

**Committee and Date**Cabinet  
3<sup>rd</sup> December 2025

Item

Public



## Setting the Council Tax Taxbase 2026/27

<b>Responsible Officer:</b>	James Walton, Executive Director (Section 151)	
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<b>Cabinet Member (Portfolio Holder):</b>	Roger Evans, Finance	

### 1. Synopsis

This report presents the Council Tax Taxbase for 2026/27. The report outlines the Council Tax discount policies, Council Tax Support Scheme and the Collection Rate and the impact of these on the taxbase.

### 2. Executive Summary

- 2.1 In order to determine the appropriate Council Tax levels for Shropshire Council, it is necessary to determine the Council Tax taxbase for the area. The budget requirements of the various precepting authorities are divided by this figure to arrive at the Band D Council Tax.
- 2.2 This report sets out the Council Tax taxbase for 2026/27 and the policies used to determine the taxbase.
- 2.3 For 2026/27 the Council Tax taxbase will be 121,852.37 Band D equivalents, this is an increase of 0.39% from 2025/26.
- 2.4 The policies and assumptions used in determining the taxbase are:
  - A. The minor amendments to the Council Tax Support scheme have no impact on the taxbase determination

- B. Continuation of the discretionary Council Tax discount policy to not award a discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties
- C. Continuation of the discretionary Council Tax discount policy in respect of vacant dwellings, i.e. former Class C exempt properties, of 100% for one month
- D. Continuation of the “six week rule” in respect of vacant dwellings, i.e. former Class C exempt properties
- E. Continuation of the discretionary Council Tax discount policy in respect of properties which have been unoccupied and substantially unfurnished for more than one year
- F. Continuation of the discretionary Council Tax policy to levy a Council Tax premium of 100% in respect of second homes (other than those that retain a 50% discount through regulation as a result of job related protection)
- G. Estimated Collection rate of 98.0% for 2026/27

### 3. Recommendations

Cabinet members are asked to agree and recommend to full Council:

- 3.1 To approve, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amount calculated by Shropshire Council as it's Council Tax taxbase for the year 2026/27, as detailed in Appendix A, totalling 121,852.37 Band D equivalents.
- 3.2 To note the changes to the Council's localised Council Tax Support (CTS) scheme in 2026/27. The scheme is attached at Appendix B.
- 3.3 To note the Council Tax Support Scheme amendments detailed in Appendix B have no impact on the taxbase determination.
- 3.4 To note the exclusion of 7,950.74 Band D equivalents from the taxbase calculation as a result of localised Council Tax Support.
- 3.5 To note continuation of the discretionary Council Tax discount policy to not award a discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties.
- 3.6 To note continuation of the discretionary Council Tax discount policy in respect of vacant dwellings, i.e. former Class C exempt properties, of 100% for one month i.e. effectively reinstating the exemption and the resulting exclusion of 243.34 band D equivalents from the taxbase calculation.

- 3.7 To note continuation of the “six week rule” in respect of vacant dwellings, i.e. former Class C exempt properties.
- 3.8 To note continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 100% in relation to dwellings which have been unoccupied and substantially unfurnished for more than one year (but less than five years) and the resulting inclusion of an additional 859.89 Band D equivalents in the taxbase calculation.
- 3.9 To note continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 200% in relation to dwellings which have been unoccupied and substantially unfurnished for more than five years (but less than ten years) and the resulting inclusion of an additional 194.22 Band D equivalents in the taxbase calculation.
- 3.10 To note continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 300% in relation to dwellings which have been unoccupied and substantially unfurnished for more than ten years and the resulting inclusion of an additional 202.66 Band D equivalents in the taxbase calculation.
- 3.11 To note the continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 100% in relation to second homes (other than those that retain a 50% discount through regulation as a result of job related protection) and the resulting inclusion of an additional 1,390.00 Band D equivalents in the taxbase calculation.
- 3.12 To approve a collection rate for the year 2026/27 of 98.0%.
- 3.13 That the Council Tax Support policy and other similar Council Tax and Business Rate policies are reviewed and consulted upon, where necessary, over 2026 with a view to implementing any revisions by Financial Year 2027/28 at the latest.

## Report

### 4. Risk Assessment and Opportunities Appraisal

- 4.1 Expression of Council Tax Support in terms of Band D equivalents results in a higher potential for inaccuracies in the determination process as Council Tax Support is a significantly more volatile discount element.
- 4.2 Details of the potential risk in relation to establishing a collection rate allowance is detailed within this report in Section 8.

## 5. Financial Implications

5.1 Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers and/or Portfolio Holders review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend will be stopped and all essential spend challenged. These actions may involve (this is not exhaustive):

- scaling down initiatives,
- changing the scope of activities,
- delaying implementation of agreed plans, or
- extending delivery timescales.

5.2 The Council Tax taxbase figure impacts on the Council Tax that will be levied by the Council for 2026/27.

5.3 The implication of the Council's localised Council Tax Support scheme are detailed in Appendix B.

5.4 The financial implications of the discounts and premiums to be applied in 2026/27 are detailed in Appendix C.

5.5 The implications regarding the determined collection rate are detailed in Section 8.

## 6. Climate Change Appraisal

6.1 The Setting the Council Tax Taxbase 2026/27 report and recommendations have no direct effect on climate change.

## 7. Background

7.1 Shropshire Council has responsibility for determining the Council Tax taxbase for the Council's geographical area.

7.2 The taxbase for Council Tax must be set between 1 December 2025 and 31 January 2026 in relation to 2026/27 as prescribed by the Local Authorities (Calculation of Council Tax Base) Regulations 2012.

7.3 The Council is also required to inform the major precepting authorities, West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority, of the taxbase to enable the calculation of Council Tax for the following year. Each town and parish

council is also notified of its own Council Tax taxbase. A detailed build of the taxbase analysed by both parish and town council and Environment Agency region is shown in Appendix A.

