

1. Council Tax Support Scheme 2026-2027 (Pages 2 – 10)

CABINET MEMBERS DELEGATED DECISION

Open		Would any decisions proposed :		
Any especially affected Wards	Mandatory	Be entirely within Cabinet's powers to decide YES		
		Need to be recommendations to Council NO		
		Is it a Key Decision YES		
Lead Member: Councillor Alistair Beales E-mail: cllr.alistair.beales@west-norfolk.gov.uk		Other Cabinet Members consulted: Cabinet		
		Other Members consulted: Cllr Chris Morley, Portfolio Holder for Finance		
Lead Officer: Jo Stanton, Revenues and Benefits Manager E-mail: joanne.stanton@west-norfolk.gov.uk Direct Dial: 01553 616349		Other Officers consulted: Michelle Drewery, s151 Officer		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s): N/A				
Date meeting advertised: 01 August 2025			Date of decision to be taken: 08 August 2025	
Deadline for Call-In: 15 August 2025				

COUNCIL TAX SUPPORT 2026/2027 – DRAFT SCHEME FOR WORKING AGE PEOPLE FOR CONSULTATION

Summary

The council must implement a Council Tax Support (CTS) scheme for its working age residents for each financial year. We must first decide on a draft CTS scheme which is open for public consultation, and then must agree a final CTS scheme, considering the consultation responses.

Since 2017, authority has been delegated to the Leader, in consultation with the relevant Portfolio Holder and s151 Officer, to agree the draft CTS scheme to go to consultation.

No major changes are planned for the CTS Scheme for the coming year. Minor amendments will be made to reflect welfare reform changes to the national CTS scheme for pension age people and to increase the amount of time a claim can be backdated from one month to three months, in line with the Pension Age scheme.

Recommendation

The existing working age CTS scheme for 2025/2026 is agreed as the draft CTS scheme for 2026/2027 to go out to public consultation.

Reason for Decision

To ensure a CTS scheme for 2026/2027 is agreed by full Council by the deadline.

1. Background

- 1.1. The Council Tax Support (CTS) scheme helps residents in the area on low incomes with the cost of their council tax bill. We must review and agree the CTS scheme for our working age residents each financial year.
- 1.2. When deciding our CTS scheme for working age customers we must first consult with our major Preceptors (Norfolk County Council and Norfolk Police), then decide a draft CTS scheme to go to public consultation. Once the consultation has closed the final CTS scheme for 2026/2027 must be agreed by full Council by March 2026.
- 1.3. The local CTS Scheme was first introduced in 2013. The CTS scheme we implemented was based on the national pension age scheme, but everyone who was working age and not classed as vulnerable was expected to pay at least 25% of their weekly council tax bill. This contribution was reduced to 16% from April 2022 and removed entirely from April 2024.
- 1.4. Our scheme covers up to 100% of the council tax bill, although this will be less than 100% if someone has more income than the amount allowed. The CTS scheme rules for working age and pension age customers are the same.
- 1.5. We ignore a higher amount of earnings in our local scheme and allow working people to keep an extra £10 of their earnings in addition to the standard amount before it affects their CTS award.
- 1.6. For 2026/2027 the amount of time a new claim can be backdated will be extended from one month to three months. This is then in line with the Pension Age scheme.
- 1.7. Our working age CTS scheme principles are included at Appendix B.
- 1.8. CTS for pension age people is paid under national regulations. We are responsible for the administration of the pension age scheme, and we meet the cost of these claims, however central government is responsible for the rules of the scheme.

2. Delegated Power

- 2.1. **Draft Council Tax Support Scheme:**
Cabinet 28 November 2017 (Council 25 January 2018)
- 2.2. **Minute CAB93:** Delegated authority is given to the Leader, in consultation with the relevant Portfolio Holder and s151 Officer, to agree the draft Council Tax Support (CTS) scheme to go out to public consultation.

3. Options Considered

- 3.1. Cost of living pressures are ongoing and households on lower incomes are still experiencing significant financial burdens. To provide ongoing stability and certainty for households on CTS, the existing 2025/2026 scheme is

recommended as the draft working age CTS scheme for 2026/2027 to go to public consultation.

