

Report Title	Localisation of Support for Council Tax and Other Policies for 2026/27
Meeting	Special Budget Council
Meeting Date	2 nd March 2026
Report Author	Gemma-Louise Wells
Directorate	Resources
Lead Executive Member(s)	ClIr David Whipp, Leader of the Council
Wards Affected	All
Public. Part Exempt, or Fully Exempt	Public
Appendices (if any)	<p>Appendix A –Council Tax Reduction Scheme (Schedule 13A and Schedule 1a of the Local Government Finance Act 1992)</p> <p>Appendix B – Reduction in Council Tax Liability S13A (1) (c) Local Government Finance Act 1992)</p> <p>Appendix C - Housing Benefit War Pension Disregard</p>

1. Executive Summary

- The purpose of this report is to seek the Council's approval to the Localised Scheme of Support for Council Tax and other Collection Fund Policies for 2026/27.

2. Recommendations

For the reasons set out in this report, **COUNCIL is recommended to:**

- Approve the Council Tax Support Scheme (Appendix A), the Reduction in Council Tax Liability Policy (Appendix B) and the Housing Benefit War Pension Disregard (Appendix C) for implementation from 1st April 2026.

3. Information: the Rationale & Evidence for the Recommendations

Localisation of Council Tax Support

- 3.1 The Council implemented a local scheme of Council Tax Support in April 2013 in response to national changes instigated by the Government as part of its programme of welfare reforms and austerity measures. The local scheme replaced the national system of Council Tax Benefit and introduced Council Tax Support which operates as a discount applied to the recipient's Council Tax Bill (**Appendix A**).
- 3.2 Under the scheme requirements, set nationally, pensioner-age claimants are able to receive up to 100% support (subject to their means) which broadly replicates the provisions of the previous Council Tax Benefit scheme.
- Following the Council Resolution in September 2025, the Council Tax Support Scheme now includes specific provision to provide increased Council Tax Support for the terminally ill. The scheme also includes support for eligible care leavers. Major Preceptors and the public were consulted on these changes.
 - All Billing Authorities, such as Pendle, are responsible for creating their own local scheme for working age claimants. All Councils are required to approve their local scheme of support annually by 11th March for the following financial year.
- 3.3 The proposed Scheme of Local Council Tax Support for 2026/27 includes the normal annual uprating of allowances and updates for changes to base and supporting legislation whilst retaining the same key policy principles as the existing scheme.
- In addition to the above, each Council is required to maintain a policy which allows for taxpayers to apply for a reduction in Council Tax liability under S13A (1) (c) of the Local Government Finance Act 1992. The policy is included within **Appendix B**. This policy sets out the circumstances whereby a further reduction (if any) as the Authority thinks fit can be awarded under those provisions. The main areas being in respect of Flooding and exceptional or unforeseen circumstances leading to evidence of hardship. There are no major changes to this Policy.

Housing Benefit War Pension Disregard

- Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations in 2007 allow each local authority to determine whether certain war pensions should be fully disregarded as income.
- 3.4 The Department for Work and Pension require each Local Authority to have their Local Scheme approved each year so that clear guidance on the agreed approach is set out for both claimants and the Reporting Accountancy undertaking the Housing Subsidy review (normally External Audit).

- The Housing Benefit Regulations currently require the Council to disregard £10 from any current payments of War Disablement and War Widows Pensions. Pendle Council operates a local scheme that disregards 100% of this income. The detail is set out in **Appendix C**.

4 Link to Council Plan Priorities: (Providing High Quality Services and Facilities, Proud and Connected Communities and Places, Good Growth and Housing and Healthy Communities)

- This report seeks to inform councillors of the Council's Financial position to fulfil the Council's plan in the High-Quality Services and Facilities priority, maintaining financial stability.

4 Implications

4.1 Financial Implications

As Council Tax Support is awarded as a discount against Council Tax liability, an amount equivalent to the cost of Council Tax Support Scheme is deducted from the Council's Taxbase. The estimated total cost of the Council Tax support scheme in 2026/27 is £9.642m

5.2 Legal and Governance Implications

The statutory provisions for the introduction of the localised Council Tax Support Scheme are contained in the Local Government Finance Act 2012. The Council is required to approve the Council Tax Support Scheme by 11th March each year.

5.3 Climate and Biodiversity Implications

There are no Climate and Biodiversity implications arising directly from the contents of this report.

5.5 Human Resources Implications

There are no Human Resources implications arising directly from the contents of this report.

5.6 Equality and Diversity Implications

Information contained in this report does not give rise to the need for an Equality Impact Assessment (EIA).

6. Consultation

- 6.1 The Council has consulted the general public and the major preceptors on the amendments to the Council Tax Support Policy.

7. Alternative Options Considered

7.1 n/a

8. Statutory Officer Sign off (please tick)

Section 151 Officer	✓
Monitoring Officer	✓

9. Background Documents

9.1 n/a

Contact Officers

Gemma-Louise wells

Head of Finance

Gemma-louise.wells@pendle.gov.uk