



<b>Report to:</b>	Council	27 February 2024
<b>Lead Cabinet Member:</b>	Cllr John Williams	
<b>Lead Officer:</b>	Peter Maddock – Head of Finance	
<b>Key Decision:</b>	No	

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## **Localised Council tax Support Scheme 2024-25**

### **Executive Summary**

1. The purpose of this report is to approve the Localised Council Tax Support (LCTS) Scheme for 2024/25.

### **Recommendations**

2. That council approve the continuation of the successful 2023/24 LCTS scheme, with a reasonable uprating of 6.7% for the upcoming financial year 2024/25.

### **Details**

3. The existing scheme for working-age residents, featuring a means-tested banded discounts approach with a maximum award of 100%, has proven to be highly effective.
4. In response to the cost-of-living crisis, the scheme underwent a thorough review in 2023/24, demonstrating its resilience in supporting residents during these uncertain times.
5. Extensive consultation with residents and stakeholders in 2018 resulted in the endorsement of a Banded Discount Scheme, ensuring long-term stability, and preventing complications for residents on Universal Credit due to minor income changes which may result in multiple council tax bills being sent during the financial year.
6. The transition to a banded scheme aligned to CPI has not only been successful but has also contributed to high collection rates of council tax, overcoming financial impacts in the aftermath of the Covid-19 pandemic.
7. Recent adjustments in 2023/24 have enhanced automated processing, leading to a significant reduction in staffing while maintaining efficient operations.

## **Reasons for Recommendations**

8. Amid the economic uncertainty associated with the current cost-of-living crisis, the revised LCTS scheme implemented in 2023/24 has not only facilitated South Cambridgeshire's residents in meeting their council tax obligations but has also streamlined staffing resources, resulting in operational efficiency.
9. The 2023/24 LCTS scheme demonstrated its commitment to supporting residents with an approach by incorporating an annual uprating of calculation parameters aligned with the Consumer Price Index as of September (CPI September 2023, 6.7%). This strategic measure not only reflects the council's dedication to addressing the cost of living but also ensures that the aim of supporting residents remains steadfast and effective.

## **Options**

10. The several options which have been considered, including:

- a) No increase on calculation parameters
- b) 3% increase on calculation parameters
- c) Increase in calculation parameters in line with CPI in September 2023(6.7%)

Options a and b were deemed potentially detrimental, leading to a reduction in LCTS and an increased burden on residents with lower incomes. Therefore, option c, aligning with the CPI of September 2023 (6.7%), is recommended for its balanced approach and positive impact on the community.

## **Implications**

11. There are no significant implications.

## **Report Author:**

Dawn Graham – Revenues and Benefits Service Manager

[dawn.graham@scambs.gov.uk](mailto:dawn.graham@scambs.gov.uk)