	13	14	6
Pay none	1	<b>65</b>	3
<b>Region</b>			
North	28	<b>41</b>	22
Central	29	31	32
South	<b>43</b>	28	<b>46</b>
<b>Use of services in last six months</b>			
Social services	7	<b>17</b>	6
Social housing	9	<b>23</b>	6
<b>Unweighted sample bases vary</b>			

## 8.4 Role of local government

8.4.1 The following table highlights how the three clusters vary in relation to their views on the role of local government. While there are some differences, the general pattern of responses is similar across the three groups.

**Figure 57**  
**Role of local government**  
 (All respondents by cluster)

	Cluster 1 %	Cluster 2 %	Cluster 3 %
<b>Who has responsibility for provision of services – average across all 11 services (W1)</b>			
The government	34	37	37
Local councils	55	51	49
<b>Who should set standards of service delivery – average across all 11 services (W1 and W2)</b>			
Central government standards	44	39	46
Local councils free to decide	50	50	50
<b>Levels of service (W3)</b>			
All councils should have to provide same levels of service	45	51	47
Councils should have to provide minimum standard of service, but have a choice whether they want to provide a better standard of service to reflect local needs	29	28	31
Councils should have the freedom to provide whatever standard of service they feel reflects local needs	14	7	14
<b>Who should have most say in setting council tax levels (W1)</b>			
Central government	20	23	27
Local councils	40	40	43
Local residents	40	32	28
<b>Who should have least say in setting council tax levels (W1)</b>			
Central government	59	47	49
Local councils	10	10	11
Local residents	31	38	38
<b>Unweighted sample bases vary</b>			

## 8.5 Importance of local communities

- 8.5.1 In terms of variable service delivery, while the general pattern of response was similar across the three groups, there were differences in degree, with those in cluster 1 least open to the concept, and those in cluster 3 the most.
- 8.5.2 There were also differences in the extent to which the groups feel that people can, and should be able to, influence how council tax in their area is spent, and the extent to which they want to be involved in such decisions personally.
- 8.5.3 Those in cluster 1 were least likely and those in cluster 3 most likely to feel that people can and should be able to influence how council tax in their area is spent.
- 8.5.4 In terms of personal involvement, it was again those in cluster 3 who were most likely to be interested, however it is those in cluster 2, who felt people should be involved, who were least likely to say that they wish to be personally involved.

**Figure 58**  
**Importance of local communities**  
**(All respondents by cluster)**

	Cluster 1 %	Cluster 2 %	Cluster 3 %
<b>Attitudes towards concept of variable service delivery (W1 and W3)</b>			
Agree that it doesn't matter if local levels of service are not the same in different areas of the country	20	28	33
Agree that it doesn't matter if local councils provide different levels of service if they charge different levels of council tax	33	38	43
Agree that it doesn't matter if local councils provide different levels of service as long as people are consulted and are happy with the service they receive	62	66	72
<b>Public influence on how council tax is spent (W3)</b>			
Agree that people are able to influence how council tax is spent	42	55	66
Agree that people should be able to influence how council tax is spent	71	75	76
Agree that they personally would like to be able to influence how council tax is spent	40	37	53
<b>Unweighted sample bases vary</b>			

## 8.6 Local taxation

- 8.6.1 There were few differences in relation to who the groups feel should fund local services, but there were significant differences in terms of perceived value for money, with those in cluster 1 least positive in this respect, and those in cluster 3 the most positive.

**Figure 59**  
**Local taxation**  
 (All respondents by cluster)

	Cluster 1 %	Cluster 2 %	Cluster 3 %
<b>Who should fund local services (W1)</b>			
Central government should be main provider from national taxation	12	11	15
Central government and local councils should provide similar amounts	52	48	55
Should be mainly funded by local councils from council tax	26	26	22
<b>Perceptions of value for money</b>			
Feel council tax offers good value for money	12	34	49
<b>Unweighted sample bases vary</b>			

## 8.7 Perceptions of fairness

8.7.1 There were also differences between the three clusters in relation to perceptions of fairness. Despite largely being homeowners, respondents in cluster 3 were most likely to feel it is fair to base council tax on property values, albeit still not particularly positive in this respect. They were also equally likely as those in cluster 2 to feel that households in higher value areas should pay more, that if a person's house goes up in value more than others in that area then they should pay more council tax, and that there should be regular revaluations. Respondents in these two clusters were also more likely than those in cluster 1 to name a group they would be prepared to subsidise.