- 7.4 The purpose of this report, therefore, is to determine and approve the Council Tax taxbase for Shropshire Council for 2026/27.

## 8. Additional Information

### Taxbase Calculation

- 8.1 Based on the valuation list, the Council Tax taxbase is the number of properties in the area falling within each council tax property valuation band, modified to take account of the adjustments set out below. Taxbase is expressed as a Band D equivalent.

- 8.2 An analysis of Council Tax bands within Shropshire Council is detailed below:

Property Band	House Value	Ratio to Band D	Analysis of Dwellings on the Valuation List (%)	% Increase / (Decrease) over 2024/25
A	Under £40,000	6/9	18.0	0.5
B	40,001 - 52,000	7/9	25.5	0.6
C	52,001 - 68,000	8/9	20.9	0.9
D	68,001 - 88,000	9/9	14.5	0.6
E	88,001 - 120,000	11/9	11.6	1.0
F	120,001 - 160,000	13/9	6.1	0.8
G	160,001 - 320,000	15/9	3.2	0.3
H	Over 320,000	18/9	0.2	0.0

- 8.3 There are 152,932 properties in the valuation list for the Shropshire Council area. This compares with a figure of 151,872 in the list at the same time last year. There has been an increase of 1,060 properties overall, which equates to 0.70%.

- 8.4 The methodology followed for calculating the taxbase is as follows:

- 8.5 Ascertain the number of properties in each Council Tax band (A to H) shown in the valuation list as at 10 September 2025.

- 8.6 Adjust for estimated changes in the number of properties through new build, demolitions and exemptions

- 8.7 The number of discounts and disabled relief allowances which apply as at 6 October 2025.

- 8.8 Convert the number of properties in each Council Tax band to Band D equivalents by using the ratio of each band to Band D and so arrive at the total number of Band D equivalents for the Council.
- 8.9 Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year.
- 8.10 These calculations are undertaken for each property band in each parish.

### Collection Rate

- 8.11 In determining the taxbase, an allowance must be made to provide for changes to the taxbase during the year (e.g. due to new properties, appeals against banding, additional discounts, Council Tax Support award changes, etc.) as well as losses on collection arising from non-payment. This is achieved by estimating a Council Tax collection rate for the year and must be common for the whole of Shropshire.
- 8.12 A collection rate of 98.2% was assumed for the 2025/26 financial year and it is recommended that a collection rate of 98.0% should be assumed for the purpose of determining the Council Tax taxbase in 2026/27.
- 8.13 Actual in year collection rates in 2022/23, 2023/24 and 2024/25 were 98.2%, 97.8% and 97.7% respectively.
- 8.14 If the actual rate exceeds 98.0% a surplus is generated, which is shared between the Unitary Council, West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority, pro rata to their demand on the Collection Fund for the relevant year. Conversely, any shortfall in the collection rate results in a deficit, which is shared in a similar manner. The surplus or deficit is considered in setting the Council Tax in the following year.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

**Local Member:** ALL

### Appendices

Appendix A: 2026/27 Parish and Town Council Tax Taxbase Summary for Shropshire Council.

Appendix B: Shropshire Council's Localised Council Tax Support Scheme

Appendix C: Discretionary Discount Policies

## 2026/27 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council

## APPENDIX A

Parish / Town Council	Council Tax Taxbase (Band D Equivalents)
Abdon & Heath	117.06
Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	268.43
Acton Scott	42.61
Adderley	196.96
Alberbury with Cardeston	418.10
Albrighton and Donington	2,319.97
All Stretton, Smethcott & Woolstaston	183.27
Alveley & Romsley	910.20
Ashford Bowdler	38.25
Ashford Carbonel	204.02
Astley	212.62
Astley Abbots	248.39
Aston Bottrell, Burwarton & Cleobury North	114.49
Atcham	102.06
Badger	65.53
Barrow	278.54
Baschurch	1,347.04
Bayston Hill	1,841.39
Beckbury	149.69
Bedstone & Bucknell	346.71
Berrington	469.51
Bettws-Y-Crwyn	94.12
Bicton	386.81
Billingsley, Deuxhill, Glazeley & Middleton Scriven	170.26
Bishops Castle Town	714.14
Bitterley	356.24
Bomere Heath & District	890.58
Boningale	147.72
Boraston	80.96
Bridgnorth Town	4,698.83
Bromfield	120.45
Broseley Town	1,631.26
Buildwas	175.26
Burford	459.03
Cardington	224.57
Caynham	549.35
Chelmarsh	230.62
Cheswardine	407.59
Chetton	163.04
Childs Ercall	313.89
Chirbury with Brompton	360.42
Church Preen, Hughley & Kenley	131.54
Church Pulverbatch	172.74
Church Stretton & Little Stretton Town	2,247.02
Claverley	958.45
Clee St. Margaret	74.25
Cleobury Mortimer	1,220.06
Clive	251.27
Clun Town with Chapel Lawn	545.92
Clunbury	257.75

