

The background of the slide is a dense, overlapping field of 3D-rendered numbers in various shades of blue and white. The numbers are of different sizes and are scattered across the entire frame, creating a sense of depth and complexity. Some numbers are more prominent than others, while others are partially obscured.

Scrutiny Review: Council Tax Support Scheme

Overview Select Committee
Part 2 - July 2025

James Rattenberry

Benefits Business Lead
Manager

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What are the financial impacts on the Council?

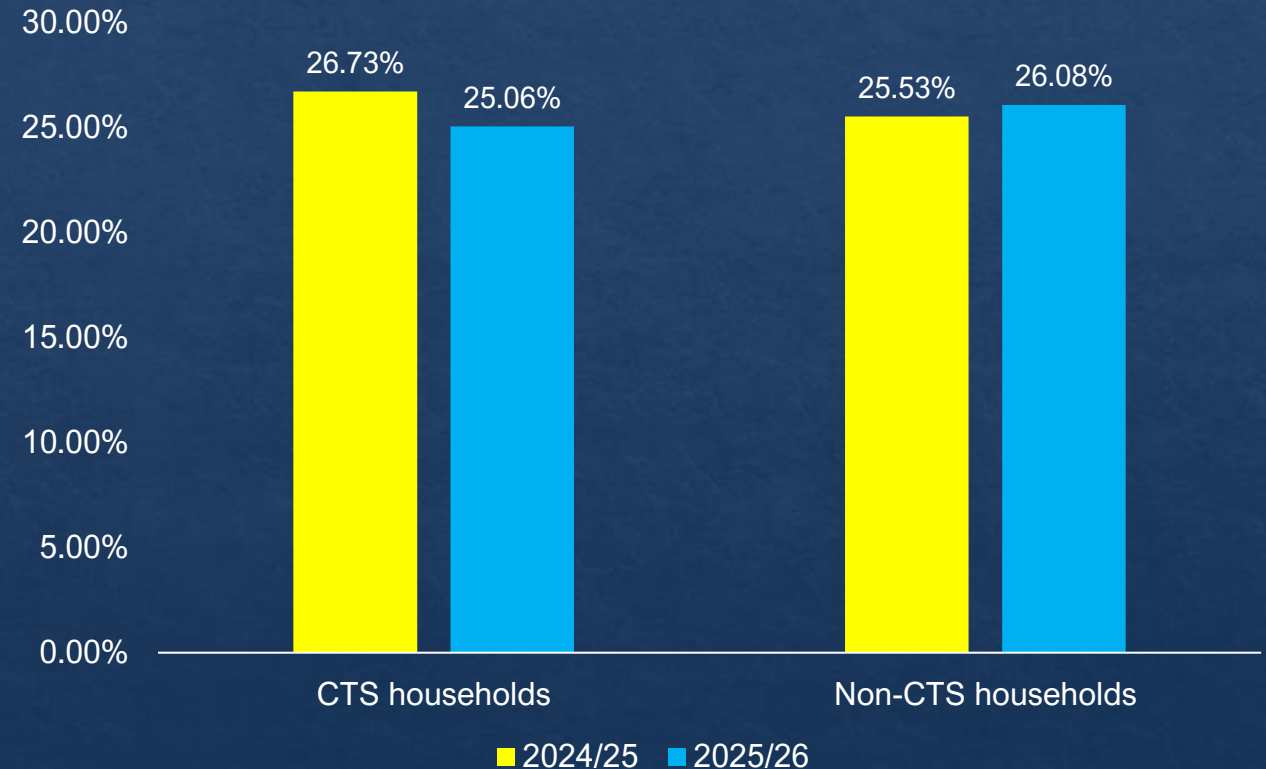
- ◆ Committed expenditure towards working age CTS as of 1st April reduced from **£14.3m** in 2024/25 to **£11.7m** in 2025/26.
- ◆ This represents a projected saving of **£2.2m** to the Council.
- ◆ This will reduce if more households become eligible throughout the year.

Council Tax collection rates & monitoring

At this early stage, recovery is comparable to previous years. This also includes a small amount of CTS and non-CTS households paying their CT bill in full.