3.2. Minor updates are made to keep the scheme in line with the national CTS scheme for Pension Age people and with the Housing Benefit scheme. These are mostly related to payments from government compensation schemes, such as the Post Office, Grenfell Tower, and infected Blood Scheme. Our CTS Scheme already contains the provisions to allow these payments to be ignored in the CTS calculation.

3.3. **The scheme will also be updated to allow claims to be backdated for three months rather than the current one month, in line with the Pension Age CTS scheme. This will allow us to start a claim earlier than the claim date if someone shows a good reason for not having claimed before, further helping people on low incomes including vulnerable groups.**

3.4. As with previous years there are also other options which can be considered for our working age CTS Scheme.

3.5. Make the CTS Scheme more generous:

3.5.1. We could investigate ways to make our CTS scheme more generous for working age people, for example by reducing the weekly CTS by a lesser amount if someone has more income than they are allowed. The disadvantage is we would give more help to working age people than pension age people as we are unable to amend the rules for the pension age CTS scheme. We would also have two significantly different sets of rules for our CTS schemes.

3.6. Make the CTS Scheme less generous:

3.6.1. We could review the help we give people and pay less CTS. This would reduce the help we give people and would have a negative financial impact on households receiving CTS, but a positive impact on our Financial Plan. There is a risk that any savings are offset by the difficulty in collecting these amounts of council tax from people on low incomes.

3.7. Use a different model for our CTS Scheme

3.7.1. There are alternative CTS scheme models that can be considered for our working age scheme, such as a banded discount scheme, where a set percentage discount is awarded based on a person's income and household.

3.7.2. Changing our scheme to an alternative model will involve significant changes and financial disruption for our customers, and inevitably there will be winners and losers. It would also mean the rules for working age customers were different to those for pension age customers, and different to the rules for Housing Benefit, adding administrative complexity. There would be a direct cost for upgraded software and professional support and with Local Government Reorganisation due in the next few years this is not recommended as a viable option.

3.8. In light of the ongoing financial pressures for low-income households, and impending Local Government Reorganisation, the recommendation is to continue with the 2025/2026 CTS Scheme as the Draft CTS scheme for 2026/2027, making minor updates to reflect any national welfare reform changes, and increasing the period of time a claim can be backdated from one month to three months.