**Figure 60**  
**Perceptions of fairness**  
**(All respondents by cluster)**

	Cluster 1 %	Cluster 2 %	Cluster 3 %
<b>Main factor that should be taken into consideration in setting council tax levels (W1)</b>			
Total income of household	26	19	27
How wealthy they are	14	24	14
How much they use services	11	3	9
<b>Fairness of basing council tax on property values (W2)</b>			
Feel it is fair	20	23	27
<b>Variability of council tax levels by property value (W1)</b>			
Household in high value area should pay more	23	33	31
They should pay the same amount	71	60	59
Household in low value area should pay more	3	2	2
<b>Impact of increased property value on council tax (W1)</b>			
Agree that if a person's house goes up in value more than others in that area then they should pay more council tax	20	33	27
<b>Attitudes towards regular revaluation (W1)</b>			
Agree that there should be regular revaluations to take into account changes in house prices	37	51	48
<b>Opinions regarding subsidising other households (W1 and W3)</b>			
Mention anyone would be prepared to subsidise	60	69	68
<b>Unweighted sample bases vary</b>			

- 8.7.2 Despite being least likely to name a group that they would be prepared to subsidise, respondents in cluster 1 were most likely to feel that the elderly should pay less whether they own their own property, or have a lot of savings, pensions or investments. This inconsistency is highlighted by the fact that they were less likely than those in cluster 3 to actually name an amount they would be prepared to pay so that retired people can pay less, and most likely to feel it is unfair that richer areas should subsidise poorer areas to ensure they can receive a similar level of service.
- 8.7.3 In contrast, those in cluster 1, who were more prepared to subsidise others, did appear to feel more strongly that means testing should be applied in the case of elderly people, but nevertheless were most likely to name a specific amount they would be prepared to pay so that retired people can pay less.

**Figure 61**  
**Perceptions of fairness**  
**(All respondents by cluster)**

	<b>Cluster 1</b> %	<b>Cluster 2</b> %	<b>Cluster 3</b> %
<b>Opinions regarding elderly people (W2)</b>			
Feel elderly should pay less council tax even if they own property without a mortgage	<b>79</b>	<b>73</b>	64
Feel elderly should pay less council tax even if they have a lot of savings, pensions or investments	<b>55</b>	48	45
<b>Opinions regarding subsidising pensioners/retired people (W2 and W3)</b>			
Feel it is fair that for pensioners to pay less local income tax other households will have to pay more (W2)	36	38	35
Feel it is fair that for retired people to pay less council tax other households will have to pay more (W3)	60	59	60
Prepared to name extra amount household would pay so that retired people can pay less council tax (W3)	64	61	<b>83</b>
<b>Fairness of richer areas subsidising poorer areas to ensure they can receive a similar level of service (W1)</b>			
Feel it is unfair	<b>36</b>	20	22
<b>Unweighted sample bases vary</b>			

## 8.8 Support for other taxes and charges

- 8.8.1 Views on the replacement of council tax with a local income tax did vary, but largely inasmuch as respondents felt able to offer a response at all – high proportions of all clusters do not.
- 8.8.2 In relation to charging for services, it was those in cluster 1 who were least likely both to feel that charging should be allowed, and also to be prepared to any more for services themselves.
- 8.8.3 Those in cluster 2 were somewhat more likely to feel charging should be allowed, but were no more likely to be prepared to pay for them themselves.
- 8.8.4 In contrast, those in cluster 3 were both more likely to feel that charging should be allowed, and to report that their household would be prepared to pay for them.