## 2026/27 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council

## APPENDIX A

Parish / Town Council	Council Tax Taxbase (Band D Equivalents)
Clungunford	149.85
Cockshutt-cum-Petton	324.57
Condover	966.40
Coreley	140.62
Cound	218.23
Craven Arms Town	839.83
Cressage, Harley & Sheinton	424.59
Culmington	176.79
Diddlebury	299.14
Ditton Priors	409.42
Eardington	251.01
Easthope, Shipton & Stanton Long	216.76
Eaton-Under-Heywood & Hope Bowdler	197.15
Edgton	50.64
Ellesmere Rural	995.02
Ellesmere Town	1623.04
Farlow	200.05
Ford	340.33
Great Hanwood	425.84
Great Ness & Little Ness	564.91
Greete	49.51
Grinshill	113.84
Hadnall	379.28
Highley	1154.73
Hinstock	561.38
Hodnet	633.26
Hope Bagot	34.11
Hopesay	272.26
Hopton Cangeford & Stoke St. Milborough	170.99
Hopton Castle	42.04
Hopton Wafers	325.41
Hordley	101.99
Ightfield	220.63
Kemberton	122.38
Kinlet	457.38
Kinnerley	530.14
Knockin	145.48
Leebotwood & Longnor	201.35
Leighton & Eaton Constantine	204.11
Llanfairwaterdine	109.89
Llanyblodwel	277.63
Llanymynech & Pant	691.28
Longden	550.31
Loppington	292.59
Ludford	493.9
Ludlow Town	3716.8
Lydbury North	236.41
Lydham & More	142.51
Mainstone & Colebatch	90.18

## 2026/27 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council

## APPENDIX A

Parish / Town Council	Council Tax Taxbase (Band D Equivalents)
Market Drayton Town	4,350.60
Melverley	54.79
Milson & Neen Sollars	126.45
Minsterley	653.40
Montford	256.15
Moreton Corbett & Lee Brockhurst	149.51
Moreton Say	230.32
Morville, Acton Round, Aston Eyre, Monkhoppton & Upton Cressett	403.46
Much Wenlock Town	1,280.08
Munslow	192.50
Myddle & Broughton	630.24
Myndtown, Norbury, Ratlinghope & Wentnor	275.21
Nash	150.83
Neen Savage	157.20
Neenton	65.36
Newcastle	137.73
Norton-In-Hales	344.72
Onibury	136.56
Oswestry Rural	1,714.05
Oswestry Town	5,522.18
Pontesbury	1,413.35
Prees	1,231.47
Quatt Malvern	106.28
Richards Castle	146.30
Rushbury	288.13
Ruyton-XI-Towns	474.73
Ryton & Grindle	80.76
Selattyn & Gobowen	1,446.23
Shawbury	908.21
Sheriffhales	343.36
Shifnal Town	3,591.39
Shrewsbury Town	27,713.12
Sibdon Carwood	49.24
St. Martins	1,054.85
Stanton Lacy	171.62
Stanton-Upon-Hine Heath	254.88
Stockton	137.40
Stoke-Upon-Tern	538.80
Stottesdon & Sidbury	352.20
Stowe	52.86
Sutton Maddock	111.02
Sutton-Upon-Tern	422.27
Tasley	410.73
Tong	124.64
Uffington	109.03
Upton Magna	156.69
Welshampton & Lyneal	392.71
Wem Rural	702.20
Wem Town	2,054.87
West Felton	613.92

## 2026/27 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council

## APPENDIX A

Parish / Town Council	Council Tax Taxbase (Band D Equivalents)
Westbury	524.39
Weston Rhyn	937.41
Weston-Under-Redcastle	123.64
Wheathill	84.06
Whitchurch Rural	692.38
Whitchurch Town	3,694.50
Whittington	1,035.56
Whitton	58.67
Whixall	336.38
Wistanstow	335.65
Withington	107.29
Woore	620.63
Worfield & Rudge	949.64
Worthen with Shelve	856.42
Wroxeter & Uppington	166.21
<b>Shropshire Council Total</b>	<b>121,852.37</b>
Environment Agency - Severn Trent Region	114,272.72
Environment Agency - Welsh Region	4,813.10
Environment Agency - North West Region	2,766.55
<b>Shropshire Council Total</b>	<b>121,852.37</b>

## **Council Tax Support**

- 1.1. The 2010 Spending Review announced the localisation of council tax support and The Welfare Reform Act 2012 abolished Council Tax Benefit from 31 March 2013 and required that Local Government created a localised Council Tax Support (CTS) scheme effective from 1 April 2013, accommodating a reduction in funding of 10%.
- 1.2. Shropshire Council's localised CTS scheme was approved in December 2018. Several small amendments have been made to the main Council Tax Support Scheme to take effect from 1<sup>st</sup> April 2026. These amendments are detailed in the scheme summary included in section 1.7 below.
- 1.3. From 2013, therefore, council tax support has taken the form of reductions within the council tax system, replacing national council tax benefit. Making reductions as part of the council tax system reduces a billing authority's Council Tax taxbase. Billing and major precepting authorities receive funding (Council Tax Support Grant) which reduce their council tax requirement and, depending on the design of the local council tax scheme, can help offset the council tax revenue foregone through reductions.
- 1.4. An estimate of the effect of the local Council Tax Support Scheme on the Council Tax taxbase has been determined for Shropshire. It is estimated that the Council Tax Support Scheme will reduce the Council Tax taxbase by 7,950.74 Band D equivalents.
- 1.5. As Council Tax Support entitlement will vary throughout the year and this will affect the taxbase it is more likely that the amount of Council Tax collected in 2026/27 will vary from the estimate.
- 1.6. A link to the full scheme for 2025/26 is below.

<https://next.shropshire.gov.uk/media/ucbdasz1/council-tax-reduction-scheme-2025-2026.pdf>

- 1.7 The CTS scheme summary is provided on the following pages.

## **SHROPSHIRE COUNCIL – BENEFITS SERVICE**

### **COUNCIL TAX SUPPORT (CTS)**

#### **Introduction**

The current Council Tax Benefit scheme is a means tested benefit that helps people with a low income to pay their Council Tax.

From April 2013 this will be abolished and all local authorities will provide a new scheme called 'Council Tax Support'. The funding that is provided for this scheme will be reduced by 10% and therefore it is likely that some people will have to pay more towards their Council Tax bill.

The changes will not affect pensioners even though they will move into the new scheme. The Government have confirmed that all pensioners will be protected and receive the same amount of benefit they do now under the current Council Tax Benefit Scheme.