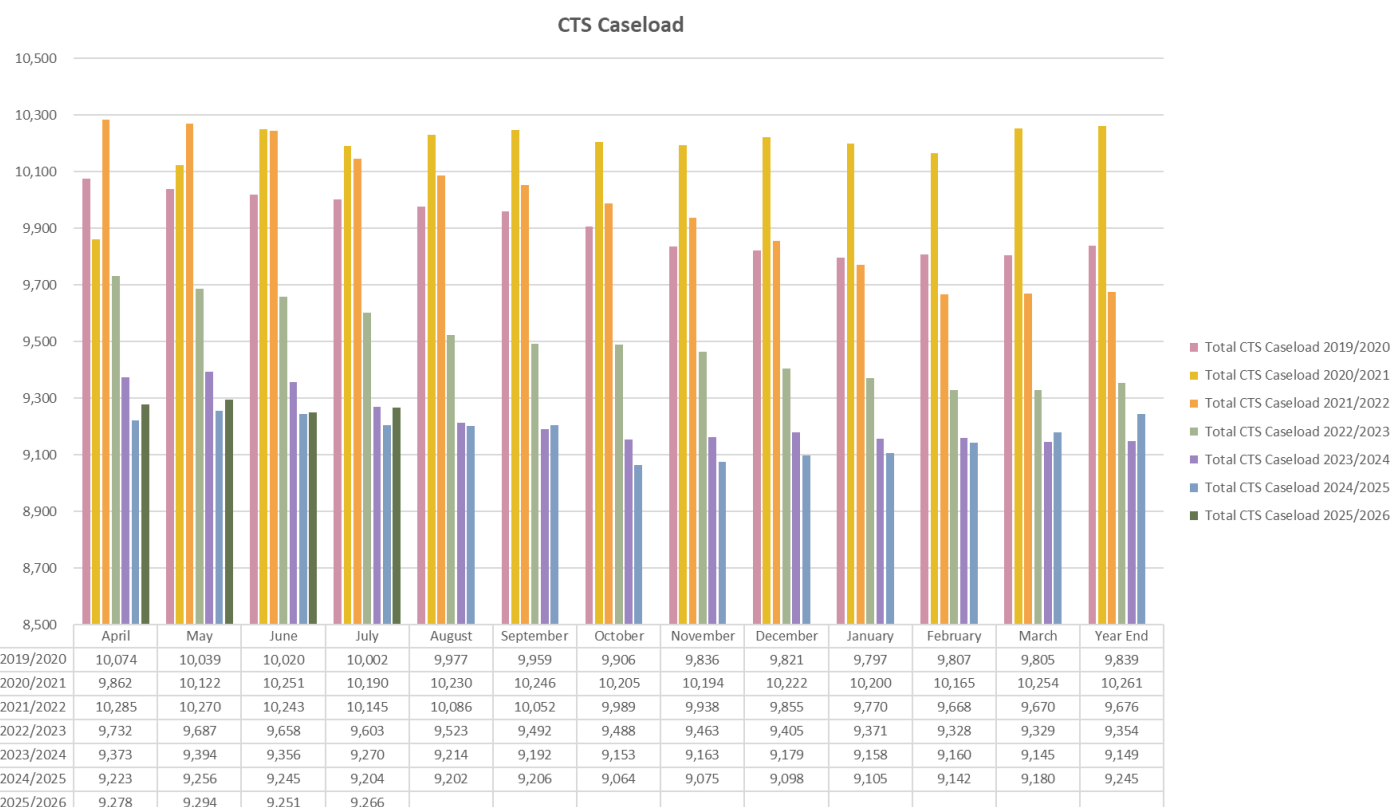
4. Policy Implications

4.1. This will be continuation of the existing 2025/2026 CTS Scheme with minor updates to reflect wider welfare reform changes and more generous backdating rules

5. Financial Implications

5.1. The cost of the CTS scheme is monitored monthly. The CTS caseload declined since its peak during Covid in 2020/2021 but now remains relatively static.

	1 April 2024	1 April 2025	1 June 2025
Pension age claims	4,206 (45.6%)	4,157 (44.8%)	4,143 (44.7%)
Working age claims	5,017 (54.4%)	5,121 (55.2%)	5,123 (55.3%)
Total CTS claims	9,223	9,278	9,266



5.2. Council Tax Support is a council tax discount and the impact is included in the taxbase calculation as a reduction in our taxbase, shown in Band D equivalent properties.

5.3. On 1 June 2025 the impact of the CTS Scheme is a reduction of 4,909 band D equivalent properties against an estimate of 4,801 Band D properties in the Financial Plan. This is equivalent to a total CTS award of £11.5m or an average of £1,231 per eligible household.

5.4. The impact of the scheme is slightly higher than the estimate in the Financial Plan, however this is more than offset by an increase in the taxbase from new properties and higher than expected numbers of Second Homes paying the new Premium.

5.5. The changes to keep the scheme in line with the national Pension Age CTS scheme and to increase the time a claim can backdated are likely to have a minimal financial impact which will be offset by other taxbase changes.

6. Personnel Implications

6.1. None

7. Statutory Considerations

7.1. We are required to agree a working age CTS scheme for 2026/2027 by March 2026, although in practice it must be agreed before the taxbase can be set in January 2026 to allow the budget and council tax setting process to proceed to timetable. Consultation on the draft working age CTS scheme is the start of the statutory process for implementing the CTS scheme for 2026/2027.

8. Equality Impact Assessment (EIA)

8.1. The pre-screening report template is attached at Appendix A. A full EIA is not required as this is a continuation of an existing policy.

