

Council Tax Support Fund guidance

About this guidance

1. This guidance is intended to support local authorities in using their allocation from the £100m Council Tax Support Fund, announced alongside the 2023-24 provisional Local Government Finance Settlement:

“We are also today announcing £100 million of additional funding for local authorities to support the most vulnerable households in England. This funding will allow councils to deliver additional support to the 3.8 million households already receiving council tax support, whilst also providing councils with the resources and flexibility to determine the local approaches to support other vulnerable households in their area”

2. The funding is for the 2023-24 financial year. Provisional allocations for each local authority are set out at Annex A, with final allocations to be confirmed at the final Local Government Finance Settlement.
3. This guidance applies to England only. It outlines the underpinning principles for use of the fund and expected eligibility criteria for delivery of the support package.
4. Any enquiries on this document or use of the fund should be addressed to:
Council.tax@levellingup.gov.uk

Introduction

5. Council tax levels are a matter for local authorities to decide although the Government sets referendum principles so that residents can have the final say over excessive increases. At Autumn Statement 2022 the Government announced its intention to increase referendum principles to 3% for core council tax and up to 2% for the Adult Social Care precept, with additional flexibilities for some other authority types for both 2023-24 and 2024-25.
6. Recognising the impact of rising bills, the Government will be distributing £100m of new grant funding in 2023-24 for local authorities to support economically vulnerable households in their area with council tax payments.
7. Funding will be allocated to councils based on their share of local council tax support claimants according to the latest data. The Government expects local authorities to use the majority of their funding allocations to reduce bills for current working age and pension age Local Council Tax Support (LCTS) claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with council tax bills.
8. This document provides guidance to authorities about the operation and delivery of the relief.

Minimum reduction in council tax liability for local council tax support claimants

9. The Government recognises that council tax increases set by local authorities may mean some individuals may struggle to meet council tax payments.

10. Local authorities are required to put in place LCTS schemes to offer council tax reductions to those facing financial hardship and will be preparing their schemes for 2023-24 by the statutory deadline of 11 March.
11. To supplement this local support, the Government expects that billing authorities will use their grant allocation to fund further reductions in the council tax liability of individuals receiving LCTS with an outstanding council tax liability, by up to £25. Local authorities are also able to use a proportion of their allocations to determine their own local approaches to supporting economically vulnerable households with council tax bills.
12. The discount should apply to current LCTS claimants that have an outstanding council tax liability for the 2023-24 financial year. Government expects councils to deliver this using their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.
13. Funding will be allocated to local authorities on the basis of their share of the LCTS claimants, based on Q2 data from 2022-23. The money will be paid out as soon as possible to local authorities through a grant under section 31 of the Local Government Act 2003.
14. Where a taxpayer's liability for 2023-24 is, following the application of council tax support, less than £25, then their liability would be reduced to nil. Where a taxpayer's liability for 2023-24 is nil, no reduction to the council tax bill will be available and those bills should not be credited.
15. There should be no need for any recipient of LCTS to make a separate claim for a reduction under this scheme. The billing authority should assess who is eligible for support and automatically apply the discount.
16. Council tax reductions should be applied from the beginning of the 2023-24 financial year for existing LCTS recipients and discounts should be reflected in council tax bills issued in March. It is for local authorities to decide how to treat households that become eligible for LCTS during the financial year.
17. Authorities will want to make their local populations aware of how the grant support package will be delivered e.g. through providing information on their websites.
18. It is the Government's intention that any assistance provided from the Council Tax Support Fund will not affect the eligibility of recipients for other benefits.

Discretionary support

19. The Government recognises that existing support mechanisms vary locally, including LCTS schemes, discretionary council tax discount/hardship schemes and local welfare schemes. Councils will want to consider using a proportion of their allocation to establish their own local approach to helping economically vulnerable households with council tax bills.
20. Local authorities should revisit their discretionary approach at intervals during the financial year, in order to ensure expenditure for 2023-24 remains within their allocation.

Funding allocations

21. The funding is for the 2023-24 financial year. Allocations are set out in annex A and should be used within the 2023-24 financial year.

Monitoring and reporting requirements

22. Local authorities should maintain a record of support provided. In particular, councils should ensure that they are able to monitor and report on the level of expenditure provided to LCTS claimants through the provision of additional discounts. Local authorities should also maintain records of the mechanisms and levels of support provided through discretionary schemes.

