



## **DERBY CITY COUNCIL**

### **Council Tax Support Scheme for 2026/2027**

## **Contents**

- 1. Introduction**
- 2. Council Tax Support Scheme: Law and legal context**
- 3. The CTS Scheme: Maximum entitlement**
- 4. The CTS Scheme: other determinations**
- 5. Vulnerable People**
- 6. Claims for Council Tax Support**
- 7. Payment and overpayments**
- 8. Appeals**
- 9. General Up-rating**
- 10. Further reductions**
- 11. Appendices**

## **Derby City Council Council Tax Support Scheme 2026/2027**

### **1. Introduction**

This document sets out the Council's legal position with regard to the Council's Council Tax Support (CTS) Scheme for 2026/2027, for working age households.

The Government prescribed a national scheme for pensioner households from 1 April 2013. This means that pensioners are not affected by the Council's CTS Scheme. The prescribed scheme for pensioners is therefore not considered within this document.

### **2. Council Tax Support Scheme: Law and legal context**

The Scheme explained here is the CTS Scheme for Derby City Council in its capacity as a Billing Authority, under Section 13A (1) (a) of the Local Government Finance Act 1992 (as amended by section 10 of the Local Government Finance Act 2012).

This revised CTS Scheme applies from 1 April 2026.

The Council's CTS Scheme is subject to the Council's duties for local welfare support under provisions including:

- The Welfare Reform Act 2012;
- The Localism Act 2011;
- The Equalities Act 2010;
- The Local Government Finance Act 1992 and 2012;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 SI 2012/2885 (as amended);
- Other legislation in relation to Vulnerable Groups including but not limited to the Child Poverty Act 2010;
- The Social Security Contributions and Benefits Act, 1992 and the Social Security Administration Act 1992;
- Data Protection Act 1998;
- The Housing Benefit Regulations 2006 (The HB Regulations)
- The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (The Default Scheme)
- The Welfare Reform and Work Act 2016

In addition to the above requirements, the Council also takes account of guidance and advice which has been published by the Department of Communities and Local Government, and which includes:

- Localising support for Council Tax taking work incentives into account;
- Localising support for Council Tax Vulnerable People- key local authority duties;
- Localising support for Council Tax - A statement of intent;
- Localising support for Council Tax - Funding arrangements consultation.

Please refer to useful information section at **Appendix A**.

### **3. The Council's CTS Scheme: Maximum entitlement**

The Council's CTS Scheme is a means-tested discount calculated within the framework of means-testing provided by the Government's Default Scheme. Unless otherwise provided for by the Council's CTS Scheme, or by the provisions above including the Local Government Finance Act, the rules which apply under the Default Scheme calculation apply for the Council's administration and calculation of CTS, including but not limited to:

- the eligible person;
- the time and manner of claim;
- the calculation and determination of income;
- the calculation and determination of capital;
- extended payment of benefit;
- benefit periods;
- treatment of passported claims;
- the value and application of tapers;
- the value and application of disregards;
- the value and application of the Family Premium;
- changes in entitlement;
- change of circumstance;
- the calculation and recovery of overpayments;
- the management and administration of fraud and error;
- the management and administration of subsidy and reporting;
- other matters under the calculation, determination, payment and recovery of Council Tax Support.

The Council's CTS Scheme will apply a maximum eligible amount of Council Tax and will apply this to all applicants for CTS. The maximum amount of CTS which may be awarded under the CTS Scheme will be:

1. Capped at the yearly rate of a Band B property charge due under the Local Government Finance Act 1992.
2. The maximum amount of Council Tax which is eligible for the CTS Scheme and which may be the maximum award under this Scheme is set at a percentage of the total Council Tax due as calculated at (1) above. The minimum contribution that all CTS claimants have to pay towards their Council Tax is 20%.

#### **4. The Council's CTS Scheme: other determinations**

The Council's CTS Scheme additionally makes provisions in relation to the award of support in the following circumstances:

1. The amount of capital held. The Council's CTS Scheme sets a limit of capital to be held of £6000.00. Capital includes money, savings, investments, and property. Capital held in excess of the capital limit means that no CTS can be awarded.
2. The value and application of premiums and allowances (applicable amounts) to be used in the CTS calculation are those set out in the Housing Benefit Scheme (HB Scheme), unless stated otherwise in the CTS Scheme. With regard to this, the CTS Scheme uses the Default Scheme rules and amounts to determine the value and application of the Family Premium.
3. The rules and deduction rates for the treatment of non-dependents. The Council aligns these to the HB Scheme as closely as possible from now on. This means that the same rules and deduction rates will be used for both the Council's CTS Scheme and the HB Scheme at all times, with the following exceptions:
  - (a) The CTS Scheme does not use the two highest non-dependent deduction rates in the HB Scheme;
  - (b) Where a non-dependent is working and receives less than £100.00 a week gross income, including those on a passport benefit or receiving Universal Credit (UC) and not working, a standard weekly deduction of £4.00 is made from the claimant's CTS entitlement.