In previous years, CTS households were more able to meet payments due in first quarters before falling behind in Q3 + 4, with CTS households ending the year 8 percentage points behind non-CTS households. We anticipate that this will improve due to fewer recalculations and more stable payment schedules.

Q1 CT Recovery 2024/25 - 2025/26



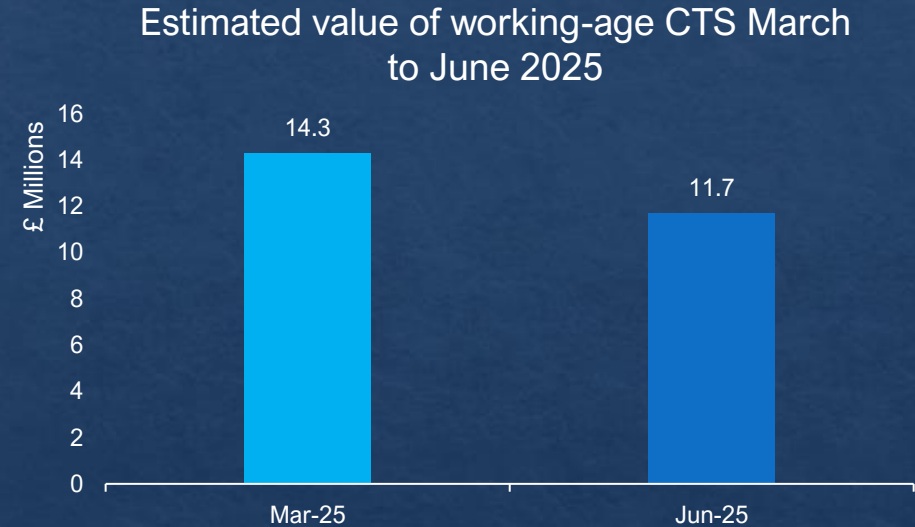
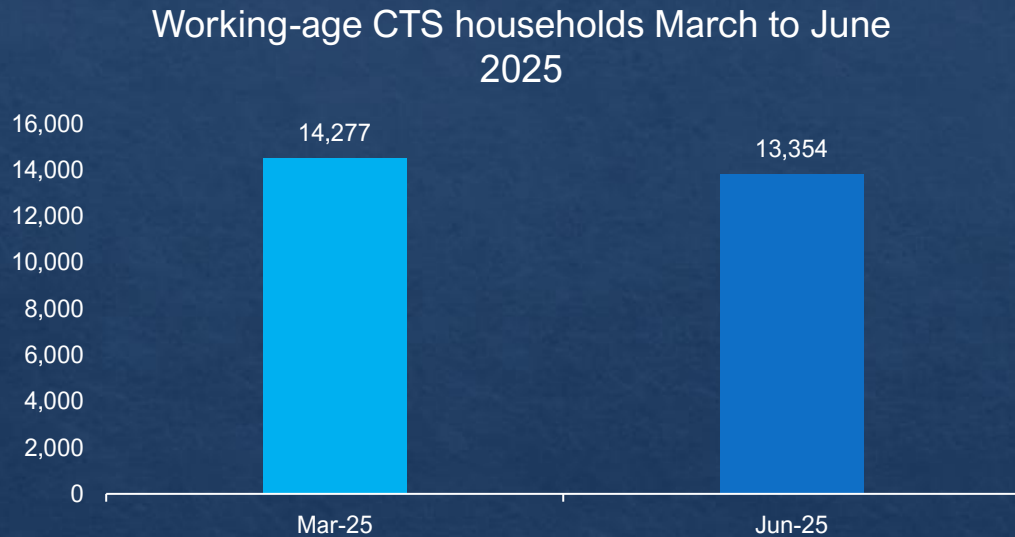
Summons & liability order data

| | Working-age CTS households | | Non-CTS households | |
|--|----------------------------|-------|--------------------|-------|
| For 2025/26 Council Tax due | Number | % | Number | % |
| Bill stage (up-to-date with payments) | 9,879 | 74.2% | 112,305 | 87.9% |
| Reminder issued | 1,541 | 11.4% | 8,075 | 6.3% |
| Final notice issued | 430 | 3.2% | 1,942 | 1.5% |
| Summons issued | 40 | 0.3% | 184 | 0.1% |
| Liability Order | 575 | 4.3% | 3,274 | 2.6% |
| Later recovery stage | 889 | 6.6% | 2,026 | 1.6% |
| TOTAL | 13,354 | | 127,806 | |

Overall reminders and summonses issued are at a comparable level to 2023/24 – recovery stages were delayed in 2024/25 as a result of the cyber incident.