23. The Department for Levelling Up, Housing and Communities will undertake a quarterly DELTA collection exercise to monitor implementation progress. Councils should therefore ensure they put in place arrangements to support this data collection process.

New burdens

24. The Government recognises that the implementation of this policy will place an additional burden on local authorities. In accordance with the New Burdens doctrine the government will conduct an assessment of the expected reasonable additional costs associated with the implementation of the policy, such as staffing and software costs, working closely with local government in doing so.

Annex A: Funding allocations

Local authority	Funding allocation (£)
Adur	94,903
Allerdale	186,117
Amber Valley	217,269
Arun	239,565
Ashfield	257,460
Ashford	227,310
Babergh	117,858
Barking & Dagenham	405,573
Barnet	748,633
Barnsley	612,616
Barrow-in-Furness	153,938
Basildon	352,416
Basingstoke & Deane	204,091
Bassetlaw	197,239
Bath & North East Somerset	246,760
Bedford	282,075
Bexley	361,139
Birmingham	3,035,699
Blaby	103,390
Blackburn with Darwen	406,100
Blackpool	502,981
Bolsover	166,562
Bolton	617,940
Boston	113,325
Bournemouth, Christchurch & Poole	636,995
Bracknell Forest	128,690
Bradford	1,150,728
Braintree	200,744
Breckland	213,105
Brent	722,279
Brentwood	87,788
Brighton and Hove	491,912
Bristol	885,177
Broadland	156,284
Bromley	365,066
Bromsgrove	104,391
Broxbourne	143,871
Broxtowe	171,201
Buckinghamshire UA	634,939
Burnley	260,042
Bury	346,328
Calderdale	436,224
Cambridge	176,076
Camden	592,139

Cannock Chase	191,072
Canterbury	253,928
Carlisle	195,948
Castle Point	114,090
Central Bedfordshire	349,148
Charnwood	202,984
Chelmsford	184,879
Cheltenham	173,493
Cherwell	164,691
Cheshire East	521,192
Cheshire West and Chester	536,293
Chesterfield	237,588
Chichester	170,515
Chorley	170,884
City of London	6,747
Colchester	232,528
Copeland	141,156
Cornwall	1,102,683
Cotswold	102,731
Coventry	694,474
Craven	65,413
Crawley	183,561
Croydon	695,634
Dacorum	195,131
Darlington	247,867
Dartford	177,631
Derby	438,385
Derbyshire Dales	83,755
Doncaster	642,266
Dorset	591,427
Dover	233,609
Dudley	640,236
Durham	1,439,998
Ealing	630,696
East Cambridgeshire	95,062
East Devon	216,504
East Hampshire	113,510
East Hertfordshire	136,992
East Lindsey	324,427
East Riding of Yorkshire	511,019
East Staffordshire	161,924
East Suffolk	404,835
Eastbourne	216,346
Eastleigh	130,667
Eden	75,269
Elmbridge	139,707

Enfield	934,856
Epping Forest	156,653
Epsom and Ewell	70,525
Erewash	218,349
Exeter	186,776
Fareham	99,331
Fenland	190,492
Folkestone & Hythe	250,502
Forest of Dean	136,280
Fylde	135,015
Gateshead	525,224
Gedling	172,624
Gloucester	221,275
Gosport	123,604
Gravesham	163,768
Great Yarmouth	267,185
Greenwich	557,904
Guildford	104,602
Hackney	709,312
Halton	306,269
Hambleton	111,217
Hammersmith & Fulham	352,442
Harborough	78,063
Haringey	719,854
Harlow	175,681
Harrogate	190,360
Harrow	346,275
Hart	70,657
Hartlepool	348,937
Hastings	236,560
Havant	221,354
Havering	364,539
Herefordshire	304,556
Hertsmere	162,424
High Peak	151,065
Hillingdon	474,359
Hinckley & Bosworth	129,165
Horsham	145,531
Hounslow	483,109
Huntingdonshire	182,111
Hyndburn	182,691
Ipswich	276,356
Isle of Wight	265,261
Isles of Scilly	1,950
Islington	665,089
Kensington & Chelsea	360,401

