

Public
Key Decision – Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Council Tax Support Scheme 2026-27

Meeting/Date: Cabinet: 18 November 2025
Council: 17 December 2025

Executive Portfolio: Resident Services and Corporate Performance
(Cllr S Ferguson)

Report by: K Kelly – Revenues and Benefits Manager

Ward(s) affected: All

Executive Summary:

Since the abolition of Council Tax Benefit in 2013, Local Authorities in England have been required to administer their own Council Tax Support (CTS) schemes.

Whilst support for residents of pensionable age is determined by Central Government, schemes for working age residents are set locally. Local Authorities are required to review their CTS schemes annually and to decide to either maintain their existing scheme or replace it.

The Council made amendments to the CTS scheme for 2024-25. The following report provides an update on the operation of the scheme since then, alongside recommendations for 2026-27.

Recommendation(s):

The Cabinet is

RECOMMENDED

To note the contents of the report and endorse the recommendation that the scheme principles for 2026-27 remain unchanged, ensuring that the scheme continues to deliver support to low-income households across the district in line with the Corporate Priorities to improve the quality of life for local people, and to deliver good quality, high value-for-money services.

1. PURPOSE OF THE REPORT

- 1.1 Since 2013, the Council has been required to design and administer its own Council Tax Support (CTS) Scheme for residents of Working Age. The scheme for Pension Age residents is set by Central Government.
- 1.2 The Council is required to review the CTS scheme each year in accordance with schedule 1a (5) of the Local Government Finance Act 1992 and decide to maintain or amend the scheme.

2. BACKGROUND

- 2.1 CTS is a means-tested support scheme that reduces the amount of Council Tax payable by residents on low incomes. Whilst CTS rules for pension age residents are prescribed by Central Government, Local Authorities are required to design and administer their own schemes to support residents of working age.
- 2.2 In December 2023 the Council decided to amend the CTS scheme for 2024/25, offering a simplified scheme intended to provide greater levels of support for those most in need, in line with our Corporate Priority to keep people out of crisis and support those in crisis.

3. ANALYSIS

- 3.1 The redesigned CTS scheme launched in April 2024 with the intention of providing increased levels of support of up to 100% of Council Tax liability to low-income households across the district.
- 3.2 The new scheme was designed to be easier to understand, with levels of support determined by weekly income bands linked to Universal Credit (UC) standard allowances. The requirement for residents to make a separate claim for CTS when they made a claim for Universal Credit was also removed to make the scheme easier to access.
- 3.3 As a result of the changes implemented, the following impacts are noted:

| Intention | Outcome |
|---|--|
| To provide increased levels of support to low-income households | The number of households receiving 100% CTS has increased from 1,307 in March 2024, to 3,893 in August 2024, and 3,941 in July 2025. |
| To make the scheme easier to understand and access | An additional 986 working age households are receiving support since March 2024, bringing the total to 5,152, or around 6% of all households across the district. Most of the additional new claims have arisen as a result of notifications received from the Department of Work and Pensions (DWP) advising of new UC claims in payment, following the removal of the requirement to make a separate claim for CTS. |

| | |
|---|---|
| <p>To ensure a simplified scheme provides opportunities for automation and improvements in processing times*</p> <p><small>*please note the processing times quoted relate to CTS only, rather than the combined Housing Benefit and CTS performance that is reported as part of KPIs</small></p> | <p>The new scheme has enabled greater use of technology to automate the processing of changes in circumstances. In the period April – August 2025, 69.84% of changes were processed automatically, compared to 62.52% in 2024, and 30.6% in 2023.</p> <p>These advances in automation have enabled the team to tolerate the increased caseload volumes whilst improving response times, all within existing resources.</p> <p>The average number of days taken to process changes in circumstances has reduced from 8.78 days in 2023 to an average of 2.86 days in 2025.</p> <p>New claims for CTS are processed within an average of 18.8 days in 2025, compared to 19.64 days in 2023.</p> |
| <p>To reduce the number of bills issued due to CTS changes, and to reduce recovery action taken</p> | <p>There was a small increase (598 in 2024/25) in the total number of Council Tax bills issued due to CTS, since the scheme went live which is mainly due to new claims.</p> <p>An overall reduction in the number of Reminders and Summons has been noted, with 2,515 less reminders (10%) and 1205 (16%) less court summonses being issued in 2024/25 when compared to the previous year.</p> <p>During the same period the team achieved the highest in-year Council Tax collection rate for 5 years of 98.09%, and these trends have continued into 2025/26.</p> |

- 3.4 The analysis of the CTS scheme to date shows that it is performing as intended, delivering greater levels of support to residents in a more responsive time frame.
- 3.5 It is therefore recommended that the principles of the scheme, as shown in APPENDIX A. remain unchanged, with the starting point for the income bands to be increased in line with uplifts in the standard allowances for Universal Credit for 2026/27, as set out within the scheme.

4. COMMENTS OF OVERVIEW & SCRUTINY

- 4.1 The Overview and Scrutiny (Environment, Communities and Partnerships) Panel discussed the Council Tax Support 2026/27 Report at its meeting on 7th November 2025.

- 4.2 Following a comment from Councillor Shaw, the Panel heard that the scheme also provided an administrative benefit to the team in addition to the benefits it provided to residents.
- 4.3 In response to a concern raised by Councillor Lowe, the Panel heard that the Council Tax Support Scheme had been fully planned and budgeted, and was in line with forecast for the year.
- 4.4 It was clarified to the Panel following a question from Councillor Pitt, that the previous response times had included automated responses although not to the same degree as currently. It was also noted that there were several reasons why changes were not able to be immediately implemented and that a human element had to be considered however the Panel were also assured that all response times were closely monitored
- 4.5 Councillor Hunt reflected on an excellent report and praised the principles implemented by the joint administration. The Panel further heard that despite the risks of the scheme, the dedication and hard work of the team ensured it's smooth implementational.
- 4.6 Following the discussion, the Panel were informed that their comments would be added to the Cabinet report in order for an informed decision to be made on the report recommendations.

5. KEY IMPACTS / RISKS

- 5.1 The cost of CTS is calculated as a reduction to the Council tax base. That is, the number of band D equivalent dwellings across the district from which Council Tax can be generated.
- 5.2 A forecast of the Council tax base is set each year, which includes estimates new properties being added to the Council Tax list, along with estimates for the impact of other discounts, exemptions and CTS. Regular monitoring of the taxbase is conducted, with the trend indicating that the forecast is likely to be met by the end of the financial year.

6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

[\(See Corporate Plan\)](#)

- 6.1 The Corporate Plan for 2023-2028 outlines our commitment to:
1. Improve the quality of life for local people
 2. Create a better Huntingdonshire for future generations
 3. Deliver good quality, high value-for-money services
- 6.2 The CTS scheme directly supports points 1 and 3, by ensuring that the requirement to pay Council Tax continues to be proportionate to financial circumstances by reducing or even eliminating the requirement to pay for low-income households across the district. The increase in caseload shows that the support is reaching those in need.

- 6.3 Changes to the scheme have also enabled improvements in service delivery, ensuring that residents receive decisions in a timely manner whilst reducing the risk of overpayments.

7. REASONS FOR THE RECOMMENDED DECISIONS

- 7.1 Following a review of the CTS scheme, it is evident that the scheme is performing as intended, with additional support being provided to low-income households alongside service delivery improvements, in line with our Corporate Priorities.

8. LIST OF APPENDICES INCLUDED

Appendix A – CTS Scheme Principles

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