



**Report To:** Cabinet

**Date:** 24<sup>th</sup> June 2026

**Subject:** Local Council Tax Support Scheme 2027/28 – Consultation

**Purpose:** To agree consultation option for the local Council Tax Support Scheme, 2027/28

**Key Decision:** No

**Portfolio Holder:** Councillor Sandeep Ghosh, Portfolio Holder for Finance and Economic Growth

**Report Of:** Russell Stone, Executive Director – Finance (Section 151 Officer)

**Report Author:** Sharon Hammond, Head of Revenues and Benefits

**Ward(s) Affected:** All

**Exempt Report:** No

### **Summary**

Council Tax Support provides financial assistance through a reduction in Council Tax bills for households on a low income or receiving certain benefits.

The Council is required to review its local scheme each year and consult on its proposals for the forthcoming year. Pension age residents are regulated by national rules in England and are not affected by any changes in this review.

This report provides an update on the current scheme and seeks Cabinet's decision on consultation for the 2027/28 Council tax Support scheme.

### **Recommendations**

That Cabinet approves consultation to retain the current scheme, updated in line with the Department for Work and Pension (DWP) annual up-ratings for 2027/28.

## Reasons for Recommendations

Following a fundamental review, changes were implemented from April 2025 and further refined from April 2026. The current scheme provides an affordable level of support while recognising the ongoing impact of the cost of living on residents. Continuing the current scheme would ensure stability and consistency for affected households.

## Other Options Considered

To retain the current scheme, as is, without uprating in line with DWP.

## 1. Background

- 1.1. Local Council Tax Support schemes replaced the former national Council Tax Benefit (CTB) scheme from April 2013, with government placing the duty to create a local scheme for working age applicants with billing authorities. Central funding was reduced and then, in subsequent years subsumed into other grants paid to local authorities. It is no longer possible to identify the amount of funding provided by central government.
- 1.2. Claimants who have reached state pension age are protected by prescribed regulations, allowing up to 100% support against Council Tax liability. The council has no power to change the level of support for pensioners.
- 1.3. This annual review relates only to Working Age claimants.
- 1.4. After a fundamental review in 2024/25, scheme changes took effect from April 2025, with further support adjustments in April 2026. The current scheme offers up to 90% support for lone parent households, 80% for couples with children, and 75% for other households. The scheme balances affordability and acknowledges ongoing living costs.

## 2. 2026/27 Current Situation

- 2.1 We currently have 4,445 council tax support claimants, of which 1,923 (43%) are pensioners and 2,522 (57%) are working age claimants. The table below provides a view of the split between Pension age and Working age claimant groups.

	<b>Total Claims</b>	<b>2026/27 CTS Expenditure £</b>
<b>All Groups</b>	<b>4,445</b>	<b>4,771,908</b>
Pensioner	1,923	2,330,304
Working Age – Lone parent	720	749,042
Working Age – Couple with children	217	257,684
Working Age - Other	1,585	1,434,879

2.2 The recent estimate for the cost of the current 2026/27 scheme is £4,771,908 with costs being shared across major precepting authorities, split as follows: -

<b>CTS 2026/27</b>	<b>BBC – 13.11%</b>	<b>LCC – 72.46%</b>	<b>PCC – 14.43%</b>
£4,771,908	£625,597	£3,457,725	£688,586

### 3. Establishing a Council Tax Support scheme for 2027/28

3.1 For each financial year, the billing authority must consider whether to revise its scheme or replace it with another scheme. Council Tax Support schemes cannot be changed mid-year.

3.2 The Local Government Finance Act requires that before a scheme can be adopted by the billing authority, it must: -

- Consult any major precepting authority which has power to issue a precept to it,
- Publish a draft scheme in such manner as it thinks fit, and
- Consult such other persons as it considers are likely to have an interest in the operation of the scheme.