Each local authority will be able to provide Council Tax support in a different way depending on local needs, funding available and how it can be administered. Each Council is expected to devise a new scheme and then put this to public consultation by the end of 2012.

Our new scheme was devised and published on the Shropshire Council website for customers, stakeholders and other agencies to comment on. Public consultation closed on the 14<sup>th</sup> December and the new scheme was formally adopted by the Council on 16<sup>th</sup> January 2013.

Anyone of working age will now be subject to the new scheme from April 2013. The differences that you will see in the new Council Tax Support Scheme are: -

- Removal of second adult rebate
- Reduction of the capital limit from £16,000 to £10,000
- Removal of earnings disregards
- Removal of child benefit disregard
- Increase in non-dependant deductions

Please note the following amendments are for the calculation of Council Tax Support only and do not affect Housing Benefit calculations.

#### **Removal of Second Adult Rebate**

Second Adult Rebate (2AR) is awarded to a customer based on the circumstances of a second adult living in the property. Under the new scheme this has been abolished and will no longer be effective from 01.04.13.

#### **Reduction of the capital limit**

For working age people the capital limit will reduce to £10,000 from 01.04.13. This will mean that if a customer's savings amounts to more than £10,000, they will not be entitled to CTS. The lower capital limit of £6,000 remains the same.

Tariff income calculations remain as is i.e. from the total amount if capital £6,000 is deducted, the remainder is then divided by 250 if the result is not an exact multiple of £1 the result is rounded up to the next whole £1

All other capital rules including static savings, land and property, shares, etc remain the same.

### **Removal of Earnings disregards**

All income disregards for working age people will cease from the 01.04.13.

### **Removal of Child Benefit disregards**

Child benefit will no longer be disregarded from the calculation of CTS from the 01.04.03.

### **Increase in non-dependant earned income deductions (working age only)**

From 01.04.13 non dep deductions will increase to the following: -

£5 for anyone earning under £100,  
£10 for anyone earning between £100 and £150  
£20 for anyone earning over £150 per week

This deduction will only be made from their earned income. It won't affect any other income they receive.

### **Non-dependant earned income deductions (pension age only)**

Gross income less than £186.00	=	£3.65
Gross income £186.00 to £321.99	=	£7.25
Gross income £322.00 to £400.99	=	£9.15
Gross income £401.00 or above	=	£10.95

### **Unearned income will attract the following disregards (working age and pension age):**

Others aged 18 or over incl. JSAC & ESAC	=	£3.65
In receipt of Pension Credit, IS, JSA (IB), ESA(IR)	=	nil

**(This disregard will be up-rated annually in line with figures provided annually by DCLG)**

**A new minimum earnings threshold will be introduced with effect from 01/04/15 to reflect the current arrangements in the Housing Benefit scheme.**

This minimum earnings threshold will help to determine whether a European Economic Area (EEA) national's previous or current work can be treated as genuine and effective for the purposes of deciding whether they have a right to reside in the UK as a worker or self-employed person.

The minimum earnings threshold has been set at the level at which workers start to pay National Insurance Contributions (NICs), currently £153 a week in the 2014/15 tax year. If an EEA national can prove that they have been earning at least this amount for a period of 3 months immediately before they claim CTS their work can be treated as genuine and effective and they will have a right to reside as a worker or self-employed person.

If they do not satisfy the minimum earnings threshold criteria, a further assessment will be undertaken against a broader range of criteria (such as hours worked, pattern of work, nature of employment contract etc.) to determine whether their employment is genuine and effective.

Ultimately, if an EEA national's income does not meet the minimum earnings threshold or the additional criteria to be classified as genuine and effective employment they will not be eligible for CTS.

**Special Educations Needs Allowance – to be disregarded in full with effect from 01/09/14**

**War Pensions / Armed Forces Compensation Scheme Guaranteed Income Payments – to be disregarded in full with effect from 01/04/13 (and to be consistent with Housing Benefit)**

**From 01/04/15 the CTR scheme will include changes to the habitual residency test to reflect changes to the Housing Benefit (HB) regulations.**

The amendments to the CTS scheme removes access to CTS for EEA jobseekers who make a new claim for CTS on or after 1 April 2015. EEA nationals who are self-employed, are workers or who are unemployed but retain their worker status have the same rights to CTS as a UK national and their situation remains unchanged.

EEA jobseekers who are entitled to CTS and JSA(IB) on 31 March 2015 will be protected until they have a break in their claim for CTS or JSA. If their JSA ends because they have started work, then as long as we can be satisfied that their employment is genuine and effective they will be able to access in-work CTS as either a worker or a self-employed person. Claimants receiving in-work CTS beyond 1 April will continue to be able to access CTS, if they become entitled to JSA(IB) on or after that date, but only if they retain their worker status. If they are a jobseeker then their CTS entitlement ends from the Monday following the cessation of work.

**Changes with effect from 1 April 2018 to bring the scheme in line with Housing Benefit changes**

- **2 child cap**

The Government has announced that they will limit benefit support by only taking into account a maximum of two dependent children per family. It affects all claims where new children are born after April 2017. This will apply in Housing Benefit to families that make a new claim from April 2017

- **Loss of the family premium**

The Government removed the family premium for new claims within the assessment of Housing Benefit with effect from May 2016

- **Bereavement Support Payments to be disregarded in full**

This was introduced into Housing Benefit with effect from April 2017

- **Any payments from the 'We love Manchester Fund' and the 'London Emergency Trust' to be disregarded in full**

- **Maximum backdate period of 1 month**

- **Absence from home limited to 4 weeks when outside GB**

The temporary absence rules for Housing Benefit were amended in 2015 reducing the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

The limit applies to new periods of absence only. Exceptions are when an absence is in relation to

- Death of a partner, child or close relative
- Receiving medical treatment
- A person who has fled their home due to fear of violence
- A member of Her Majesty's forces posted overseas