**Figure 62**  
**Support for other taxes and charges**  
**(All respondents by cluster)**

	Cluster 1 %	Cluster 2 %	Cluster 3 %
<b>Views on replacement of council tax with local income tax (W2)</b>			
Council tax should be partly replaced with a local income tax	17	11	18
Council tax should be entirely replaced with a local income tax	35	27	33
Council tax should continue to be based purely on property values	13	15	18
Don't know	35	47	31
<b>Attitudes to principle of charging for services (W1, W2 and W3)</b>			
Charging should be allowed for all services	13	15	23
Charging should be allowed for some services	18	23	26
No charging should be allowed	65	56	45
<b>Whether households would be prepared to pay more for services (W3)</b>			
Would be prepared to pay more for all services	4	8	13
Would be prepared to pay more for some services	12	12	29
Would not be prepared to pay more for any services	77	75	53
<b>Unweighted sample bases vary</b>			

## 9 Appendix 1 – Research method

### 9.1 Method

- 9.1.1 A random probability sampling approach was used, with the Postcode Address File (PAF) for England used as the sample frame, in line with ODPM, as was, guidance<sup>7</sup>.
- 9.1.2 All addresses were stratified by Government Office for the Region (GOR) and within this by IMD<sup>8</sup> (Indices of Multiple Deprivation) to allow for broad analysis by GOR and by IMD quintile. The North region comprises the North East, North West and Yorkshire and Humberside Government Office Regions; the Central region comprises the West Midlands, East Midlands and East of England GORs, and the South region comprises the London, South East and South West GORs.
- 9.1.3 The number of addresses selected in each GOR was set proportionate to the population, although differential response rates by GOR mean that the data have been weighted to ensure the achieved sample is representative by GOR (please see section 8.3 for details on the weighting procedure and its effects).
- 9.1.4 In order to increase fieldwork efficiency interviews were clustered into groups by selecting one reference address at random, and then every nth address within that postcode sector to make up an assignment of 20 to 24 closely located addresses. In total across the three waves 240 clusters were created, yielding a total of 8913 addresses.
- 9.1.5 Initially interviewers visited each address to identify any that were out of scope (e.g. business addresses, unoccupied, derelict, institutions or otherwise ineligible to be included in the research). In total, 9% of all the selected addresses were in fact out of scope.
- 9.1.6 The next stage was for interviewers to identify whether each address was occupied as a single dwelling or split into separate units. Where an address did have multiple occupancy interviewers followed procedures to randomly select one unit at which to interview.
- 9.1.7 Following this the interviewers had to identify the appropriate adult (16+) within the household – the household reference person or their partner – by using the last birthday rule. No substitutes were accepted.
- 9.1.8 In trying to establish initial contact at each address interviewers made at least five personal visits. These were spread over different times of day and different days of the week, and at least two calls were made after 7pm or at the weekend.

<sup>7</sup> BVPI user satisfaction guidance 2005/6.

<sup>8</sup> The IMD 2004 was constructed by combining the seven transformed domain scores, using the following weights:

- \* Income (22.5%)
- \* Employment (22.5%)
- \* Health Deprivation and Disability (13.5%)
- \* Education, Skills and Training (13.5%)
- \* Barriers to Housing and Services (9.3%)
- \* Crime and Disorder (9.3%)
- \* Living Environment (9.3%)

- 9.1.9 Interviews for wave one were conducted between 27<sup>th</sup> May and 1<sup>st</sup> July 2005, for wave two between 31<sup>st</sup> August and 7<sup>th</sup> October 2005, and for wave three between 13<sup>th</sup> June and 16<sup>th</sup> July 2006.

### **Response rates**

- 9.1.10 Across all three waves a total of 3356 interviews were completed, which represents a response rate of 52%. This is acceptable and in line with response rates achieved on other similar surveys (e.g. many BVPI surveys). Full response tables for each wave are shown overleaf.
- 9.1.11 The largest non-responding category was households with whom contact was made but who refused to give details about occupants to allow the interviewer to make a selection of the most appropriate respondent to interview. If these respondents were excluded from the response rate calculation, the overall response rate would rise to 67%.
- 9.1.12 It can be seen from the tables below that the non-response category of 'respondent selected, but no direct contact' is larger in waves two and three. This can be largely explained by the timing of the surveys, since these waves were conducted during the holiday season, whereas wave one was conducted outside of this time.
- 9.1.13 It is not possible to explore systematic patterns of non-response because the sample was drawn from PAF rather than based on individuals, so no details of non-responder characteristics are available.