Kings Lynn & West Norfolk	250,054
Kingston upon Hull	798,075
Kingston upon Thames	212,103
Kirklees	922,390
Knowsley	470,169
Lambeth	624,687
Lancaster	264,180
Leeds	1,662,116
Leicester	656,313
Lewes	168,249
Lewisham	557,403
Lichfield	130,851
Lincoln	222,803
Liverpool	1,722,389
Luton	299,337
Maidstone	253,164
Maldon	85,917
Malvern Hills	102,125
Manchester	1,286,349
Mansfield	223,989
Medway	411,292
Melton	56,478
Mendip	158,023
Merton	266,684
Mid Devon	97,776
Mid Suffolk	114,116
Mid Sussex	151,355
Middlesbrough	473,542
Milton Keynes	420,886
Mole Valley	87,471
New Forest	208,018
Newark & Sherwood	175,971
Newcastle upon Tyne	992,046
Newcastle-under-Lyme	212,367
Newham	770,798
North Devon	169,382
North East Derbyshire	179,476
North East Lincolnshire	340,583
North Hertfordshire	191,810
North Kesteven	142,500
North Lincolnshire	268,054
North Norfolk	203,643
North Northamptonshire	460,101
North Somerset	310,960
North Tyneside	426,684
North Warwickshire	99,805

North West Leicestershire	124,315
Northumberland	654,441
Norwich	347,698
Nottingham	817,735
Nuneaton & Bedworth	235,348
Oadby & Wigston	64,701
Oldham	572,847
Oxford	244,230
Pendle	203,327
Peterborough	314,122
Plymouth	607,135
Portsmouth	349,016
Preston	315,414
Reading	208,967
Redbridge	452,538
Redcar & Cleveland	361,113
Redditch	146,506
Reigate & Banstead	142,553
Ribble Valley	55,503
Richmond upon Thames	220,115
Richmondshire	54,871
Rochdale	552,633
Rochford	95,958
Rossendale	134,857
Rother	170,647
Rotherham	605,896
Rugby	134,304
Runnymede	79,433
Rushcliffe	123,446
Rushmoor	125,923
Rutland	33,919
Ryedale	80,435
Salford	687,701
Sandwell	831,308
Scarborough	256,537
Sedgemoor	188,410
Sefton	648,881
Selby	117,226
Sevenoaks	159,420
Sheffield	1,138,025
Shropshire	403,570
Slough	253,296
Solihull	339,502
Somerset West & Taunton	278,069
South Cambridgeshire	156,547
South Derbyshire	126,687

South Gloucestershire	290,245
South Hams	130,930
South Holland	130,193
South Kesteven	195,210
South Lakeland	123,367
South Norfolk	181,400
South Oxfordshire	131,563
South Ribble	145,926
South Somerset	247,208
South Staffordshire	144,925
South Tyneside	463,844
Southampton	503,244
Southend-on-Sea	331,121
Southwark	628,482
Spelthorne	116,356
St Albans	158,708
St Helens	388,127
Stafford	172,887
Staffordshire Moorlands	123,103
Stevenage	137,677
Stockport	511,836
Stockton-on-Tees	451,879
Stoke-on-Trent	597,541
Stratford-on-Avon	165,429
Stroud	148,746
Sunderland	819,369
Surrey Heath	60,511
Sutton	308,034
Swale	256,880
Swindon	283,630
Tameside	455,437
Tamworth	131,563
Tandridge	93,533
Teignbridge	244,335
Telford & Wrekin	355,710
Tendring	325,376
Test Valley	123,077
Tewkesbury	125,264
Thanet	344,747
Three Rivers	98,620
Thurrock	244,151
Tonbridge & Malling	171,938
Torbay	334,257
Torridge	103,495
Tower Hamlets	761,046
Trafford	347,250

Tunbridge Wells	146,480
Uttlesford	84,546
Vale of White Horse	123,103
Wakefield	778,177
Walsall	735,588
Waltham Forest	407,893
Wandsworth	383,514
Warrington	321,212
Warwick	191,494
Watford	142,237
Waverley	117,226
Wealden	177,025
Welwyn Hatfield	162,530
West Berkshire	138,468
West Devon	85,969
West Lancashire	229,550
West Lindsey	160,263
West Northamptonshire	495,997
West Oxfordshire	114,643
West Suffolk	227,547
Westminster	416,063
Wigan	659,317
Wiltshire	676,342
Winchester	150,512
Windsor & Maidenhead	113,299
Wirral	789,483
Woking	100,016
Wokingham	103,153
Wolverhampton	660,529
Worcester	170,225
Worthing	146,401
Wychavon	179,950
Wyre	235,954
Wyre Forest	210,311
York	214,818