- **Beneficial changes in circumstances to be reported within one month of the change in order for the claim to be updated from the date of change, otherwise changes will take effect from the Monday following date notified.**

- **All working aged claimants who receive Council Tax Support (unless they are a pensioner or classed as vulnerable) will pay 20% of their council tax liability, (after appropriate discounts have been awarded)**

An example of this change is as follows:

1) Current scheme (which allows for 100% reduction)

The customer's liability is £20.00 per week. As they are in receipt of Jobseekers Allowance they are entitled to full Council tax reduction making their council tax balance for the year £0.00

2) Proposed new scheme (20% minimum payment)

The customer liability is £20.00. Before any calculation takes place 20% of this amount is reduced from the liability to be used. This means that any calculation will be carried out on a figure of £16.00. Again the customer is on Jobseekers Allowance and so they are entitled to a full award. This will mean their council tax balance for the year will be £208.00 (£4.00 x 52).

- **De Minimis change amount of £10.00 per week for claimants in receipt of Universal Credit**
- **Apply a minimum award of £1.50**
- **Claimant or partner who meet the specific criteria of severe disablement contained within the policy will be protected from any percentage reduction in council tax support. Claimant or partner in receipt of Employment and Support Allowance will be protected from any percentage reduction in council tax support. This will also apply to customers who meet the criteria for receiving a war compensation related benefit or pension. Specifically this includes**

Criteria to be awarded for the severe disability premium:

- The customer has to be in receipt of
  - 1) Attendance allowance or
  - 2) Higher or middle rate care component of disability living allowance or
  - 3) The daily living allowance rate of personal independence payments
- They must not have a resident non-dependant
- No person is entitled to, and in receipt of, carers allowance in respect of caring for the customer and;
- If the customer has a partner they must also meet all above criteria

Criteria to be awarded the support component of employment and support allowance

It is accepted that some people's difficulties or disabilities are such that not only is the person not expected to look for work but are also not expected to undertake an work related activities or plan for starting work due to the severity of their difficulties

Criteria to qualify for the war pension's exemption

The customer and/or partner has to be in receipt of either:

- War pension
- War disablement pension
- War service attributable pension
- War widows pension
- War mobility supplement

**Changes with effect from 1 April 2019**

Severe Disability Premium does not exist in Universal Credit. From 1 April 2019 claimants or couples that have moved into Universal Credit but meet the above criteria for the severe disablement premium will be exempt from the percentage reduction.

Employment and support allowance does not form part of Universal Credit. Instead there is a limited capability for work and limited capability for work related activity element in Universal Credit which is similar to that used for identifying the work related activity group and support group of Employment Support Allowance. From 1 April 2019 claimants

or partners in receipt of the limited capability for work related activity element in Universal Credit that is the equivalent to the support element of employment and support allowance will be exempt from the percentage reduction.

### **Changes with effect from 1 April 2020**

- We have defined a council tax reversal as an amount of Council Tax Support to which the claimant was not entitled, and we have clarified what action the Council will take depending on whether the reversal is caused by claimant error, or official error.
- We have clarified that where a reversal is due to claimant error the total sum of the reversal shall be fully chargeable and recoverable as part of the claimant's council tax liability
- We have clarified that where the reversal arose due to official error, that where the claimant or their representative could reasonably have been expected at the time to realise that the assessment had been made in error, the total sum of the reversal shall be fully chargeable and recoverable as part of the claimant's council tax liability. Otherwise, the amount of the reversal will not be chargeable and recoverable as part of the claimant's council tax liability
- In the event of a council tax reversal, the Council will consider any underlying award that the claimant should have been entitled to provided evidence is received from the claimant within 1 month of the claimant being notified of the reversal, or where an appeal against a recoverable reversal is made
- We have clarified the definition of pensioner in accordance with new benefit rules for mixed age couples and eligibility for Local Council Tax Reduction Schemes
- Any payment made by the Home Office under the Windrush Compensation Scheme or the Windrush Exceptional Payment Scheme will be disregarded as capital

### **Changes with effect from 1 April 2022**

CTRS scheme reg 74 (a)

Insert

*(aa) who is a person on universal credit, except where the award of universal credit to that person includes an amount in respect of a liability to make payments in respect of the accommodation they occupy as their home, in accordance with section 11 of the Welfare Reform Act 2012 (housing costs);*

Note: This is to align the CTRS scheme with a statutory amendment to the qualifying criteria for Housing Benefit, this amendment should prevent circumstances where an applicant is excluded from CTRS whilst being eligible for HB or UCHE

CTRS scheme part 13 (106)

Insert

*(14) Where there is a change of circumstances which results in a change to the maximum council tax reduction for the purposes of calculating eligibility for a reduction under PART 7 (28), from the first day of the benefit week after the date on which the change first occurred.*

Note: This will insert an 80%/100% cap on maximum council tax reduction and aligns the circumstances of claimants in receipt of UC with those in receipt of Passported Benefits to ensure that a claimant's maximum CTRS is calculated appropriate to their status and that vulnerable households are not disadvantaged.

### **Changes with effect from 1 April 2023**

Added to schedules 9 and 10 capital to be disregarded, both pens and WA (and also income other than earnings for good measure)

- (7) any payment made under or by the approved blood scheme, or the Scottish Infected Blood Support Scheme as established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State
- (8) any payment made under or by a trust, established for the purpose of giving relief and assistance to disabled persons whose disabilities were caused by the fact that during their mother's pregnancy she had taken a preparation containing the drug known as Thalidomide, and which is approved by the Secretary of State.

