

Council Tax Support Consultation – 2026/27 Scheme

Results

October 2025

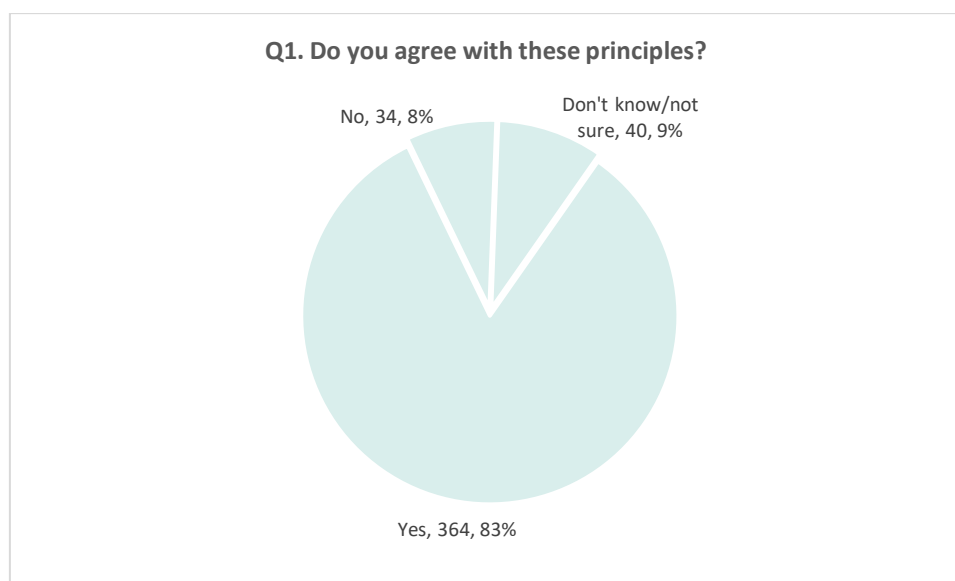
Introduction

1. South Kesteven District Council (SKDC) is required by law to provide a Local Council Tax Support Scheme. The purpose of this scheme is to help low-income households with the costs of their council tax bill.
2. The scheme is administered by the Council using rules which have been set locally. Underpinned by national legislation, support is focused on those facing financial hardship, with costs being met by SKDC and central government.
3. Introduced after the abolition of Council Tax Benefit in 2013, the scheme sets out the rules and principles that guide how discounts will be calculated and is reviewed annually. The amount of discount received is dependent on income, savings, council tax band and household circumstances, and is applied as a reduction to Council Tax bills.
4. To help the Council determine how best to allocate/distribute its Council Tax support from April 2026, respondents were asked what they thought of the key elements of the scheme. These included:
 - the principles of the Council Tax Support Scheme
 - Council Tax technical restrictions (discounts and premiums)
 - an exemption for young people leaving the care system
 - a special constable discount
 - disregards of war pension and armed forces compensation payments
 - the alignment of the value of the capital tariff limit and disregard for working age claimants to the pension age claimant values
 - a Council Tax second home premium
 - discretionary Council Tax payment schemes
5. 440 individuals responded to the annual Council Tax Support consultation, which took place from 1 to 30 September 2025.

The principles of the Council Tax Support Scheme:

6. SKDC's Council Tax Support Scheme has two main principles. These are:
 - A cap of 80% on entitlement for all applicants of working age. This means anyone of working age eligible for help paying their Council Tax will be entitled to claim for help with **up to but no more than 80%** of their bill.
 - Pensioners and vulnerable persons eligible for help paying their Council Tax are protected by legislation.
7. Respondents were informed that the Council is proposing to continue to focus on these principles.
8. When asked if they agreed with these principles, eight out of ten respondents (364 or 83.1%) said that they did, as illustrated in the pie chart and table below:

	No	%
Yes, I agree with these principles	364	83.1
No, I don't agree with these principles	34	7.8
I don't know if I agree or disagree with these principles	40	9.1
	438	100



9. The second question on the survey asked respondents to detail why they didn't agree with these principles. Analysing their comments revealed that they had strong opinions about who should receive council tax support and under what circumstances. Some suggested that only pensioners, disabled individuals, or those on means-tested benefits should receive support. Respondents also commented on the percentage of council tax reduction offered, with some feeling that the proposed 80% cap is too high, or unfair. Examples of the comments made are included below and overleaf:

“No reason for those of working age to receive support.”