**Figure 63**  
**Response table wave 1**  
**(All selected addresses)**

	n		%	%
<b>Sample Issued</b>	2795		100%	
<b>Deadwood/address ineligible</b>		199	7%	
Insufficient address/not traced	20			
Not yet built	0			
Derelict/demolished	2			
Empty/not occupied	109			
Business/industrial	64			
Institution	1			
Other	3			
<b>Respondent ineligible</b>		117	4%	
Ill/incapacitated	40			
Away/in hospital	18			
Inadequate English	21			
Other	38			
<b>No contact at address after 5+ visits</b>	387			
<b>Respondent eligible</b>		2092		
<b>Adjusted to account for unknown eligibility*</b>		2034		<b>100%</b>
<b>Interviews</b>		1069		<b>53%</b>
Full interview	1058			
Unusable partials/unrecoverables	11			
<b>Refusals</b>		947		<b>47%</b>
Office refusal	1			
Information about occupants refused	509			
Personal refusal	380			
Proxy refusal	57			
<b>Other unsuccessful</b>		76		<b>4%</b>
Respondent selected, but no direct contact	72			
Broken appointment	4			

\*Adjusted for unknown eligibility – an adjustment to take into account instances where insufficient information was provided to enable the interviewer to identify a potential respondent's eligibility

**Figure 64**  
**Response table wave 2**  
**(All selected addresses)**

	n		%	%
<b>Sample Issued</b>	3144		100%	
<b>Deadwood/address ineligible</b>		174	6%	
Insufficient address/not traced	23			
Not yet built	0			
Derelict/demolished	3			
Empty/not occupied	120			
Business/industrial	21			
Institution	1			
Other	6			
<b>Respondent ineligible</b>		104	3%	
Ill/incapacitated	13			
Away/in hospital	10			
Inadequate English	6			
Other	75			
				%
<b>No contact at address after 5+ visits</b>	475			
<b>Respondent eligible</b>		2391		
<b>Adjusted to account for unknown eligibility</b>		2338		100%
<b>Interviews</b>		1250		<b>53%</b>
Full interview	1242			
Unusable partials/unrecoverables	8			
<b>Refusals</b>		856		37%
Office refusal	3			
Information about occupants refused	598			
Personal refusal	187			
Proxy refusal	68			
<b>Other unsuccessful</b>		285		
Respondent selected, but no direct contact	284			12%
Broken appointment	1			

**Figure 65**  
**Response table wave 3**  
**(All selected addresses)**

	n		%	%
<b>Sample Issued</b>	2979		100%	
<b>Deadwood/address ineligible</b>		147	5%	
Insufficient address/not traced	6			
Not yet built	0			
Derelict/demolished	3			
Empty/not occupied	77			
Business/industrial	49			
Institution	6			
Other	6			
<b>Respondent ineligible</b>		84	3%	
Ill/incapacitated	19			
Away/in hospital	9			
Inadequate English	15			
Other	41			
<b>No contact at address after 5+ visits</b>	591			
<b>Respondent eligible</b>		2157		
<b>Adjusted to account for unknown eligibility</b>		2126		<b>100%</b>
<b>Interviews</b>		1059		<b>50%</b>
Full interview	1056			
Unusable partials/unrecoverables	3			
<b>Refusals</b>		797		<b>37%</b>
Office refusal	0			
Information about occupants refused	397			
Personal refusal	376			
Proxy refusal	24			
<b>Other unsuccessful</b>		301		<b>14%</b>
Respondent selected, but no direct contact	284			
Broken appointment	17			

## 9.2 Pilot

- 9.2.1 At each wave of research, prior to the live study, a full pilot was undertaken to ensure the appropriateness of the questionnaire in terms of interview length and respondent understanding. The pilots were conducted by BMG's most experienced interviewers accompanied by the research team, Bridget Williams, Lys Coleman, Jo Homan and James Latham.
- 9.2.2 Following the pilots a number of amendments were made to the surveys to address issues of comprehension and to streamline the questionnaire, the final

versions of which can be found on the Lyons Inquiry website [www.lyonsinquiry.org.uk](http://www.lyonsinquiry.org.uk) which will be eventually transferred to the National Archive website on:

<http://www.nationalarchives.gov.uk/preservation/webarchive/publicinquiries.htm>

### 9.3 Weighting

- 9.3.1 While the sample addresses were selected proportionate to population by GOR, the response rate achieved in each region varied. In order to ensure that the achieved sample is representative of the population of England, weighting was required to correct for this differential response rate.
- 9.3.2 A decision was made to weight the data only on this basis to minimise the impact of weighting on the effective sample size.
- 9.3.3 The table below shows the extent of the weighting, which generates an effective sample size of 918 for wave one, 1097 for wave two, and 969 for wave three.