Add to interpretation

““approved blood scheme” means a scheme established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State, for the purpose of providing compensation in respect of a person having been infected from contaminated blood products;”;

Amended

105 6

From

Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

To

Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

(a) Where the applicant was included as "the partner" of the deceased (or ex-partners) Council Tax Support entitlement at date of death or separation, The Council Tax Liability created following the death of an applicant's partner or their separation falls to be treated as "first liable" within Reg 105 (2) of this scheme

### **Changes with effect from 1 April 2024**

Added to schedule 10 capital to be disregarded (and also income other than earnings for good measure). In order to mirror changes to housing benefit regulations.

Any payment made under the post office compensation scheme (horizon compensation)

Amend regulation 109(d)

From: (d) in a case where—

- i (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,
- ii (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- iii (iii) the application to the authority is received at the designated office within one month of the date of the change, the date on which the change takes place; (e) in a case where—
- iv (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and
- v (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation, the date of the death or separation;

To: (d) in a case where—

- vi (i) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- vii (ii) the application to the authority is received at the designated office within one month of the date of the change, the date on which the change takes place; (e) in a case where—

- viii (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and
- ix (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation, the date of the death or separation;

This allows for the customer to have a calendar month to apply for council tax support once a new liability has been created for all claims, not just those on means tested benefit. Currently those not on means tested benefit have to apply within the benefit week.

### **Amendments from 01<sup>st</sup> April 2025**

**The scheme will be amended to include the legislation that has been brought in to disregard the following as capital in the calculation of their council tax support:**

- **Grenfell tower payments**
- **The horizon compensation payments**
- **Vaccine damage payments**
- **Payments for the victims of the overseas terrorism compensation payments**

In regulation 2(1) (interpretation)—

(a)for the definition of “Grenfell Tower support payment” substitute—

““Grenfell Tower support payment” means a payment made for the purpose of providing compensation or support in respect of the fire on 14th June 2017 at Grenfell Tower;”;

(b)after the definition of “historical child abuse payment” insert—

““the Horizon system” means any version of the computer system used by the Post Office known as Horizon, Horizon Legacy, Horizon Online or HNG-X;”;

(c)after the definition of “polygamous marriage” insert—

““the Post Office” means Post Office Limited (registered number 02154540);“Post Office compensation payment” means a payment made by the Post Office or the Secretary of State for the purpose of providing compensation or support which is—

(a)

in connection with the failings of the Horizon system; or

(b)

otherwise payable following the judgment in *Bates and Others v Post Office Ltd* ((No. 3) “Common Issues”)(1);”;

(d)in the definition of “qualifying person”—

(i)for “or a Windrush payment” substitute “, a Windrush payment, a Post Office compensation payment or a vaccine damage payment”;

(ii)after “the National Emergencies Trust” insert “, the Victims of Overseas Terrorism Compensation Scheme”;

(e)after the definition of “universal credit” insert—

““vaccine damage payment” means a payment made under the Vaccine Damage Payments Act 1979(2);“the Victims of Overseas Terrorism Compensation Scheme” means the scheme of that name established by the Ministry of Justice in 2012 under section 47 of the Crime and Security Act 2010(3);”.

In paragraph (5) of regulation 12 (persons treated as not being in Great Britain), before sub-paragraph (a) insert—

“(zd)a person who was residing in Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon immediately before 7th October 2023, left Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the violence which rapidly escalated in the region following the attack and—

(i)has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971(1),

(ii)has a right of abode in the United Kingdom within the meaning given in section 2 of that Act(2), or

(iii)does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;

(ze)a person who was residing in Sudan before 15th April 2023, left Sudan in connection with the violence which rapidly escalated on 15th April 2023 in Khartoum and across Sudan and—

(i)has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971,

(ii)has a right of abode in the United Kingdom within the meaning given in section 2 of that Act, or

(iii)does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;”.

(1) Schedule 1 (pensioners: matters that must be included in an authority’s scheme) is amended as follows.

(f)in sub-paragraph (9)—

(i)in paragraph (b) after “the National Emergencies Trust” insert “, the Victims of Overseas Terrorism Compensation Scheme”;

(ii)after paragraph (bc) insert—

“(bd)any Post Office compensation payment;

(be)any vaccine damage payment;”;

(g)in sub-paragraph (10), after paragraph (ac) insert—

“(ad)any Post Office compensation payment;

(ae)any vaccine damage payment;

(af)any payment out of the estate of a person to that person’s son, daughter, step-son or step-daughter, which derives from a payment to meet the recommendation of the Infected Blood Inquiry in its interim report published on 29th July 2022(1) made under or by the Scottish Infected Blood Support Scheme or an approved blood scheme ;”.

In Schedule 6 (capital to be disregarded)—

(a)in paragraph 16—

(i)in sub-paragraph (1) after “the National Emergencies Trust” insert “, the Victims of Overseas Terrorism Compensation Scheme”;

(ii)after sub-paragraph (1D) insert—

“(1E) Any Post Office compensation payment.

(1F) Any vaccine damage payment.

(1G) Any payment out of the estate of a person, which derives from a payment to meet the recommendation of the Infected Blood Inquiry in its interim report published on 29th July 2022 made under or by the Scottish Infected Blood Support Scheme or an approved blood support scheme to the estate of the person, where the payment is made to the person’s son, daughter, step-son or step-daughter.”;

(iii)in each of sub-paragraphs (2), (3), (5), (6) and (7) for “or a Windrush payment” substitute “, a Windrush payment, a Post Office compensation payment or a vaccine damage payment”;

(b)in paragraph 21(2)—

(i)in sub-paragraph (w) omit “or”;

(ii)after sub-paragraph (x) insert—

“or

(y)bereavement support payment under section 30 of the Pensions Act 2014(1).”;

(c)after paragraph 22 insert—

“22A. Any payment of a widowed parent’s allowance made pursuant to section 39A of the SSCBA (widowed parent’s allowance)—

(a)to the survivor of a cohabiting partnership (within the meaning in section 39A(7) of the SSCBA) who is entitled to a widowed parent’s allowance for a period before 9th February 2023(2), and

(b)in respect of any period of time during the period ending with the day before the survivor makes the claim for a widowed parent’s allowance,

but only for a period of 52 weeks beginning with the date of receipt of the payment or 1st April 2024, whichever is later.