“It's too high. 25% would be fairer.”

““The help given should depend on people's individual situations and should be up to 100% support where necessary.”

Council Tax technical restrictions (discounts and premiums) - introduced from 1 April 2013 (and onwards)

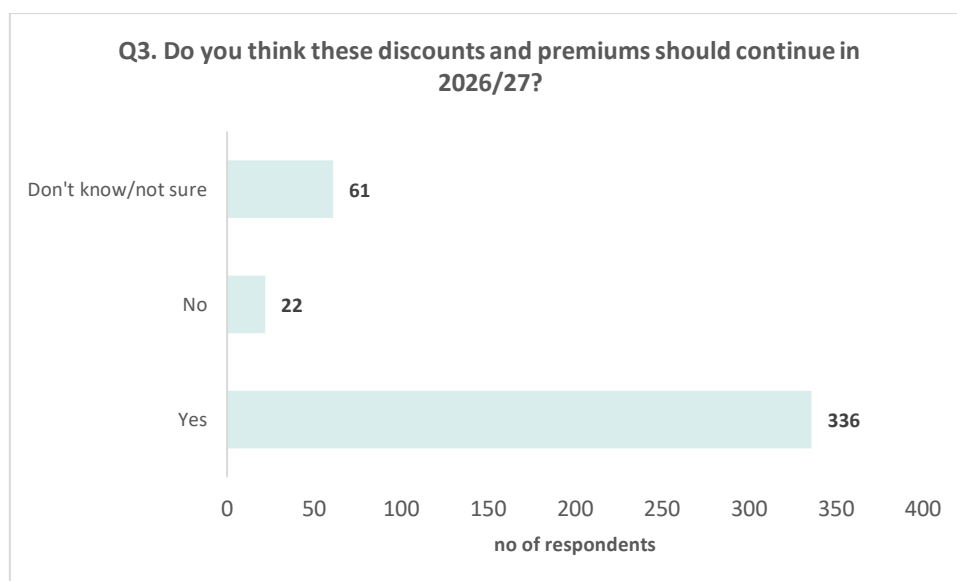
10. SKDC's scheme also has the following amendments to Council Tax technical restrictions for all Council Taxpayers. These have been made as a result of changes to legislation. They are: -

- Introduction of changes to the properties which are unoccupied and unfurnished: -
 - 100% discount for one month;
 - 25% discount for the following 5 months;
 - 100% charge thereafter.
- Introduction of additional premiums to properties empty over 2 years, plus the original charge: -
 - 200% premium – empty between 2 and 5 years.
 - 300% premium – empty between 5 and 10 years.
 - 400% premium – empty over 10 years.
- Unoccupied discount of 100% for the first month.
- Council Tax premium of 100% for a property classed as a second home (i.e. any dwelling that is furnished and is no-one's sole or main residence).

The Council is proposing to continue with these levels of discounts and premiums.

11. When asked if they thought these discounts and premiums should continue in 2026/27, eight out of ten respondents (336 or 80.2%) thought that they should, as illustrated below:

	No	%
Yes, I think the discounts and premiums should continue	336	80.2
No, I don't think the discounts and premiums should continue	22	5.2
I don't know if the discounts and premiums should continue	61	14.6
	419	100.0



12. When asked to describe why they didn't agree with the discounts and premiums, the responses tended to fall into one of two viewpoints. Some believed that the Council should not levy a charge for unoccupied property, as no services are being used. Others thought it was wrong to leave properties empty, particularly given the current housing crisis. This is illustrated in the quotes below:

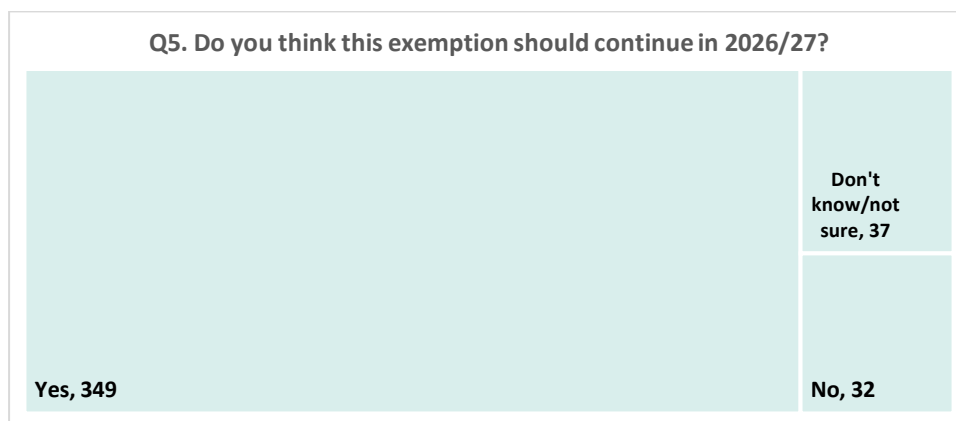
“Empty houses do not use council services.”