3.3 The process and decision-making timeline for the 2027/28 CTS scheme is shown in the following table: -

<b>Process</b>	<b>Decision-Maker</b>	<b>Date</b>
Consultation Decision	Cabinet	24 June 2026
Consultation Period		July - October 2026
Scrutiny	Overview and Scrutiny	16 July 2026
Report back to Cabinet, for final scheme recommendation	Cabinet	25 November 2026
Scheme Approval	Full Council	07 December 2026

### 4. Local Government Reorganisation (LGR)

4.1 When planning the scheme for 2027/28, it is essential to consider the government's Local Government Reorganisation (LGR) plans, which will result in the restructuring of Boston Borough Council. This restructuring will necessitate the introduction of a new unified Council Tax Support scheme within the forthcoming years. Consequently, implementing substantial changes at this stage which may then go on to be changed again will potentially cause confusion or difficulties for Council Tax Support claimants as they adjust to revised eligibility criteria.

4.2 While there are certain distinctions regarding levels of support and specific parameters, a comparison of current Lincolnshire schemes indicates that each maintains the same fundamental 'default' means-tested approach.

### 5. 2027/28 Scheme Options for Consultation

#### **Option 1, preferred**

To retain the current scheme, providing a maximum level of support for lone parents 90%, for households with couples and children 80% and all other households 75%, updated in line with DWP upratings for 2027/28.

No other changes to be made, apart from legislative requirements, updating in line with the DWP's annual up-ratings and to apply any additional changes to mirror government welfare benefit regulations which are intended to increase the income of benefit recipients to avoid unintended consequences to customers.

This option will provide continuity for Council Tax Support claimants, is affordable, and ensures that scheme rules remain consistent with DWP which avoids confusion for claimants

## **Option 2**

To retain the current scheme, providing a maximum level of support for lone parents 90%, for households with couples and children 80% and all other households 75%. No other changes to be made, apart from legislative requirements.

This would result in a slight scheme saving as DWP annual up-rating would not be applied. The effect on the customer would be a reduction in Council Tax Support and an increase in the amount they need to pay on Council Tax bills. This change would cause confusion for claimants and lead to additional administration but also may suggest a lack of support for those most in need during the cost-of-living crisis.

## **6. Conclusion**

- 6.1 Boston Borough Council has conducted a comprehensive review of its scheme over the past two years, confirming that the current scheme aligns with its objectives and remains financially viable. Maintaining this scheme for 2027/28, adjusted in accordance with the Department for Work and Pensions' uprating for 2027/28, will ensure continuity for claimants.
- 6.2 This approach acknowledges that a no change scheme will minimise customer impact and recognises the upcoming LGR reforms will introduce a single scheme in the next few years.

## **Implications**

### **South and East Lincolnshire Councils Partnership**

None.

### **Corporate Priorities**

None.

### **Staffing**

None.

### **Workforce Capacity Implications**

None.

## **Constitutional and Legal Implications**

The authority is required to make its Local Council Tax Support Scheme, including any revised or replacement schemes, in accordance with the Local Government Finance Act 1992.

## **Data Protection**

None.

## **Financial**

There are no direct financial implications as a result of this report, which is seeking approval to consult. Following consultation, a further report will be brought back to Cabinet for a final scheme recommendation to Full Council.

## **Risk Management**

None.

## **Stakeholder / Consultation / Timescales**

Consultation with major preceptors and other interested parties will be carried out based on Cabinet's decision.

In line with the principles of consultation, the responses will be provided to Cabinet for consideration at a later meeting, helping to inform the recommendation for the 2027/28 scheme to Full Council.

## **Reputation**

None.

## **Contracts**

None.

## **Crime and Disorder**

None.

## **Equality and Diversity / Human Rights / Safeguarding**

The Council Tax Support scheme continues to be delivered on the basis of the DWP's previous means tested Council Tax Benefit scheme regarding protection for vulnerable groups, including children and the disabled. The option for consultation does not change this approach.

## **Health and Wellbeing**

None.

## **Climate Change and Environmental Implications**

Not undertaken'.

### **Acronyms**

CTS – Council Tax Support  
DWP – Department for Work and Pensions  
LGR – Local Government Reorganisation

### **Appendices**

None.

### **Background Papers**

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

### **Chronological History of this Report**

A report on this item has not been previously considered by a Council body.

### **Report Approval**

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