

<b>Item No</b>	<b>Referred from:</b>	<b>Cabinet</b>
<b>8a</b>	<b>Date:</b>	<b>14 January 2025</b>
	<b>Title of item:</b>	<b>Council Tax Reduction Scheme</b>
<b>To be considered alongside agenda item:</b>		<b>Agenda Item 11</b>

The report considered by Cabinet at the meeting held on 14 January 2025 can be viewed here: [Agenda for Cabinet on Tuesday, 14th January, 2025, 7.30 pm | North Herts Council](#)

**RECOMMENDED TO COUNCIL:** That the continuation of the banded scheme for working age applicants which remains largely unchanged for 2025/2026, a small adjustment to the income bands to reflect CPI has been incorporated to ensure the scheme continues to support those most in need.

**REASONS FOR RECOMMENDATION:** To ensure that the Council has a Council Tax Reduction Scheme that continues to:

- Provide the greatest support to the lowest income households.
- Reduce the administrative burden that has been placed on the Council since the introduction of Universal Credit (UC).
- Be simple to understand, meaning that customers will be able to calculate entitlement and assess the impact of potential changes in circumstances.

*Audio recording 54 minutes 32 seconds*

Councillor Ian Albert, as Executive Member for Finance and IT, presented the report entitled 'Council Tax Reduction Scheme 2025/26' and advised that:

- The Council was required to review its Council Tax Reduction Scheme (CTRS) every financial year.
- The introduction of a banded scheme in 2023/24 was now in its second year.
- The CTRS scheme had been reviewed and no significant changes were required.
- A small adjustment had been made to reflect the Consumer Price Index (CPI), to ensure the scheme continued to support those residents in most need.
- There was a recommendation for an increase in bands in the coming financial year to align with the CPI for 2025/26 This increase would be 2.7% for three bands and 1.7% for all others.
- The CTRS was divided into two schemes, one for pension age applicants and one for working age applicants.
- The CTRS cost of 9.18 million was shared between Hertfordshire County Council, North Herts District Council and the Police and Crime Commissioner.
- The Discretionary Hardship Scheme was used to support cases of exceptional need when required.

Councillor Ian Albert proposed and Councillor Mick Debenham seconded and, following a vote, it was:

**RESOLVED:** That Cabinet:

- (1) Noted the cost of the scheme was currently £9.18m noting that this is not an actual cost but a reduction of the amount of council tax collected.
- (2) Noted that the Discretionary Exceptional Hardship Scheme, previously agreed to provide additional transitional support would continue to be used to support cases of exceptional hardship.

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