“Premiums of 200%+ should be applied given the housing crisis as it would encourage people to rent or sell the house so it can be used.”

An exemption for young people leaving the care system - introduced from 1 April 2019:

13. In South Kesteven all young people leaving the care system are currently exempt from paying Council Tax in properties they rent or own, until they are 25.
14. The Council is proposing to continue to apply this exemption.
15. Just over eight out of ten respondents (349 or 83.5%) thought all young people leaving the care system should continue to be exempt from paying Council Tax for owned or rented properties, until they are 25. This is illustrated below and overleaf:

	No	%
Yes, I think the exemption should continue	349	83.5
No, I don't think the exemption should continue	32	7.7
I don't know if the exemption should continue	37	8.8
	418	100.0



16. When asked why they didn't support this exemption, most comments were centred on eligibility and whether the scheme is fair. There was debate about whether care leavers should be treated differently from other young people, and whether support should be means-tested or based on individual circumstances. The age at which support finishes was also mentioned, as illustrated here:

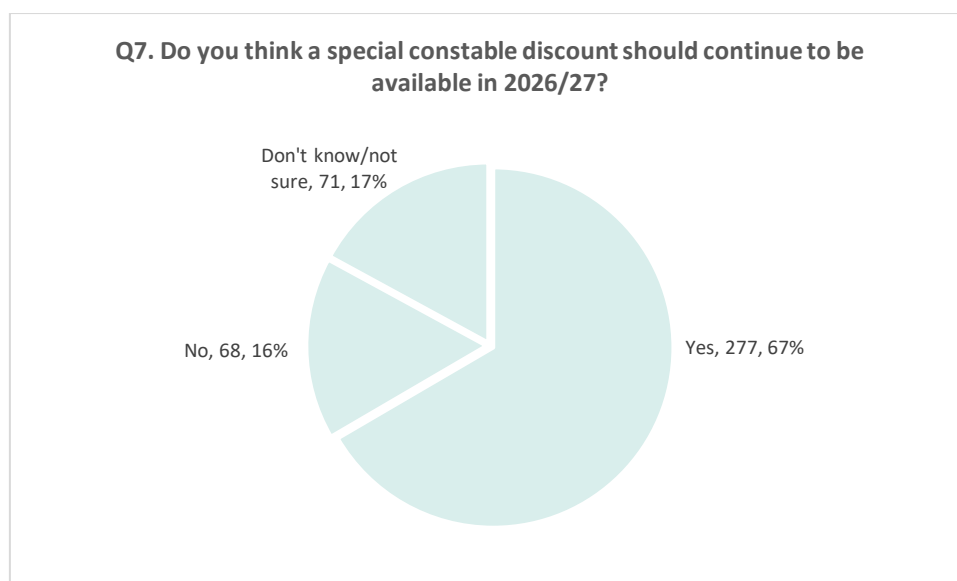
"Why should a young person leaving the care system be treated any differently from a young person from a low-income home....?"

"The age limit of 25 is far too high and doesn't encourage them to find a job...."

Special Constable Discount Scheme - introduced from 1 April 2022

17. In South Kesteven, Special Constables can make an application for a 25% Council Tax discount for each eligible Special Constable in the household (up to 50%).
18. The Council is proposing to continue with this discount.
19. Two thirds of respondents (277 or 66.6%) thought the Special Constable Discount Scheme should continue to operate in 2026/27, as illustrated below and overleaf:

	No	%
Yes, I think the scheme should continue to be available	277	66.6
No, I don't think the scheme should continue to be available	68	16.3
I don't know if the scheme should continue	71	17.1
	416	100.0



20. When asked why they didn't support special constables being awarded a discount on their council tax, the reasons respondents gave were varied. Some asked why Special Constables receive a council tax discount when other volunteers or key workers (such as NHS staff, military personnel, teachers, and other emergency service volunteers) do not. Others said that it was their choice to volunteer and that maybe the amounts incurred could be better used elsewhere. There appears to be a strong sentiment that the scheme is unfair and creates inequality among those who contribute to society. This is illustrated in the quotes below:

"Why should Special Constables be treated differently to any other volunteer emergency service workers (retained fire fighters, first responders etc)?"