**Figure 66**  
**Breakdown of sample by GOR**  
**(All respondents)**

	Unweighted			Weighted
	Wave one %	Wave two %	Wave three %	%
North East	3.5	4.0	5.4	5.1
North West	18.4	20.8	18.1	13.6
Yorkshire and Humber	15.2	15.9	10.5	10.1
West Midlands	5.8	10.1	14.7	10.6
East of England	7.9	8.5	13.3	11.0
East Midlands	3.9	4.2	4.5	8.5
South West	12.6	13.1	6.8	10.2
South East	15.9	12.3	12.6	16.3
London	16.8	11.0	13.7	14.6
<b>Sample base</b>	<b>1058</b>	<b>1242</b>	<b>1056</b>	

- 9.3.4 Only weighted data are shown throughout this report. Tables show the unweighted base size to give an accurate indication of the number of people asked the relevant question, but data shown in the tables are weighted. Taking into account the weighting efficiency (87% for wave one, 88% for wave two and 92% for wave three), an effective sample size of 918, 1097 and 969 respectively should be used in any statistical calculations.
- 9.3.5 On an observed statistic of 50% an effective sample size of 2984 in total is subject to a maximum standard error of +/-1.8% at the 95% level of confidence, or +/-2.4% at the 99% level of confidence.
- 9.3.6 On a wave by wave basis:

- Wave 1 – on an observed statistic of 50% an effective sample size of 918 in total is subject to a maximum standard error of +/-3.2% at the 95% level of confidence, or +/-4.3 at the 99% level of confidence.
- Wave 1 – on an observed statistic of 50% an effective sample size of 1097 in total is subject to a maximum standard error of +/-3.0% at the 95% level of confidence, or +/-3.9% at the 99% level of confidence.
- Wave 1 – on an observed statistic of 50% an effective sample size of 969 in total is subject to a maximum standard error of +/-3.1% at the 95% level of confidence, or +/-4.1% at the 99% level of confidence.

## **9.4 Cluster analysis method**

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9.4.1 Cluster analysis is a statistical technique used to classify objects (in this case survey respondents) into groups (the clusters). The objective of the analysis was to create a classification such that those respondents classified as 'belonging' to any one group should in general be more similar to one another but typically different to those in other groups. The various steps in this analysis start initially with a selection of "trial cluster centres" and an algorithm of gradual improvement is initiated. This continues until no further improvement can be made. More specifically:

- Each respondent's answers across the relevant questions are compared with every other respondent's. A measure of the similarity of each respondent to every other is made, based upon the Euclidean distance between each pair, as defined by their response pattern. Based on these distances (the inverse of similarity), a respondent is selected as being most typical of the entire sample (i.e. most similar to most others). This respondent is the first "starting point".
- A threshold is thrown around this respondent and all respondents within this threshold are temporarily excluded from consideration as further starting points. The most typical respondent (who now will be unlike the first) is selected from the remainder of the sample. A threshold is thrown around this second "starting point".
- Further starting points are selected until a preset number is reached (or perhaps all respondents are within a previous threshold). With the Lyons review data 10 starting points were selected.
- An initial allocation of respondents is made with each respondent being compared to each of the starting points and allocated to the one to which they are most similar.
- Trial cluster centres are calculated as the means of these initial groupings. Respondents are then moved from one trial group to another so that all respondents are "closest" to their own cluster centre. In principle, this starts a process by which the differences between respondents within any one group are minimized and as a consequence, the distances between group means (cluster centres) are maximized. Although this will not necessarily have been achieved at this point, this optimization is actually the basis of the analysis.
- The next steps try to improve the efficiency of the allocation by splitting large disparate groups and recombining respondents into new groups, each time

checking that the distance between centres is improved. When the process of splitting and recombining ceases to achieve anything, the allocation at that point is set.