There will be no further consultation about these principles if the Government changes these HB rules and deductions in the future.

4. Backdating. The CTS Scheme allows CTS claims to be backdated for up to a maximum of three months from the date of claim.
5. Second Adult Rebate. The Council's CTS Scheme makes no provision for the award of Second Adult rebate.
6. Minimum weekly award. The CTS Scheme specifies a minimum weekly award of support of £4.00 per week. In the event that the calculation of award shows that the award will be less than £4.00 per week, then under the Council's Scheme no award of CTS will be payable.
7. Temporary absence rules. The CTS Scheme is aligned to the HB Scheme for rules relating to temporary absence rules for those who are temporarily absent from their sole or main residence because they have left Great Britain, from now on. There will be no further consultation about this if the Government changes these HB rules in the future. For absences within Great Britain, the Scheme remains aligned to the Default Scheme.

## **5. Vulnerable People**

The Council may or may not determine households' particular needs within the Council's CTS Scheme and be set by references to factors including but not limited to the overall costs of the Scheme and Scheme affordability.

Within the Council's CTS Scheme, consideration for "Vulnerable People" will be provided by continuing to disregard certain types of income within the calculation of awards, including Child Benefit; Disability Living Allowance; Personal Independence Payments and War Widows Pensions/disablement benefits; and separately by continuing the allowances within the calculation for Carers.

Assessed income and needs will be in accordance with the Default Scheme Regulations, in conjunction with the Council's CTS Scheme, affording consideration to particular vulnerable households and families. Additionally, the Council will continue to provide for the extension of the local scheme for war widows and war disablement payments.

The Council's CTS Scheme will provide the rules by which people are to be considered within this paragraph, which may include their qualification for identified benefits; their domestic circumstances; their qualification for compensation payments; or otherwise under the Council's CTS Scheme.

## **6. Claims for CTS**

Claimants in receipt of CTS immediately prior to 1 April 2026 are automatically subject to the amended CTS Scheme from 1 April 2026. These claimants do not need to make new claims when the Scheme changes; instead their CTS entitlement is re-calculated, where necessary, using the terms of the amended Scheme, with effect from 1 April 2026.

Where a claim has been made for CTS prior to 1 April 2026 and has not been determined by the date that the amended Scheme becomes effective (1 April 2026), the Council will assess the claim using the relevant version of the Scheme in operation during the period the claimant is claiming for. This means that CTS entitlement will be calculated using the original version of the Scheme for any period up to and including 31 March 2026 and will then be automatically re-calculated using the amended version of the Scheme from 1 April 2026.

A person may apply for Council Tax Support in the following ways;

- Online by using the Council's application form
- A relevant application via the Department for Work and Pensions for support.

Any application made through these channels (detailed above) or through other channels made available may be subject to risk-based verification using third parties and additional validation, as required by the Council, to confirm entitlement and to calculate the amount of CTS due.

The Council shall not determine entitlement where a claim is incomplete until all relevant information is provided. This information must be provided by the claimant within one month of any request from the Council. This period may be extended if the Council determines the circumstances to be reasonable.

Failure to provide the requested information for a new claim in accordance with Paragraphs 110 (5) & 113 (4) of Schedule of The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 may result in the Council (the Billing Authority) being unable to award any Council Tax Support.

If there is a change in circumstances, it is the claimant's responsibility to report all changes to the Benefits Service. The Council (the Billing Authority) may have to suspend the CTS claim whilst we collect the required information/evidence. Following the suspension, failure to provide the requested information/evidence for the change in circumstances in accordance with Paragraph 113 (4) of Schedule of The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 may result in the Council (the Billing Authority) terminating the CTS claim.

A claim for support may be amended or withdrawn by the claimant, in writing, at any time prior to the Council making a decision regarding entitlement.

#### **Universal Credit (UC) claimants**

The Council may be notified of a successful UC claim by the DWP. This may then be used to set up a Council Tax Support claim based on certain circumstances.

#### **7. Payment and overpayments**

Payments and overpayments of CTS reflect the Default Scheme Regulations. A Council Taxpayer's bill is reduced by way of a credit or increased by way of a debit for the amount of CTS granted or withdrawn depending on the circumstances.

An overpayment is when the Council has awarded too much Council Tax Support. When this happens, the claimant may be asked to pay it back as part of their Council Tax liability, depending on the circumstances of the case.

It is at the Council's discretion as to whether a CTS overpayment needs to be paid back. Where the Council decides that all or part of a CTS overpayment should be paid back, the claimant cannot appeal this decision to the Valuation Tribunal Service. However, claimants can apply for a discretionary Council Tax reduction (see Section 10 below) to help them with their Council Tax payments, if they are eligible for help.

