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| Cabinet: | 17th November 2026 |
| Council: | 16th December 2026 |
| Report by: | Katie Kelly – Head of Customer Services, Revenues & Benefits |
| Lead Cllr: | Cllr N Hunt - Executive Councillor for Resident Services and Corporate Performance |

| Wards | Open / Exempt | Key Decision? |
|---|---|---|
| All | Open | Yes |

# Council Tax Support Scheme 2027/28

**Executive Summary:**

Whilst support for residents of pensionable age is determined by Central Government, schemes for working-age residents are set locally, with local authorities in England being required to administer their own Local Council Tax Support (CTS) schemes since the abolition of Council Tax Benefit in 2013. Local authorities are required to review their CTS schemes annually and decide whether to maintain their existing scheme or replace it.

The Council made significant amendments to the CTS scheme for 2024/25 to ensure that it provided additional support to low-income households across Huntingdonshire, in line with corporate priorities. This report provides an update on the operation of the scheme.

## Recommendations

1.1. To note the contents of the report and endorse the recommendation to Council that the scheme principles remain the same for 2027/28.

| | Key Corporate Plan Priorities |
|---|---|
| 1 | Assistance provided via the CTS Scheme directly supports the Council's Corporate Priorities to improve the quality of life for local people, and to deliver good quality, high value-for-money services. |

| | Place Strategy Priorities |
|---|---|
| 1 | The support provided to low-income households via the CTS scheme directly supports the Health Embedded journey by reducing financial hardship, a key determinant of health. |

**Report Author(s)**

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## 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 whether to maintain or amend the scheme.

## 2. BACKGROUND & CONTEXT

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.

2.3 The new scheme was designed to offer support of up to 100% Council Tax liability, an increase from the previous scheme which was capped for many at 80%. It also introduced weekly income bands linked to Universal Credit (UC) standard allowances to determine levels of support, making the scheme easier to understand.

2.4 The requirement for residents to make a separate claim for CTS when making a claim for UC was also removed, making it easier for residents to receive the support to which they are entitled.

2.5 The following impacts should be noted:

| Intention | Impact |
|---|---|
| To increase support for low-income households | The number of households receiving 100% support is currently 3997, or 4.69% of households across the district.<br><br>This is an increase of 56 since August 2025. In August 2024, this figure was 3,893. |
| To make the scheme easier to access | The removal of the requirement for residents to make a separate claim for CTS when claiming UC has supported more households to access the scheme, as it was previously noted that some residents receiving UC were not claiming the support to which they were entitled under the CTS scheme.<br><br>In August 2024 there were 4,874 households in receipt of CTS. By August 2025 this had increased |

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| | to 5,125, and in August 2026 this figure currently stands at 5,035, or around 5.92% of households across the district. |
| Improve administration and responsiveness | The updated scheme has enabled greater use of technology to support the automated processing of changes in circumstances.<br><br>These changes have enabled the team to tolerate increases in caseload and work volumes within existing resources, whilst ensuring decisions continue to be reached in a timely manner.<br><br>In the period April–August 2026, 71.44% of changes in circumstances were completed automatically, compared to 69.84% in the same period last year and 62.52% in 2024.<br><br>The average number of days to process changes is currently 3.02, a slight increase from 2.86 in the same period last year. However, it should be noted that the number of changes processed during this period has increased by 5,400. The average number of days to process changes for the period April–August 2024 was 3.42.<br><br>In the period April–August 2026, the average number of days taken to process new claims was 20.79. This is a slight increase on the previous year's figure of 18.8, but less than the figure of 22.7 days the year before. |
| Reduce the number of bills issued due to CTS | The introduction of income bands was intended to provide some stability for residents, so that not every change in circumstances would result in a change in the amount of support awarded.<br><br>2026 year-to-date figures show that 452 fewer bills have been issued as a result of CTS when compared to the previous year, despite the higher number of changes being processed.<br><br>The trend of an overall reduction in volumes of non-payment reminders and summonses has also continued into the first five months of this financial year. |

2.6 Analysis of the CTS scheme to date shows that it continues to operate as intended, delivering much-needed support to low-income households across the district within a responsive timeframe.