- The two most similar groups are then combined (in this case creating 9 trial groups) and the last three steps outlined above are repeated at successively smaller numbers of clusters.

9.4.2 In this survey, the cluster analysis was based on the responses to 12 variables that are common to all three waves of research<sup>9</sup>:

- Payment of council tax;
- Proportion of council expenditure that comes from council tax;
- Perceived value for money of council tax;
- Level of agreement that it doesn't matter if local councils provide different levels of service if they charge different levels of council tax;
- Use of public services;
- Actual proportion of council expenditure that comes from council tax;
- Actual council tax band.
- Level of agreement that people in this country pay too much tax;
- Level of agreement that the system of taxation in this country is too complex;
- Level of agreement that the system of taxation in this country is generally fair;
- Level of agreement that I would be prepared to pay more for better public services;
- Tenure.

9.4.3 Based on responses to the questions outlined above, a number of cluster solutions were generated, from 10 clusters to 2 clusters. Having considered the differences between the various clusters created on this basis, the three-cluster solution was chosen as the most relevant sample breakdown.

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<sup>9</sup> It should be noted that all 'don't know'/not answered' responses have been recoded to the most common eligible response.

## 10 Appendix 2 – Sample profile

- 10.1.1 The following tables present the key demographics of the weighted samples, demonstrating that the sample is broadly representative in terms of respondent gender, age, ethnicity, tenure and NS-SEC<sup>10</sup>.
- 10.1.2 The sample consists of householders or their partners, so some differences would be expected, particularly when considering respondent age. While the data have been weighted to reflect a differential response by GOR, a decision was made not to weight the data by age, to minimise the impact of weighting on the effective sample size. An examination of the responses by age reveals that, while there are some differences, these are a matter of degree and are not substantive.

**Figure 67**  
**Respondent profile**  
**(All respondents)**

	Achieved sample			Census 2001 (all adults)
	Wave 1	Wave 2	Wave 3	
<b>Gender – respondent (%)</b>				
Male	47	48	44	48
Female	53	52	56	52
<b>Age – respondent (%)</b>				
16 to 25	5	5	5	15
26 to 40	27	24	22	19
41 to 60	33	39	34	31
61+	35	32	38	25
Prefer not to say	*	*	1	-
<b>Ethnicity – respondent (%)</b>				
White	90	89	91	92
Mixed	-	1	2	1
Asian or Asian British	6	5	4	4
Black or Black British	4	4	2	2
Other	1	*	1	1
Refused	*	1	1	-
<b>Sample base</b>	<b>1058</b>	<b>1242</b>	<b>1056</b>	

<sup>10</sup> NS-SEC is the National Statistics Socio-Economics Classification. The classification is based on the old Social Class scale which classified households into classes with, as far as possible, similar levels of occupational skill. The classification is based on the occupation of the Household Reference Person (HRP), who is the person in the household who has the highest income from whatever source.

**Figure 68**  
**Respondent profile (cont.)**  
**(All respondents)**

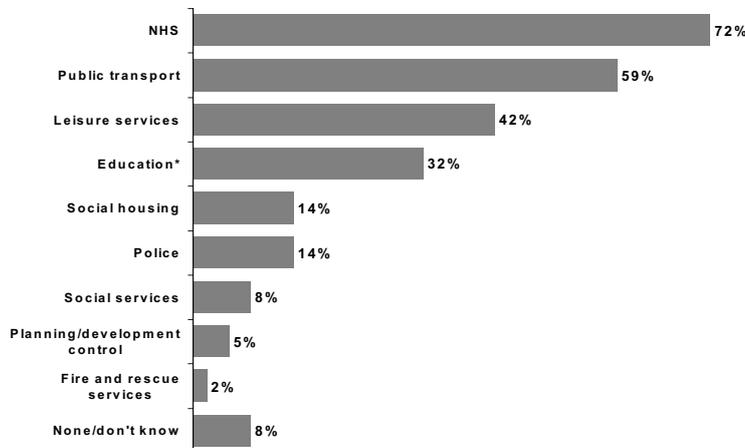
	Achieved sample			Census 2001 (all adults)
	Wave 1	Wave 2	Wave 3	
<b>NS-SEC (HRP) (%)</b>				
Higher	25	29	28	33
Intermediate	27	26	19	24
Lower	30	29	36	19
Never worked/long term unemployed	1	-	-	3
Unclassified	17	17	17	21
<b>Tenure – respondent (%)</b>				
Owners	66	69	68	70
Social rented sector tenants	24	23	23	18
Rent privately or living rent free	10	7	9	12
Refused	*	1	-	-
<b>Sample base</b>	<b>1058</b>	<b>1242</b>	<b>1056</b>	