22B.—(1) A payment of bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017 (rate of bereavement support payment)(3), but only for the period of 52 weeks from the date of receipt of the payment.

(2) Where bereavement support payment under section 30 of the Pensions Act 2014 is paid to the survivor of a cohabiting partnership (within the meaning of section 30(6B) of that Act) in respect of a death occurring before 9th February 2023, any amount of that payment which is—

(a) in respect of the rate set out in regulation 3(1) of the Bereavement Support Payment Regulations 2017, and

(b) paid as a lump sum for more than one monthly recurrence of the day of the month on which their cohabiting partner died,

but only for a period of 52 weeks beginning with the date of receipt of the payment or 1st April 2024, whichever is later.”.

### **Amendments from 01/04/2026**

**We are changing the regulation to simplify when entitlement can start following a death or separation. Reg 107 will be amended as follows:**

original:

(6) Where the change of circumstances is the death of an applicant’s partner or their separation, it takes effect on the day the death or separation occurs.

(a) Where the applicant was included as “the partner” of the deceased (or ex-partners) Council Tax Support entitlement at date of death or separation, The Council Tax Liability created following the death of an applicant’s partner or their separation falls to be treated as “first liable” within Reg 105 (2) of this scheme.

Amended:

(6) Where the change of circumstances is the death of an applicant’s partner or their separation, it takes effect on the day the death or separation occurs.

(a) The Council Tax Liability created following the death of an applicant’s partner or their separation falls to be treated as “first liable” within Reg 105 (2) of this scheme.

**Amendments are also being made to reg 110 to allow for more scope for delays in claiming if it is deemed reasonable for them to have taken longer than a month. We will be adding/amending the parts currently coloured red:**

110. Date on which an application is made

(1) Subject to sub-paragraph (7), the date on which an application is made is— (a) in a case where—

(i)an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and

(ii)the application is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office, **or such longer period as the relevant authority considers reasonable**, the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim,;

(b)in a case where—

(i)an applicant or his partner is a person in receipt of a guarantee credit,

(ii)the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

(iii)the application to the authority is received at the designated office within one month of the date of the change, **or such longer period as the relevant authority considers reasonable**, the date on which the change takes place;

(c)in a case where—

(i)an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and

(ii)the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received, the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim, **or such longer period as the relevant authority considers reasonable**;

(d)in a case where—

(i)an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

(ii)the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

(iii)the application to the authority is received at the designated office within one month of the date of the change, **or such longer period as the relevant authority considers reasonable**, the date on which the change takes place;

(e)in a case where—

(i)the applicant is the former partner of a person who was ... liable for Council Tax.

(ii)where the applicant makes an application **(for the same property)** for a reduction under this scheme within one month of the date of the death or the separation, **or such longer period as the relevant authority considers reasonable**, the date of the death or separation;

**SUMMARY OF CHANGES FROM 01.04.13**

<b>Current Council Tax Benefit Scheme (CTB)</b>	<b>Council Tax Support (CTS)</b>
<b>Second Adult Rebate</b> - Awarded to the customer based on the circumstances of 'second adult'. Can be awarded due to a 'better buy' comparison	No award due for second person. On 'better buy' calculation customer will only be awarded any CTS due.
<b>Reduction of the capital limit</b> - Upper capital limit of £16,000. Above this limit the person would not qualify for CTB. Lower capital of £6,000. Below this figure amount is ignored. Amounts above £6,000 attract tariff income at £1 for every £250 or part of above the lower capital limit	Upper capital limit of £10,000. Above this limit the person would not qualify for CTB. Lower capital of £6,000. Below this figure amount is ignored. Amounts above £6,000 attract tariff income at £1 for every £250 or part of above the lower capital limit
<b>Removal of earnings disregards –</b> Permitted work - £97.50 Lone parents - £25.00 Disabled, carers or special occupations - £20.00 Couples - £10 Single £5	Permitted work - £0 Lone parents - £0 Disabled, carers or special occupations - £0 Couples - £0 Single £0
<b>Removal of Child Benefit disregard –</b> Child Benefit is fully disregarded for the calculation of CTB	Child benefit is fully included for the calculation of CTS
<b>Increase in non-dependant deductions (using current figures)</b> On pass ported benefit - £0.00 On JSA C/ESAC - £3.30 Works less than 16 hours on maternity, paternity, adoption or sick leave - £3.30 Income more than £394.00 per week – £9.90 £316.00 to £393.99 per week – £8.25 £238.00 to £315.99 per week - £6.55 £183.00 to £237.00 per week - £3.30 £124.00 to £182.99 per week – £3.30 Under £124.00 – £3.30	On pass ported benefit - £0.00 On JSA C/ESAC - £3.30 Works less than 16 hours on maternity, paternity, adoption or sick leave - £3.30 Earnings less than £100 - £5.00 Earnings between £100 and £150 - £10.00 Earnings above £150 - £20.00

## APPEALS

There will be no joint HB/CTR appeals – they will be heard separately by different bodies. First Tier Tribunals will hear the Housing Benefit appeals (as now) and the Valuation Tribunals Service will hear Council Tax Support appeals.

The legislation is contained within the Local Government Finance Act. Appeals against the local Council Tax Support Scheme will be covered by Regulation 16(b).