2.7 It is therefore recommended that the scheme remains the same for 2027/28, with the starting point for the income bands increased in line with annual uplifts in the standard allowances for Universal Credit when confirmed by DWP. An overview of the scheme principles can be found in Appendix A.

## 3. COMMENTS OF OVERVIEW & SCRUTINY

3.1 The Overview & Scrutiny (Environment, Communities & Partnerships) Panel discussed the report at its meeting on 5th November 2026.

3.2 In response to a question about how residents are supported to access the CTS scheme, it was explained that the scheme was designed to accept any successful Universal Credit claim as a claim for CTS, removing the need for a separate application, and that colleagues across services are proactive in promoting available support through their contact with residents.

3.3 It was noted that whilst difficult to quantify the impact of the scheme singular to other considerations, the Council's Performance reports illustrated relevant measures helping to build the bigger picture of support given to residents by the Council.

3.4 Following the discussion, the Panel were informed that their comments would be added to the Cabinet report in order for Cabinet to make a decision upon the recommendations within the report.

## 4. IMPLICATIONS OF THE DECISION

### 4.1 Council Key Priorities and Performance

4.1.1 The Corporate Plan for 2023-2028 outlines the Council's commitment to:

- improve the quality of life for local people;
- create a better Huntingdonshire for future generations; and
- deliver good quality, high value-for-money services.

4.1.2 The CTS scheme directly supports points 1 and 3, by ensuring that the requirement to pay Council Tax continues to be proportionate to the financial circumstances of residents by reducing or even eliminating the requirement for contributions from low-income households across the district.

4.1.3 Changes to the scheme have enabled improvements in service delivery, ensuring that residents receive decisions in a timely manner whilst reducing the risk of overpayments, and have enabled the team to manage an increased caseload within existing resources.

### 4.2 Financial Implications

4.2.1 CTS is a Council Tax discount and as such the cost of the scheme 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. As such, the cost of the scheme is shared proportionately across all precepting authorities, in line with the treatment for other discounts and exemptions.

4.2.2 A forecast of the Council Tax base is set each year, which includes estimates of new properties being added to the Council Tax list, along with a forecast of the impact of other discounts, exemptions and CTS. The current trend indicates that the tax-base impact of the CTS scheme remains broadly in line with forecast.

### 4.3 Legal & Constitutional Implications

4.3.1 The Council is required to review its Council Tax Support scheme each year in accordance with Schedule 1A of the Local Government Finance Act 1992.

### 4.4 Community Impact

4.4.1 The recommendation supports a continued positive community impact by maintaining levels of Council Tax Support for low-income households across the district, helping to reduce financial hardship and supporting the Council's priority to improve the quality of life for local people.

### 4.5 Equality & Diversity Implications

4.5.1 An Equalities Impact Assessment was completed prior to the 2024 scheme amendments being made, which is considered to remain relevant. Details can be found in Appendix B.

### 4.6 Implications on Resources

4.6.1 N/A

### 4.7 Health & Wellbeing Implications

4.7.1 The recommendation supports positive health and wellbeing outcomes by helping to reduce financial hardship for low-income households, recognising that financial stability is an important factor in residents' overall wellbeing.

### 4.8 Local Government Reorganisation (LGR) Implications

4.8.1 This report relates to the CTS scheme for 2027/28 only and so there are no LGR implications to consider as part of this report.

## 5. RISK MANAGEMENT

5.1 The Council is required to review the CTS scheme each year in accordance with schedule 1A (5) of the Local Government Finance Act 1992.

5.2 If the decision is not taken, the Council would not meet its statutory requirement to agree a CTS scheme for 2027/28, which would impact on its ability to support low-income households.

## 6. BACKGROUND PAPERS– LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

APPENDIX A – Scheme Principles 2027/28
APPENDIX B – Equalities Impact Assessment 2023