9. Risk Management Implications

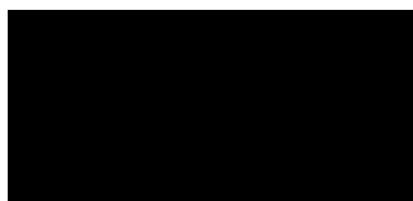
9.1. None

10. Declarations of Interest / Dispensations Granted

10.1. None

11. Background Papers

11.1. None



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Signed
(Cllr Alistair Beales, Leader of the Council)

.....01.08.2025.....
Date



.....01.08.2025.....
Signed Date
(Cllr Chris Morley, Portfolio Holder for Resources)



.....01.08.2025.....
Signed Date
(Michelle Drewery, s151 Officer and Assistant Director, Resources)

Appendix A: Stage 1 - Pre-Screening Equality Impact Assessment (v6)

For equalities profile information please visit [Norfolk Insight - Demographics and Statistics - Data Observatory](#)

Name of policy/service/function	Council Tax Support Scheme 2026/2027				
Is this a new or existing policy/service/function? <i>(tick as appropriate)</i>	New		Existing	√	
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations, and identify relevant legislation.	Council Tax Support (CTS) is a discount given to residents on a low income to help with the cost of their council tax bill. The council is free to agree its own CTS scheme for working age people in its area.				
Who has been consulted as part of the development of the policy/service/function? – new only <i>(identify stakeholders consulted with)</i>	This is an existing policy but the regulations state we must consult annually with all taxpayers. A six-week public consultation will run during August and September and the responses included in a further report to Members.				
Question	Answer				
1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service? Please tick the relevant box for each group. NB. Equality neutral means no negative impact on any group. <i>If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.</i>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability	√			
	Sex			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Armed forces community			√	
	Care leavers			√	
	Health inequalities*			√	
	Other (eg low income, caring responsibilities)	√			
Please provide a brief explanation of the answers above: The CTS scheme is designed to help people on low incomes with the cost of their bill. Certain additional allowances and premiums are included for people who have a disability. The impact for age is now neutral as the CTS schemes for working age and pension age people are the same. Disregarding War Pensions supports the Armed Forces Covenant.					

*For more information on health inequalities please visit [The King's Fund](#)

Question	Answer	Comments	
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No		
3. Could this policy/service be perceived as impacting on communities differently?	No		
4. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	Yes	Actions: The impacts are positive and will reduce the financial burden of the council tax bill for low income households in the borough. No further action is required.	
		Actions agreed by EWG member:	
If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary: The impacts are all positive or neutral and will benefit households on low-income including those with a resident who has a disability. Increasing the time a claim can be backdated will also assist these groups. War Pensions are disregarded in support of the Armed Forces Covenant. Decision agreed by EWG member:			
5. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	Yes	Please provide brief summary: It is designed to help people on low incomes with the cost of their council tax bill.	
Assessment completed by:			
Name	Jo Stanton		
Job title	Revenues and Benefits Manager		
Date completed	11 July 2025		
Reviewed by EWG member	Laura Randall	Date	30 July 2025

☐ Please tick to confirm completed EIA Pre-screening Form has been shared with Corporate Policy (corporate.policy@west-norfolk.gov.uk)

Appendix B – CTS Scheme Principles

Our working age CTS scheme is broadly the same as the national CTS scheme for pension age people. This scheme assesses a household's income against an allowed amount, called an 'applicable amount'. If their income is less than the applicable amount, they receive full CTS covering 100% of their council tax bill. If it is more than the applicable amount their CTS is reduced by 20p for every extra £1 of income.

The main CTS Scheme Principles:

- Working Age people have their CTS calculated based on 100% of their weekly CTS bill, so can receive up to 100% support
- A weekly deduction is made for each non-dependent in the household (for example grown up children) depending on their income
- The maximum amount of Capital (money, savings, shares, investments etc) allowed is £16,000
- A 'tariff' income is assumed for capital between £6,000 and £16,000 of £1 for every £250 above £6,000
- Excess income is deducted from the CTS award at a rate of 20p for each £1 over the allowed amount
- **A new claim can be backdated for three months from its usual start date (previously one month to 2025/2026).**

The CTS scheme also includes incentives to find work. People are allowed to keep an extra £10 (above the national limit) before their CTS is affected. This is known as a disregard and the amounts are:

- | | |
|-----------------------|-----|
| • Single | £15 |
| • Couple | £20 |
| • Disabled or a Carer | £30 |
| • Lone Parent | £35 |

We also have a local income disregard as below:

- War Pensions will be fully disregarded in the income calculation