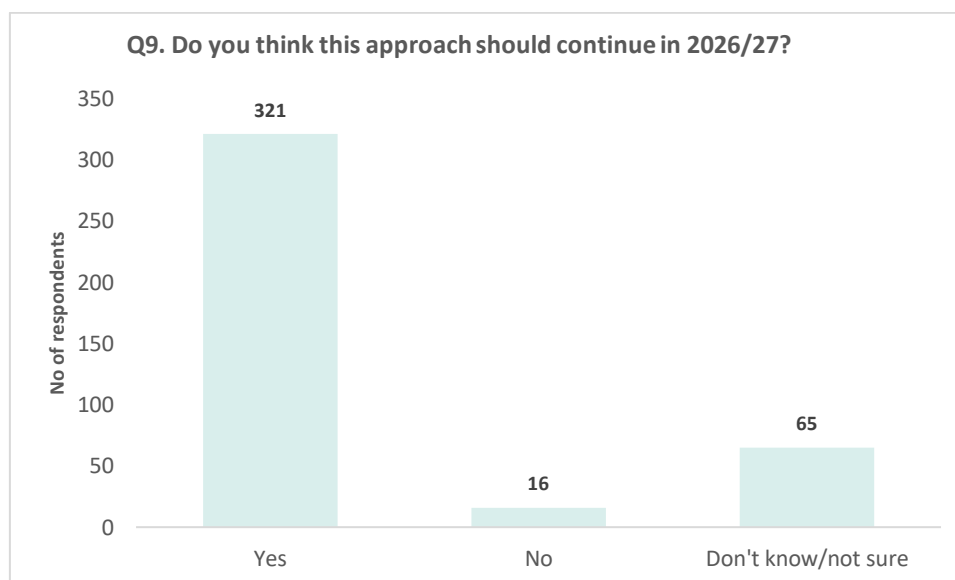
"Rather than offering selective discounts, the funds saved by discontinuing this scheme should be redistributed to other vital local services that benefit the wider community."

"It is their choice to volunteer."

Disregards of War Pension and Armed Forces Compensation payments:

21. South Kesteven District Council does not currently include War Pension and Armed Forces Compensation within the calculation of income for Council Tax Support. It disregards these amounts in the calculations it undertakes.
22. The Council is proposing to continue to disregard this income.
23. Respondents were asked if they thought the Council should continue to disregard War Pension and Armed Forces Compensation for both Housing Benefit and Council Tax Support calculations. Eight out of ten respondents thought that they should, as illustrated overleaf:

	No	%
Yes, I think the Council should continue to apply this disregard	321	79.8
No, I don't think the Council should continue to apply this disregard	16	4.0
I don't know if the Council should continue to apply the disregard or not	65	16.2
	402	100.0



24. When asked why they felt they were unable to support this approach, the comments made were similar to comments made about other elements of SKDC's Council Tax Support Scheme, citing fairness and consistency. For other respondents, it was an opportunity to state why they supported this approach. Examples of each are detailed below:

"They served our country, ergo they should be supported above all else."