## 11 Appendix 3 – Service usage

### Use of services

- 11.1.1 This section summarises levels of usage of various services across waves one, two and three combined. These questions were asked to allow for an analysis of respondents' attitudes to local/central government and taxation, taking into consideration the extent to which they use services overall, and their use of specific services. It should be noted that 'universal' services such as refuse collection were not included.
- 11.1.2 Respondents were asked whether they or a member of their household have used a range of services in the last six months.
- 11.1.3 Close to three quarters (72%) of all respondents across the three waves report use of the NHS (waves one and two included mention of GPs and hospitals specifically), and close to three fifths (59%) public transport
- 11.1.4 Over two in five (42%) say that they have used leisure services and just under a third (32%) education services (wave three included an option for post-16 education as well as primary/secondary etc.).

**Figure 69**  
**Services used in the last six months**  
**(All respondents) (W1, W2, W3)**



Unweighted sample base 3356.

- 11.1.5 The extent to which people use services has a big impact on their views in relation to council tax and service provision. The extent to which this is the case is explored throughout the body of this report. In order to do so respondents have been classified into high (47% have used 3 or more services in the last six months), medium (44% have used 1 or 2 services in the last six months) and low (8% have not used any services in the last six months) service users.

## Variations in use of services by sub-groups

### 11.1.6 Public transport usage:

- Is higher among younger and BME respondents;
- Is higher in areas of higher deprivation;
- Is higher in the South;
- Is lower amongst owner-occupiers.

**Figure 70**

**Use of public transport in the last 6 months  
(All respondents by sub-groups as indicated) (W1, W2 and W3)**

	Used in last 6 months	Unweighted sample base
<b>Age</b>		
16 to 24 (%)	66	113
25 to 34 (%)	63	410
35 to 44 (%)	65	602
45 to 59 (%)	61	812
60 to 69 (%)	56	492
70+ (%)	57	686
<b>Ethnicity</b>		
White (%)	57	3029
BME (%)	77	309
<b>IMD</b>		
Quintile 1 (most deprived) (%)	65	806
Quintile 2 (%)	64	609
Quintile 3 (%)	57	638
Quintile 4 (%)	56	770
Quintile 5 (least deprived) (%)	55	533
<b>Region</b>		
North (%)	56	1259
Central (%)	54	814
South (%)	66	1283
<b>Tenure</b>		
Owners (%)	56	2287
Social rented sector (%)	66	781
Rent privately (%)	66	277

### 11.1.7 Usage of the NHS:

- Is higher amongst women;

- Increases with age;
- Is higher amongst those not in work;
- Is higher amongst those with children.

**Figure 71****Use of the NHS in the last 6 months****(All respondents by sub-groups as indicated) (W1, W2 and W3)**

	<b>Used in last 6 months</b>	<b>Unweighted sample base</b>
<b>Gender</b>		
Men (%)	68	1536
Women (%)	75	1819
<b>Age</b>		
16 to 24 (%)	60	113
25 to 34 (%)	69	410
35 to 44 (%)	73	602
45 to 59 (%)	74	812
60 to 69 (%)	75	492
70+ (%)	79	686
<b>Working status</b>		
Working (%)	68	1605
Not working (%)	75	1739
<b>Presence of children</b>		
With children (%)	76	862
Without children (%)	71	2342

## 11.1.8 Usage of leisure services:

- Decreases with age;
- Is higher amongst those who are working;
- Increases with household income and as deprivation decreases;
- Is lower amongst social rented sector tenants.

