



Report to: Policy & Performance Improvement Committee – 1 December 2025

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Report Summary	
Report Title	Council Tax Support for Terminally Ill Residents
Purpose of Report	To provide elected Members with information and options for supporting terminally ill residents by providing council tax support through discretionary measures. This report recommends the establishment of a discretionary Council Tax Relief Scheme to support households facing the hardship of living with a terminally ill family member.
Recommendations	That the Policy & Performance Improvement Committee endorse and recommend to Cabinet the following: a) that approval be given to the preferred Option 3 as detailed in paragraph 2.4.3 of the report; and b) that Officers be instructed to develop a Discretionary Council Tax Relief Scheme to support households facing the hardship of living with a terminally ill family member.

1.0 **Background**

- 1.1 During 2024, Marie Curie, the UK's leading end of life charity, published a report that explored poverty and fuel poverty at the end of life in the UK. The report identified that in 2023, 111,000 people died in poverty, more than one in six deaths registered in England, Scotland and Wales. Within the report the charity recommended that local authorities should review council tax and discretionary support schemes to provide support to households on a low income that include someone living with a terminal illness.
- 1.2 At full Council on 21 October 2025, a motion was proposed and unanimously supported to *'establish a PPIC working group to consider the development of an appropriate policy for Council Tax Exemption for those with a terminal illness, or a partner or family member within the same household, as part of the local tax reduction scheme'*.

- 1.3 Council tax exemptions and discounts are set in legislation and cannot be amended by individual authorities. There is no statutory council tax exemption or relief that can be awarded to residents living with a terminal illness. There is an existing statutory exemption for properties left empty by a resident living in a care or nursing home, which may remove the need for some residents with a terminal illness to be covered by any adopted discretionary scheme.
- 1.4 Section 13A(1)(c) of the Local Government Finance Act 1992, provides Councils with discretionary powers to reduce the amount of council tax payable for individuals, or for specific classes of council taxpayers who find themselves in similar 'exceptional' circumstances. Where the powers detailed above are invoked, it includes the power to reduce an amount to nil. The Council has already invoked this power in establishing a 'care leavers reduction scheme' providing a reduction in council tax to those people in the district defined as care leavers. Any decision made under section 13A is funded locally from the general fund and cannot be passed to other council tax preceptors through the collection fund. In this respect, any decision made must be funded by Newark & Sherwood residents and budgeted for fully in the Councils accounts.

2.0 Proposal/Options Considered

- 2.1 Information obtained from the Councils Housing, Health and Wellbeing team has identified there were, as at 1 October 2025, 1,453 people within the Newark & Sherwood district with an end-of-life diagnosis. We are unable to confirm how many of these people are resident in hospitals, care or residential homes and how many are receiving care in the homes of family members. We also have no address information which would enable assessment of council tax banding and eligibility to other council tax exemptions or discounts.
- 2.2 The lack of definitive information makes for accurate costing difficult due to the numbers of unknowns. We are, however, able to make some assumptions in order to provide costed options set out below.
- 2.3 Newark & Sherwood District Council has a council tax budget of £8.484m in 2025/26. The ability to increase council tax levels is limited (without the requirement for a referendum) by the local government finance settlement. It is anticipated that the 2026/27 settlement will allow for an increase in council tax precepts at district council level to be set at 2.99% or £5, whichever is the higher. This would enable the council tax budget to be increased to an estimated £8.819m in 2026/27 (allowing for an increase in the property base of 400 band D properties), an increase of £0.335m, if the maximum increases were applied.
- 2.4 Several options for a discretionary support scheme for households facing the hardship of living with a terminally ill family member have been considered and indicative costings provided based on the limited information held. Details of each option are provided below.

- 2.4.1 **Option 1** – Develop a scheme to provide 100% council tax relief to all households within the Newark & Sherwood district impacted by having a relative living in the household who has been diagnosed as receiving end-of-life care. This option limits the exposure to provision of the relief to the direct household. Information provided above suggests 1,453 residents in the district are living with an end-of-life diagnosis. What is not known is how many of those 1,453 residents are living in private accommodation and therefore eligible for council tax relief. The table below gives an estimate of the cost of this scheme on the assumption of relief to 1,453 households.