### Process:

- The customer firstly needs to write to the Council saying they disagree with the decision. There is no time limit to do this. They can request this at any time.
- If we do not alter our original decision the customer has the right to appeal to the Valuation Tribunal.
- To appeal to the Valuation Tribunal the customer will need to do this on line at [www.valuationtribunal.gov.uk](http://www.valuationtribunal.gov.uk)
- The customer must complete the on line appeal application within two months of the date of the decision notice sent by ourselves upholding the original decision

As local schemes are not legislation, but are locally defined schemes, the Valuation Tribunal will not consider an appeal against a billing authority's actual scheme, as that is beyond their jurisdiction. However, the Valuation Tribunal will advise dissatisfied claimants of their right to apply to the billing authority for a discretionary discount under section 13 (1) (c) of the Local Government Finance Act 1992. They will also hear appeals where the authority refuses to exercise this discretion.

## APPENDIX C

## **Discretionary Discount Policies**

### **1. Second Homes**

- 1.1. Second homes are defined as furnished properties which are not occupied as a person's main residence and include furnished properties that are unoccupied between tenancies.
- 1.2. The Local Government Act 2003 gave councils new discretionary powers to reduce the 50% Council Tax discount previously awarded in respect of second homes to between 10% and 50% with effect from 1st April 2004. Councils retain the additional income raised by reducing the second homes Council Tax discount.
- 1.3. The Local Government Act 2012 further extended billing authorities' discretion over the second homes discount to between 0% and 50%. On 17 October 2012 Cabinet approved the reduction of the second homes Council Tax discount from 10% to 0%.
- 1.4. The Levelling Up and Regeneration Act 2023 passed in October 2023 enables billing authorities to introduce a council tax premium of up to 100% in respect of second homes.
- 1.5. On 14 December 2023 Council approved the introduction of a council tax premium of 100% in respect of second homes from 1 April 2025.
- 1.6. The figures used for the 2026/27 Council Tax taxbase incorporate a 100% Council Tax premium in respect of second homes (other than those that retain a 50% discount through regulation as a result of job-related protection). Implementation of this policy results in the inclusion of 1,390.00 Band D equivalents in the taxbase calculation.

### **2. Vacant Properties – Former Class A & Class C Exempt Properties**

- 2.1. The Local Government Act 2012 abolished both Class A and Class C exemptions and gave billing authorities' discretion to give discounts of between 0% and 100%. Class A exemptions were previously available for up to 12 months in respect of a vacant property which required, was undergoing, or had recently undergone major repair work to render it habitable, or a structural alteration. Class C exemptions were previously available for up to six months after a dwelling became vacant.
- 2.2. On 14 December 2017 Council approved the removal of a 50% Council Tax discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties.

- 2.3. In respect of former Class A exempt properties the figures used for the 2026/27 Council Tax taxbase allow for the continuation of the decision previously approved by Council, i.e. to award no discount.
- 2.4. On 17 October 2012 Cabinet approved the award of a 25% Council Tax discount in respect of vacant dwellings, i.e. former Class C exempt properties.
- 2.5. Implementation of this policy resulted in a large number of low value Council Tax demands being raised primarily in relation to landlords whose properties are between tenants. A significant number of landlord complaints were received in relation to these Council Tax demands and these small amounts proved to be very difficult to collect. It was, therefore, proposed and approved that a 100% discount be awarded for one month, i.e. effectively reinstating the exemption, and then a 25% discount be awarded for the remaining five months.
- 2.6. In order to avoid fraudulent 100% claims in respect of these types of properties it was also proposed and approved that the “six week rule” be applied, i.e. if a dwelling which is unoccupied and unfurnished is either exempt or entitled to a discount, becomes occupied or substantially furnished for a period of less than six weeks, after which it falls empty again, it will only resume exemption or discount for any of the original exemption or discount period which remains.
- 2.7. On 14 December 2017 Council approved the continuation of the policy to award one month exemption when a property becomes unoccupied and substantially unfurnished (subject to the six week rule) and approved a revised policy to remove the 25% for the following five months. This means that when a property becomes unoccupied and substantially unfurnished it would attract one month exemption, then pay full charge for the following twenty three months, then attract an additional 100% council tax premium after two years.
- 2.8. In respect of former Class C exempt properties the figures used for the 2026/27 Council Tax taxbase incorporate a discount of 100% for one month. Continuation of this policy to award the one month exemption results in the exclusion of 243.34 Band D equivalents from the taxbase calculation.

### **3. Vacant Properties – Empty Homes Premium**

- 3.1. The Local Government Act 2012 amended the Local Government Finance Act 1992 and also gave billing authorities’ discretion to levy an empty homes premium of 50% after a dwelling has been empty and substantially unfurnished for at least two years. In December 2013 Shropshire Council chose to enact this discretionary power with effect from April 2014.
- 3.2. On 1 November 2018 the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 was passed which further amended the Local Government Finance Act 1992. This gave billing authorities’ discretion to levy an

empty homes premium of 100% from 1 April 2019 after a dwelling has been unoccupied and substantially unfurnished for at least two years, a 200% premium from 1 April 2020 for properties unoccupied and substantially unfurnished for at least 5 years and a 300% premium from 1 April 2021 for properties unoccupied and substantially unfurnished for at least 10 years.

- 3.3. The Levelling Up and Regeneration Act 2023 passed in October 2023 further enhanced charging options with effect from 1 April 2024. The Act enables billing authorities to reduce the minimum period for the implementation of the council tax premium for long term empty premises from two years to one year.
- 3.4. The figures used for the 2026/27 Council Tax taxbase incorporate a 100% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than one year, a 200% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than five years and a 300% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than ten years. Implementation of this policy results in the inclusion of 859.89 Band D equivalents in the taxbase calculation in relation to properties unoccupied and substantially unfurnished for more than one year, 194.22 Band D equivalents in the taxbase calculation in relation to properties unoccupied and substantially unfurnished for more than five years and 202.66 Band D equivalents in the taxbase calculation in relation to properties unoccupied and substantially unfurnished for more than ten years.