**Figure 72****Use of leisure services in the last 6 months****(All respondents by sub-groups as indicated) (W1, W2 and W3)**

	<b>Used in last 6 months</b>	<b>Unweighted sample base</b>
<b>Age</b>		
16 to 24 (%)	40	113
25 to 34 (%)	52	410
35 to 44 (%)	55	602
45 to 59 (%)	46	812
60 to 69 (%)	32	492
70+ (%)	28	686
<b>Working status</b>		
Working (%)	50	1605
Not working (%)	34	1739
<b>Household income</b>		
Up to £13,999 (%)	35	753
£14,000 to £23,999 (%)	48	334
£24,000 to £33,999 (%)	52	250
£34,000 to £44,999 (%)	64	179
£45,000 or more (%)	67	253
<b>IMD</b>		
Quintile 1 (most deprived) (%)	33	806
Quintile 2 (%)	41	609
Quintile 3 (%)	42	638
Quintile 4 (%)	44	770
Quintile 5 (least deprived) (%)	52	533
<b>Tenure</b>		
Owner/occupiers (%)	45	2287
Social rented sector (%)	32	781
Private renters (%)	46	277

## 11.1.9 Usage of social services and social housing:

- Is highest amongst those aged 70+ (not social housing);
- Is higher amongst those not in work and those with low household incomes;
- Is higher amongst social rented sector tenants;
- Is lower amongst those who pay all of their council tax;
- Declines as deprivation declines;
- Is higher in the North (not social services).

**Figure 73**

**Use of social services and social housing in the last 6 months  
(All respondents by sub-groups as indicated) (W1, W2 and W3)**

	<b>Social services</b>	<b>Social housing</b>	<b>Unweighted sample base</b>
<b>Age</b>			
16 to 24 (%)	7	19	<b>113</b>
25 to 34 (%)	6	12	<b>410</b>
35 to 44 (%)	7	16	<b>602</b>
45 to 59 (%)	7	14	<b>812</b>
60 to 69 (%)	8	12	<b>492</b>
70+ (%)	15	16	<b>686</b>
<b>Working status</b>			
Working (%)	5	8	<b>1605</b>
Not working (%)	<b>11</b>	<b>19</b>	<b>1739</b>
<b>Household income</b>			
Up to £13,999 (%)	<b>13</b>	<b>27</b>	<b>753</b>
£14,000 to £23,999 (%)	6	<b>16</b>	<b>334</b>
£24,000 to £33,999 (%)	4	6	<b>250</b>
£34,000 to £44,999 (%)	2	5	<b>179</b>
£45,000 or more (%)	5	2	<b>253</b>
<b>Tenure</b>			
Owners (%)	6	2	<b>2287</b>
Social rented sector (%)	<b>15</b>	<b>51</b>	<b>781</b>
Rent privately (%)	10	6	<b>277</b>
<b>Payment of council tax</b>			
Pay all (%)	5	9	<b>2592</b>
Pay some (%)	<b>13</b>	<b>23</b>	<b>241</b>
Pay none (%)	<b>17</b>	<b>37</b>	<b>494</b>

**Figure 74**  
**Use of social services and social housing in the last 6 months**  
**(All respondents by sub-groups as indicated) (W1, W2 and W3)**

	Social services	Social housing	Unweighted sample base
<b>IMD</b>			
Quintile 1 (most deprived) (%)	12	31	806
Quintile 2 (%)	8	15	609
Quintile 3 (%)	7	10	638
Quintile 4 (%)	7	7	770
Quintile 5 (least deprived) (%)	7	2	533
<b>Region</b>			
North (%)	7	19	1259
Central (%)	10	12	814
South (%)	8	11	1283

### Frequency of use of services (W1 Q11)

11.1.10 In wave one, those who have used each service within the last six months were asked when they last used that service. The table below summarises the recency of use of each service.

**Figure 75**  
**Frequency of use of services**  
**(Used service in last six months) (W1)**

	In last week	In last fortnight	In last month	Longer ago	DK/ refused	Unweighted sample base
NHS (%)	33	22	23	21	*	581
Public transport (%)	67	13	14	6	*	581
Leisure services (%)	44	27	20	8	1	404
Education (%)	95	2	1	2	*	285
Social housing (%)	85	3	10	3	-	122
Police (%)	16	9	32	42	1	113
Social services (%)	45	15	26	13	2	82
Planning/development control (%)	26	16	19	39	-	46†
Fire and rescue services (%)	17	10	7	66	-	13†

\* denotes less than 0.5%

† indicates caution: low base







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