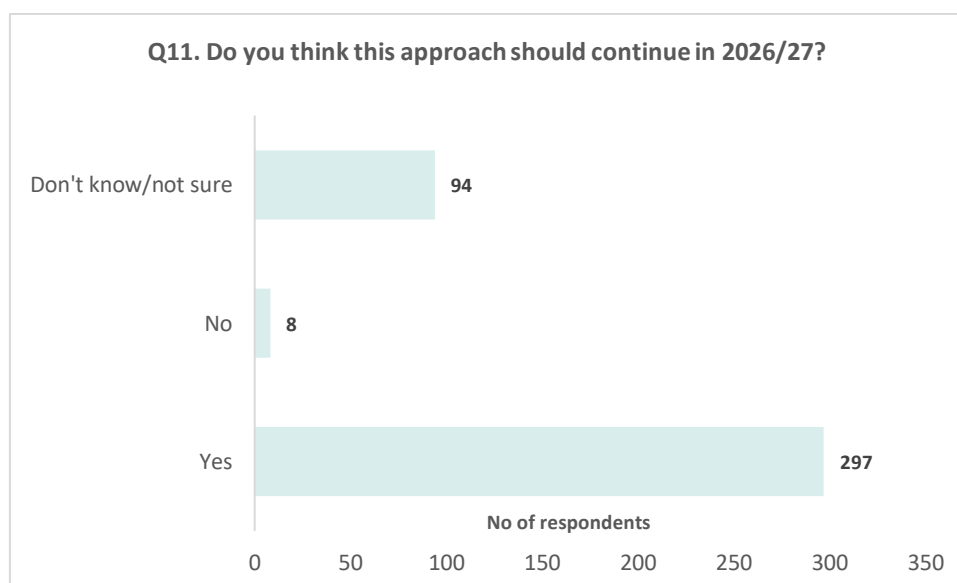
"It is still an income like a pension or savings so should be included as all other monies are."

The alignment of the value of the capital tariff limit and disregard for working age claimants to the pension age claimant values - introduced from 1 April 2024:

25. South Kesteven District Council aligned the capital tariff limit and disregard of working age claimants to that of the pension age claimant values from 1 April 2024 – these being a capital tariff of £1 for every £500, and a disregard of £10,000.
26. The Council is proposing to continue to align working age capital tariffs to pension age.

27. When asked for their opinion on the alignment of the capital tariff limit and disregard for working age claimants to the pension age claimant values, and if this approach should continue in 2026/27, three quarters of respondents (297 or 74.4%) agreed. This is illustrated in the table below:

	No	%
Yes, I think this approach should continue	297	74.4
No, I don't think this approach should continue	8	2.0
I don't know if this approach should continue or not	94	23.6
	399	100.0



28. When asked to comment on this element of the scheme, and why they might not support this approach in 2026/27, there was little consistency. Some respondents thought the scheme might be too generous, others that it wasn't generous enough, others argued that working-age individuals should not be treated the same as pensioners. Some just didn't understand what it meant. Examples of each of these are shown below:

"Might this unreasonably discriminate or penalize those individuals who might have invested wisely and/or carefully planned for their retirement?"

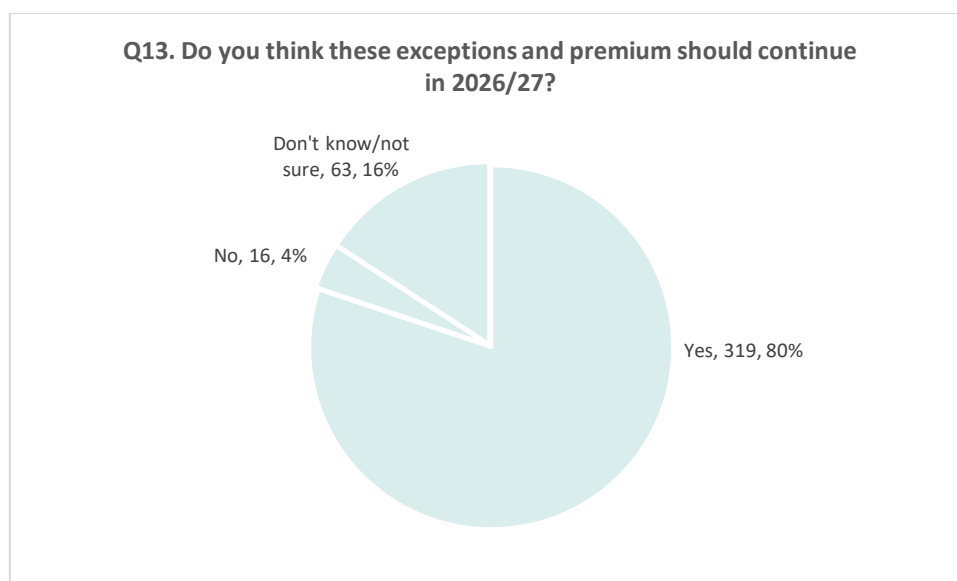
"Pensioners already profit from the triple lock; the above provision was brought in when pensioner poverty was a real problem. It is no longer. These days, hard pressed families are worse off than pensioners."

"I do not understand what this means."