5% of both working-age CTS and non-CTS households have paid their Council Tax in full to date (not including households receiving 100% support).

How the caseload changed - numbers

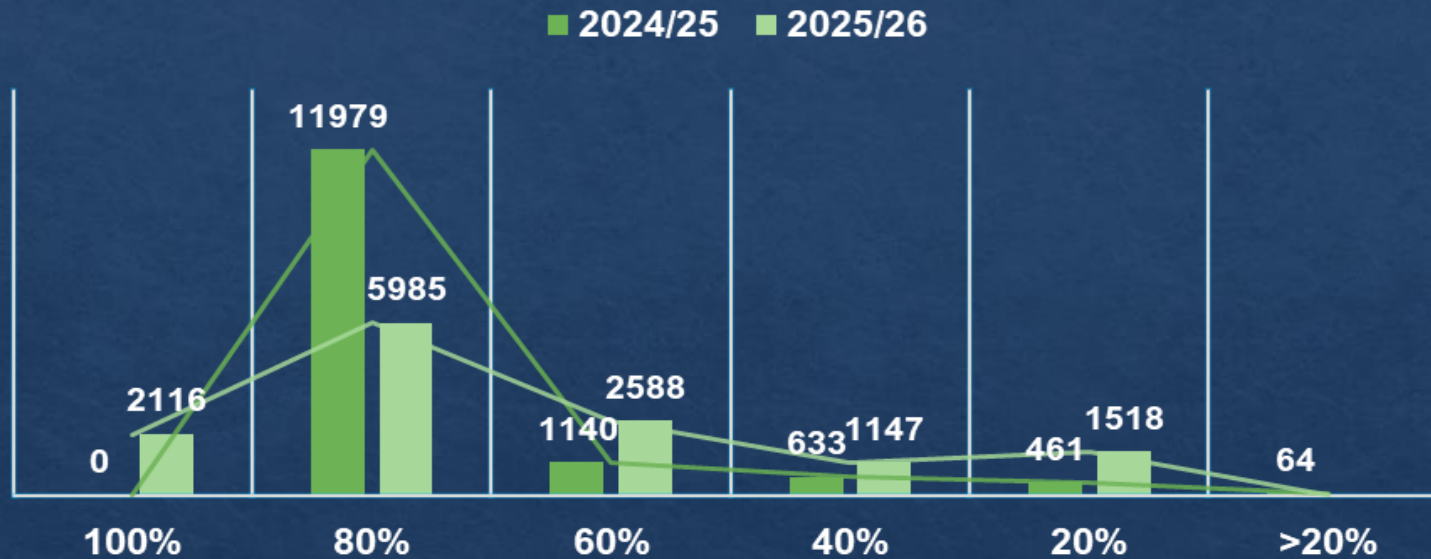


Between March and April just over 1,500 households ceased to qualify for CTS. Since then, the caseload has increased as new households qualify.

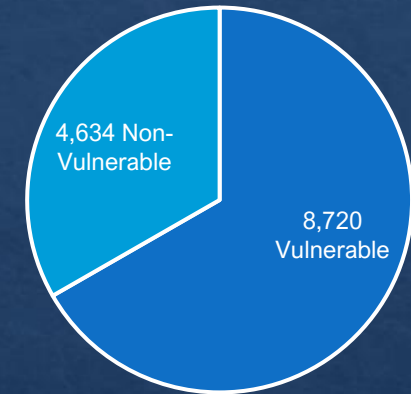
The amount of support provided on average has decreased – New households now qualifying for CTS are primarily low-income UC households with some earnings who would not have previously qualified.