#### **8. Appeals**

A claimant may appeal under Section 16 of the Local Government Finance Act 1992 against the Council's decision regarding their eligibility for, or entitlement to support. In the first instance this should be by writing to the Council to request that its decision be reconsidered. Letters should be addressed to: Derby City Council, The Council House, Corporation Street, Derby DE1 2FS. The Council will then reconsider its decision and notify the claimant of its considerations and reasons for its decision within two months. If the reconsideration request is unsuccessful, the claimant can request an appeal direct to the Valuation Tribunal Service at the appropriate address which can be found at [www.valuationtribunal.gov.uk](http://www.valuationtribunal.gov.uk) for an independent review of their appeal by the Valuation Tribunal for England. This request must be made within two months of the unsuccessful reconsideration decision by the Billing Authority.

If the Council has not replied to a reconsideration request within two months, a claimant can appeal direct to the Valuation Tribunal Service providing not more than four months

have passed since the claimant wrote to the Council asking them to reconsider their decision. The Council's CTS itself, as set by the Council, shall not be subject to appeal under these arrangements.

## **9. General Uprating**

Any figures set out in the Council's CTS Scheme may be uprated, to take effect from 1 April every year. The amount of uprating will be determined by the Council and will link closely to other welfare benefit changes. This may be linked to the consumer price index, retail price index of inflation set in the preceding September or by another rate determined with reference to provisions made for Housing Benefit and Universal Credit. Notification of uprating will be published on the Council's website as soon as practicable.

## **10. Further Reductions**

Where exceptional and demonstrable hardship is caused, applications in writing can be made by the Council Taxpayer to the Head of Revenues, Benefits and Exchequer Services. Letters should be addressed to: Derby City Council, The Council House, Corporation Street, Derby DE1 2FS. This discretionary reduction is under Section 13A (1) (c) of the Local Government Finance Act 1992 (as amended).

If the Council decides not to award a discretionary reduction, the claimant can appeal this decision to the Valuation Tribunal Service.

## **11. Appendices**

Appendix A: Useful information

## Appendix A

This section sets out some useful websites and links to websites where you can find more detailed information about both the regulatory framework and the guidance issued to local authorities:

- The Department for Levelling Up, Housing & Communities  
<https://www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities>
- The Department for Work and Pensions <https://www.gov.uk/government/organisations/department-for-work-pensions>
- Armed Forces Covenant <https://www.gov.uk/government/collections/armed-forces-covenant-supporting-information>
- The Local Government Finance Act 1992 <http://www.legislation.gov.uk/ukpga/1992/14/contents>
- The Social Security Contributions and Benefits Act 1992  
<http://www.legislation.gov.uk/ukpga/1992/4/contents/enacted>
- The Social Security Administration Act 1992  
<http://www.legislation.gov.uk/ukpga/1992/5/contents/enacted>
- Housing Act 1996 <https://www.legislation.gov.uk/ukpga/1996/52/contents>
- The Housing Benefit Regulations 2006 (The HB Regulations)  
<http://www.legislation.gov.uk/uksi/2006/213/contents/made>
- The Equalities Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/contents>
- Other legislation in relation to Vulnerable Groups including but not limited to the Child Poverty Act 2010 <http://www.legislation.gov.uk/ukpga/2010/9/contents>
- The Localism Act 2011 <http://www.legislation.gov.uk/ukpga/2011/20/contents>
- The Welfare Reform Act 2012 <http://www.legislation.gov.uk/ukpga/2012/5/contents>
- The Local Government Finance Act 2012  
<http://www.legislation.gov.uk/ukpga/2012/17/contents/enacted>
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012  
<http://www.legislation.gov.uk/uksi/2012/2885/contents/made>
- The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012;  
<http://www.legislation.gov.uk/uksi/2012/2886/contents/made>
- Social Security (Information sharing in relation to Welfare Services etc.) Regulations 2012  
<http://www.legislation.gov.uk/uksi/2012/1483/contents/made>
- Welfare Reform Act 2012 (sections 130-133)  
<http://www.legislation.gov.uk/ukpga/2012/5/part/5/crossheading/information-sharing-involving-local-authorities-etc>
- The Council Tax Reduction Schemes (Default Scheme)(England) Regulations 2012 (The Default Scheme) <http://www.legislation.gov.uk/uksi/2012/2886/contents/made>
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendments) Regulations 2013  
<http://www.legislation.gov.uk/uksi/2013/3181/contents/made>
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendments) Regulations 2014  
<http://www.legislation.gov.uk/uksi/2014/448/contents/made>
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014 <http://www.legislation.gov.uk/uksi/2014/3312/contents/made>
- The Welfare Reform and Work Act 2016  
<http://www.legislation.gov.uk/ukpga/2016/7/contents/enacted/data.htm>
- The Council Tax Reduction Schemes (Amendment)(England) Regulations 2017  
<http://www.legislation.gov.uk/uksi/2017/1305/made>
- Data Protection Act 2018; <https://www.legislation.gov.uk/ukpga/2018/12/contents/enacted>