A Council Tax second home premium – introduced from 1 April 2025

29. Respondents were then asked about the Council Tax second home premium of 100%. This applies to home owners who have a second property in South Kesteven, where the home is not classed as their main and sole residence and does not meet the mandatory exception criteria set out by central government.
30. Introduced on 1 April 2025 as a result of legislative changes, a premium of 100% is applied where a property does not meet one of the following exceptions:
- A dwelling which is or would be someone's sole or main residence if they were not residing in job-related armed forces accommodation; or
 - Annexes forming part of or being treated as part of the main dwelling; or
 - Dwellings being actively marketed for sale (12-month limit); or
 - Dwellings being actively marketed for let (12-month limit); or
 - Unoccupied dwellings which fell within exempt Class F and where probate has recently been granted (12 months from grant of probate/ letters of administration); or
 - Job-related dwellings; or
 - Occupied caravan pitches and boat moorings; or
 - Seasonal homes where year-round permanent occupation is prohibited, specific for use as holiday accommodation or planning condition preventing occupancy for more than 28 days continuously
31. Respondents were informed that the Council is proposing to continue with these exceptions and award the 100% premium where a property does not meet the exception. When asked if the exceptions and premium should continue in 2026/27, four fifths of respondents (319 or 80.2%) supported this proposal, as illustrated in the table below and pie chart overleaf:

	No	%
Yes, I think these exceptions and premium should continue	319	80.2
No, I don't think these exceptions and premium should continue	16	4.0
I don't know if these exceptions and premium should continue or not	63	15.8
	398	100.0



32. Respondents who weren't in favour of this approach could be categorised into one of two viewpoints. Those who thought this approach was too lenient for anyone with a second home, and those who thought it was unfair. Examples of each of these points of view are illustrated here:

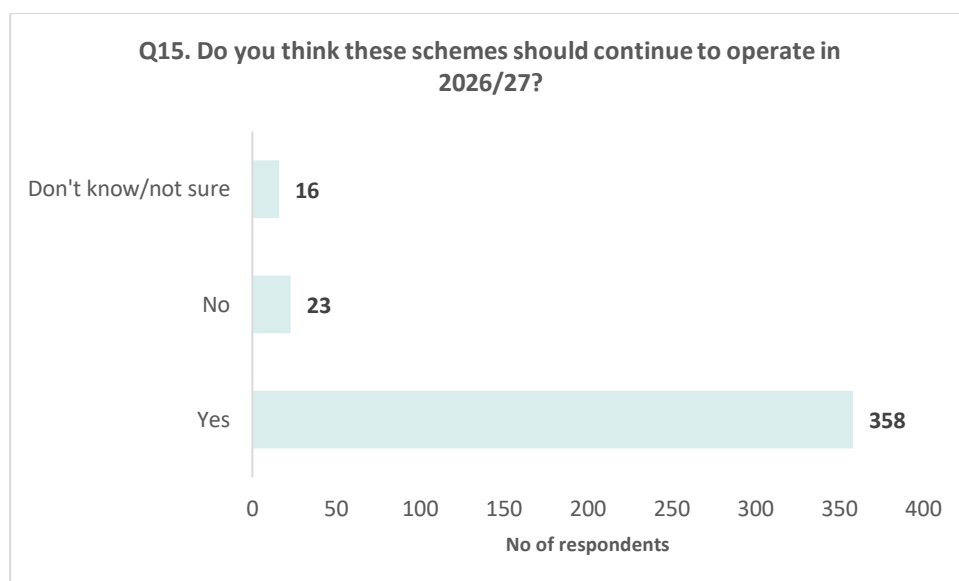
“Far too generous when these people can afford to have the second dwelling.”

“There should be no second homes premium....”

Discretionary Council Tax Payment Schemes:

33. South Kesteven District Council also operates a Discretionary Council Tax Payment Scheme and a Discretionary Housing Payment Scheme. The schemes have been designed to offer additional support to those struggling to pay their Council Tax and rent, and offer limited, short-term assistance to those in receipt of Council Tax Support, Housing Benefit and/or Universal Credit (Housing Costs) who need further help.
34. The Council is proposing that these schemes should continue to operate.
35. There was strong support for these initiatives, with 90% of those responding to the survey stating that they think the Discretionary Payment Schemes should continue to operate. This level of support is illustrated below:

	No	%
Yes, I think the Discretionary Payment Schemes should continue to operate	358	90.2
No, I don't think the Discretionary Payment Schemes should continue to operate	23	5.8
I don't know if these schemes should continue to operate or not	16	4.0
	397	100.0