How the caseload changed - awards

Working-Age CTS Awards 2024/25 - 2025/26

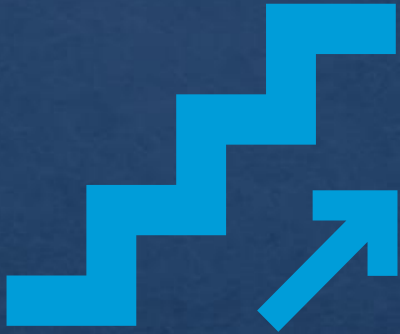


Working Age CTS 2025/26 - by status



- Scheme is now significantly more reflective of income determining % award
- Much more even spread of support rather than over the overwhelming majority all receiving 80%
- 15% of households now receive 100% support
- Support is now more reflective of income

Increases and reductions in CTS



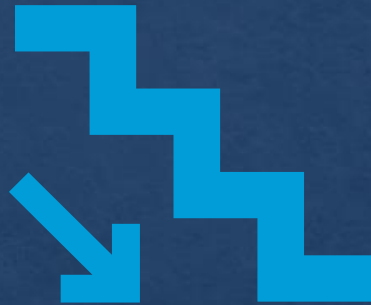
Increased:

4,114 households

Average:

£4.90 per week
£255 per year

Cost: £1.05m



Decreased:

6,579 households (including
1,363 ceased and not reapplied)

Average (including ceased):

£11.90 per week
£619 per year

Saving: £4m



New households:

817 households

Average:

£9.42 per week
£490 per year

Cost: £0.42m

CTS Awards - Impacts by household type

| | March 2025 | | June 2025 | | % change |
|----------------------|------------|----|-----------|----|----------|
| | Number | % | Number | % | |
| Single | 7,148 | 51 | 7,322 | 55 | 4 |
| Couple no children | 1,399 | 10 | 908 | 7 | -3 |
| Lone parent | 4,057 | 28 | 3931 | 29 | 1 |
| Couple with children | 1,673 | 11 | 1,193 | 9 | -2 |
| TOTAL | 14,277 | | 13,354 | | |

Personal Independence Payment (PIP) is a non-means-tested, non-taxable UK benefit for individuals with long-term health conditions or disabilities, awarded to help with daily living needs regardless of income or savings.

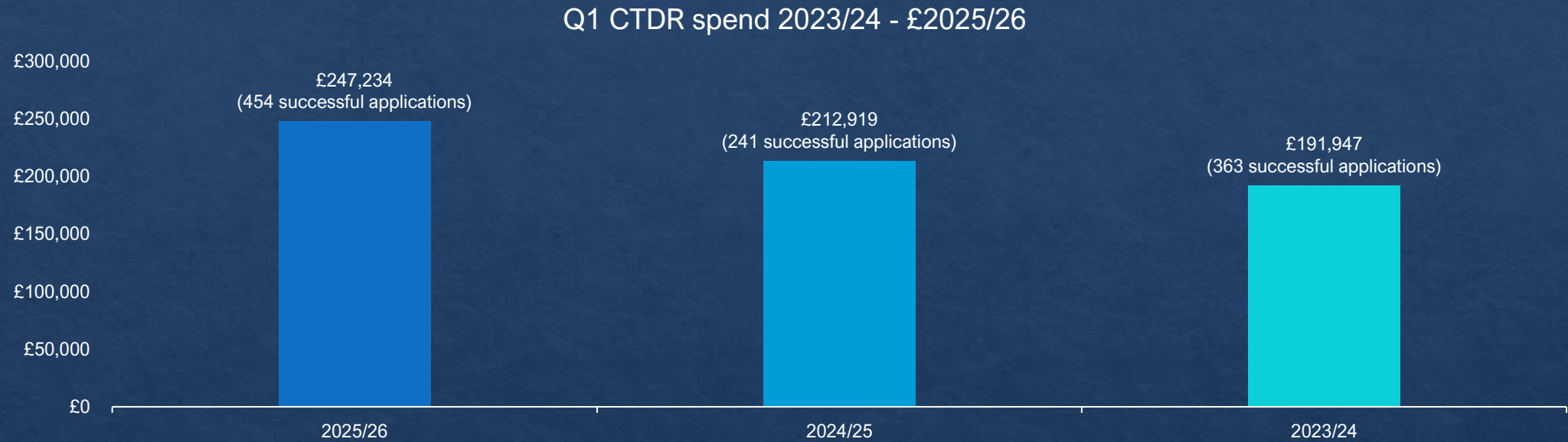
Impact of Including PIP in Income Assessments:

