

**Report of the Portfolio Holder for Resources and Personnel Policy****Local Council Tax Support Scheme 2026/27****1. Purpose of Report**

To seek approval for arrangements to operate in 2026/27 in respect of the Local Council Tax Support Scheme (LCTSS). This is in accordance with all of the Council's corporate policies.

**2. Recommendation**

**Cabinet is asked to RECOMMEND to Council that the current Local Council Tax Support Scheme remains in place for 2026/27.**

**3. Detail**

Members will recall that council tax benefit ceased at the end of 2012/13 and was replaced by a LCTSS defined by each local authority. The Broxtowe scheme was first approved by Council on 19 December 2012. The new scheme was effectively the government's default scheme with due allowance being made to allow the continuation of the discretionary policy relating to the treatment of war pensions.

The current scheme allows for up to 100% of the council tax liability to be paid in council tax support. The majority of local authorities have not adopted this approach and most have passed on some of the reduction in funding to LCTSS recipients. The Council had benefitted from the overall bill for LCTSS falling in early years as the numbers of claimants requiring support reduced. However, with aspects such as the pandemic and subsequent rise in the cost of living, the level of support provided in recent years has increased.

Should Members wish to make any alterations to the scheme then any changes would have to go through a formal consultation process. This would require planning of an alternate scheme and consultation with residents of the Borough before the deadline of March 2026.

The LCTSS does not provide a direct cost to the Council with the scheme incorporated within the Council Tax Base calculation. Further detail is included in the **Appendix**.

**4. Key Decision**

This report a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the Council's area.

5. Updates from Scrutiny

Not applicable.

6. Financial Implications

The comments from the Interim Deputy Chief Executive and Section 151 Officer were as follows:

There are no direct financial implications arising from the proposals in respect of LCTSS. The revenue budget for 2026/27 will be set on the basis of existing estimates of take-up and collection.

7. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications arising from this report.

8. Human Resources Implications

Not applicable.

9. Union Comments

Not applicable.

10. Climate Change Implications

Not applicable.

11. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

12. Equality Impact Assessment

Not applicable.

13. Background Papers

Nil.

## Appendix

**Council Tax Support to Date**

The Council has maintained a consistent approach to the administration of LCTSS, which has been influential in the continued high level of Council Tax collection. Many local authorities adopted schemes which required all those Council Taxpayers receiving support to pay a minimum of 8.5% up to 100% of their liability.

In doing this, they have seen a significant increase in the number of small levels of Council Tax required to collect, with the associated costs that come with this approach. The methodology at Broxtowe of continuing with a scheme almost identical to Council Tax Benefit has ensured a greater understanding for residents of the Borough, whilst also seeing an improvement in relation to collection.

The estimated charge for the LCTSS in 2025/26 is £8,017,789. The table below shows the comparison between the years:

Year	LCTSS charge (£)
2024/25	7,671,742
2023/24	7,739,723
2022/23	7,278,206
2021/22	7,304,375
2020/21	7,889,034
2019/20	6,858,435
2018/19	6,786,378
2017/18	6,676,016

**Proposals for 2026/27 Onwards**

The current scheme has worked successfully with no administration issues. Although the overall LCTSS spend has increased, it is still felt that this outweighs the increase in expenditure that would be incurred in recovering or writing off small amounts of Council Tax charge.

From 2014/15, the LCTSS grant to local authorities has not been separately identified but has been subsumed within the overall funding assessment. The government has on several occasions indicated that it has made no moves to further reduce funding towards the LCTSS, but this cannot be quantified due to the lack of a financial breakdown.