36. When asked why they thought the schemes shouldn't continue, some respondents questioned whether additional council tax support is necessary, arguing that recipients already receive sufficient government benefits. Others argued that it should only be available to those in need, for a very short time as illustrated in the quotes below:

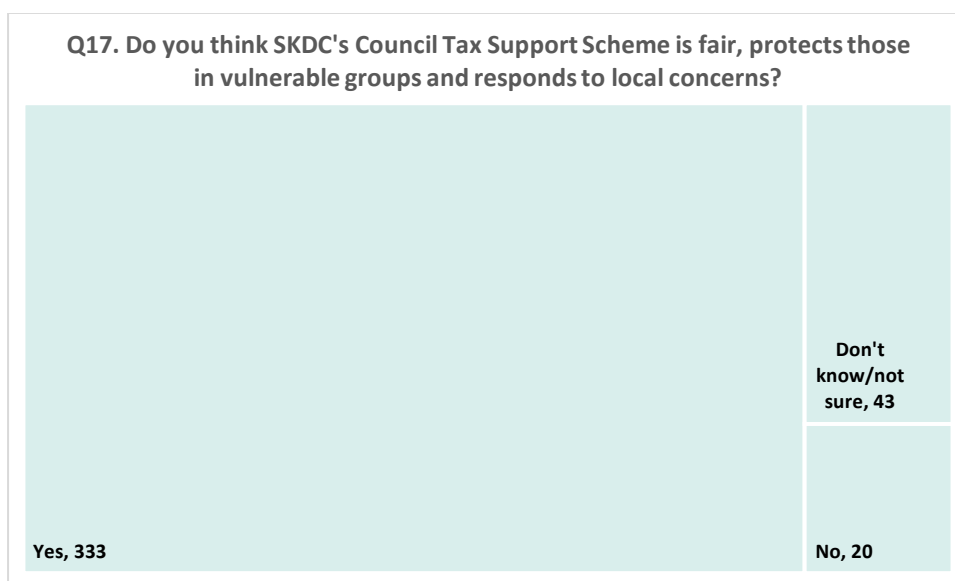
"They already receive benefits and support; they should not receive more funds because they cannot manage their finances."

"I agree as long as it's definitely short term and not a way of life!"

37. The next question respondents were asked was if they thought that SKDC's Council Tax Support Scheme is fair, protects pensioners and those in vulnerable groups, and responds to local concerns.

38. When asked if they thought SKDC's Council Tax Support Scheme is fair, protects those in vulnerable groups and responds to local concerns, 84.1% of respondents said yes, they thought it was. The distribution of responses is detailed in the table below:

	No	%
Yes, I think SKDC's Council Tax Support Scheme is fair	333	84.1
No, I think SKDC's Council Tax Support Scheme is unfair	20	5.0
I don't know if SKDC's Council Tax Support Scheme is fair or unfair	43	10.9
	396	100.0



39. When asked why they thought SKDC's Council Tax Support Scheme was unfair, some respondents said that they didn't know enough about it to answer the question. Others thought that certain elements of the scheme led to unfairness. A few raised objections on behalf of Council Taxpayers across the district. This is illustrated in the quotes below:

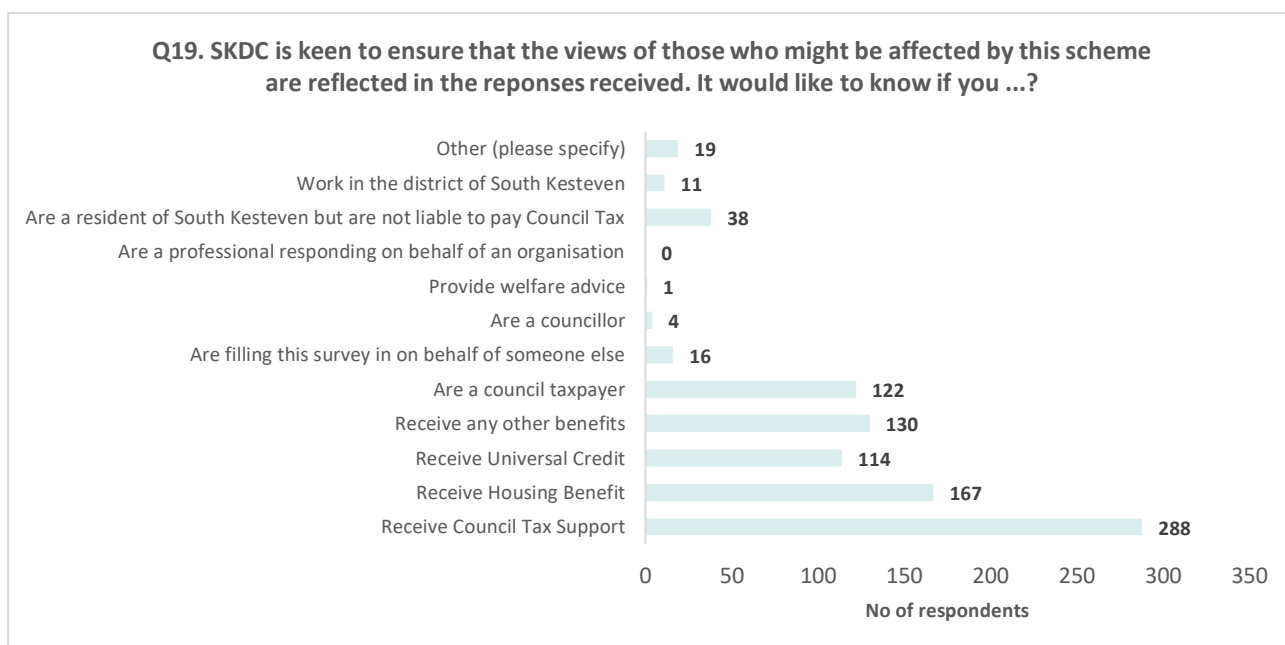
"I don't know enough about it to make a judgement."

"No, I do not believe the scheme is entirely fair or fully responds to local concerns. While I appreciate that the Council Tax Support Scheme aims to protect pensioners and vulnerable groups, the inclusion of selective discounts—such as the Special Constable discount—undermines fairness. It prioritizes one volunteer group over others..."

"Not fair to hard working tax payers"

40. The penultimate question on the survey asked people to identify if they:
- Received Council Tax Support, Housing Benefit or Universal Credit or any other benefits
 - Are a Council Taxpayer
 - Are filling in the survey on behalf of someone else
 - Are a councillor, provide welfare advice or are a professional filling it in on behalf of an organisation
 - Are a resident of South Kesteven but are not liable to pay Council tax
 - Work in the district
41. The purpose of this was to establish that the views of those who might be subject to this scheme are reflected in the responses received. The table below shows the number of respondents who ticked each of these choices. Respondents could choose more than one option if they so wished:

	No	%
Receive Council Tax Support	288	74.4
Receive Housing Benefit	167	43.2
Receive Universal Credit	114	29.5
Receive any other benefits	130	33.6
Are a Council Taxpayer	122	31.5
Are filling in the survey on behalf of someone else	16	4.1
Are a councillor	4	1.0
Provide welfare advice	1	0.3
Are a professional on behalf of an organisation	0	0
Are a resident of South Kesteven but not liable to pay Council Tax	38	9.8
Work in the district	11	2.8
Other, please specify	19	4.9



42. The final question asked people to state if they had responded on behalf of an organisation. Sixteen responses were received from individuals, the majority of whom were representatives from SKDC. Two responses were received from parish councils and one from a housing association.

43. The consultation closed on 30 September 2025.

Conclusion

44. This consultation illustrates support for each of the parameters of SKDC's Council Tax Support Scheme. The number and percentage of respondents agreeing with each of the constructs of the scheme ranged from two thirds of respondents (277 or 66.6%) for the Special Constable Discount Scheme to nine out of ten respondents (358 or 90.2%) in favour of the Discretionary Payment Schemes.
45. Support for the scheme overall was also strong. 333 respondents (84.1%) thought that SKDC's Council Tax Support Scheme was fair, protects those in vulnerable groups and responds to local concerns.
46. The survey was completed by individuals who are in receipt of some kind of benefit to help them pay their Council Tax or rent. Three quarters of those (288 or 74.4%) who took part in the survey were in receipt of Council Tax Support. Four out of ten respondents (167 or 43.2%) were claiming housing benefit. A third (130 or 33.6%) were in receipt of other benefits.
47. Cabinet, Finance and Economic Overview and Scrutiny Committee and CMT are asked to note the contents of this report.

Report prepared by Deb Wyles

Communications

22 October 2025