- ◆ 4,181 working-age households had an award of PIP and CTS last year.
 - ◆ 286 are better off overall or have the same entitlement.
 - ◆ 2,578 have a reduced entitlement.
 - ◆ 1,317 no longer qualify for the scheme.
 - ◆ On average, PIP households saw entitlement reduce by £13.14 per week or £683.28 per year.
- ◆ 181 of these households have already paid their annual bill in full.
- ◆ 75 households were automatically supported with CTDR (due to having both members of a couple receiving PIP).

| | On PIP + W/A no longer on CTS | | On PIP + W/A still on CTS | |
|---|----------------------------------|-------|------------------------------|-------|
| For 2025/26 Council Tax due | Number | % | Number | % |
| Up-to-date with payments at 30/06/25 | 995 | 75.6% | 2,046 | 71.4% |
| Reminder issued | 192 | 14.6% | 362 | 12.6% |
| Final notice issued | 48 | 3.6% | 91 | 3.2% |
| Summons issued | 1 | 0.0% | 8 | 0.3% |
| Liability Order | 56 | 4.3% | 127 | 4.4% |
| Later recovery stage | 25 | 1.9% | 230 | 8.0% |
| TOTAL | 1,317 | | 2,864 | |
| Had CTDR for current year (25/26) | 107 | 8.1% | 96 | 3.4% |
| Paid in full: | 26 | 2.0% | 155 | 5.4% |

- ❖ Households previously on PIP & CTS who no longer receive it are more likely to maintain payments than the average on CTS, but are less likely to have paid in full. Over 8% have received help with CTDR.
- ❖ Households on PIP still receiving CTDR are slightly less likely to be up-to-date with payments but over 5% have already paid in full.
- ❖ Disregarding PIP in full under the current scheme would cost over £3m.

Council Tax Discretionary Relief –support provided



As of 1st July we have received 611 applications for CTDR.

We have processed 522 of these requests so far and have supported 454 households, with nearly £250k spent.

Current projections indicate spend will remain within the £750k allocation and are comparable with previous years.

National CTS trends and comparisons

- ◆ 21% of Local Authorities made changes to their scheme this year
- ◆ Most common change was to increase minimum payments (28 LAs), although 18 did decrease for some claimants (as we did)
- ◆ Over 40% of schemes in England are now simplified 'banded' schemes (126)
- ◆ Limited data available on specific incomes – most banded schemes known to be taking some disability income into account – but this is not known to include PIP.

Comparable LAs – a complex picture

| | Banded scheme? | Protected scheme? | Minimum payment? | Protect 3+ children? |
|-------------------|----------------|-------------------|--|---|
| Leicester | Y | Y | N - up to 100% Protected Scheme only (disabled or carer) or 80% | Y |
| Derby | N | N | Y – up to 70% only | N (up to 2+ children) |
| Nottingham | N | N | Y = up to 80% only | Y |
| Leeds | N | Y | N up to 100% Protected Scheme only (disabled, carers, lone parent with child under 5) or 75% | N (no allowances for children) |
| Barnsley | Y | N | Y (up to 92.8% only) | N (up to 2+ children) |
| Newcastle | Y | N | N (up to 100%) | N (up to 2+ children) |
| Croydon | Y | Y | N - up to 100% only for Protected Scheme (disabled non-working) or 75% | N (no allowances for children unless lone parent) |
| Ealing | Y | Y | N (up to 100% for all households) | N (no allowances for children) |

Questions from 1st group session

Last session, question on lone parent vs Single Person Discount. Worked example:

Couple, one child household, Band 2 (income £230)

Liability (Band A 100%) = £30.87 pw

CTS award (60%) = £18.52 pw

To pay = £12.35 pw

(5.4% of income)

Lone parent, one child household, Band 2 (income £170)

Liability (Band A 75%) = £23.15 pw

CTS award (60%) = £13.89 pw

To pay = £9.26 pw

(5.4% of income)

Enc. Template letter regarding CTS & CTDR (as updated prior to last session)

Any questions?