Property Band	Band charge in 2025/26	Cost of relief (1,453 properties)
Band D	£2,582	£3,751,646
Band A	£1,721	£2,500,613

Therefore, the estimated cost of this Option 1 will be between £2,500,613 and £3,751,646. This range of cost is not affordable for the council.

- 2.4.2 **Option 2** - Develop a scheme to provide 100% council tax relief to all households within the Newark & Sherwood district impacted by having a relative who has been diagnosed as receiving end-of-life care. This would be provided irrespective of where the individual who has been diagnosed lives. It is not possible to cost this option as we only have details of those residents in the N&S district who have been diagnosed. This option could provide relief to multiple households, where adult children of the diagnosed patient reside in properties in our district. Given that option 1 above has an indicative cost of circa £3m and this option 2 would potentially provide support to significantly higher numbers, the estimated cost could be more than £5m annually. This is not affordable for the Council.
- 2.4.3 **Option 3** - Develop a scheme to provide 100% council tax relief to all households who are in receipt of relief through the local council tax relief scheme (LCTR) within the Newark & Sherwood district impacted by having a relative living in the household who has been diagnosed as receiving end-of-life care. This option limits the exposure to provision of the relief to the direct household, but only where the occupants of the household have limited finances and are supported through our LCTR scheme. This option aligns with the recommendation of the Marie Curie charity that local authorities should review council tax and discretionary support schemes to provide support to households on a low income.

Within the district there are 58,790 residential properties, latest data indicates that 6,685 households receive support through the LCTR scheme. Of those 6,685 households, 2,806 are of pension age and are already eligible for up to 100% council tax relief. This leaves 3,879 working age council tax support recipients, who already receive up to 80% council tax relief (circa 7% of the total properties). 93% of LCTR recipients of working age are resident in properties in council tax bands A or B. If we assume an end-of-life diagnosis is not linked to LCTR eligibility (i.e. not linked to income), applying the same percentage to the 1,453 end-of-life residents reduces this figure to 96. The table below gives an estimate of the cost of this scheme on the

assumption of relief to 96 households, with a requirement for a top-up of 20% relief and thereby giving 100% council tax relief.

Property Band	Band Charge in 2025/26 at 80% LCTR	Cost of Relief (96 properties – 20% top-up relief)
Band D	£516.40	£49,507
Band A	£344.27	£33,005

Therefore, the estimated cost of Option 3 is between £33,005 and £49,507. This is affordable for the Council, and it is recommended that the budget for the first year, 2026/27, is set at £50,000.

- 2.4.4 **Option 4** - Develop a scheme to provide 100% council tax relief to all households who are in receipt of relief through the local council tax relief scheme (LCTR) within the Newark & Sherwood district where the council tax liable party, subject to the LCTR claim, has been diagnosed as receiving end-of-life care. This option limits the exposure to provision of the relief to the council taxpayer only, and only where the taxpayers have limited finances and are supported through our LCTR scheme. This would further reduce the estimated 96 households by removing the resident in the household being diagnosed eligibility. If this were to halve the prospective numbers, to 48 households, it would reduce the estimated cost of the scheme to those in the table below.

Property Band	Band charge in 2025/26 at 80% LCTR	Cost of relief (48 properties – 20% top-up relief)
Band D	£516.40	£24,787
Band A	£344.27	£16,181

Therefore, the estimated cost of Option 4 is between £16,181 and £24,787. This is affordable for the council.

- 2.5 Based on the options provided above, the recommendation would be to further develop option 3, a scheme which provides support to existing LCTR recipients by increasing their relief to 100%. This option also appears to best support the recommendation of Marie Curie to develop schemes to provide support to households on a low income that include someone living with a terminal illness.
- 2.6 Further options could be considered and costed to cap the amount of relief available to an equivalent banded level, for example cap the relief to the equivalent of the council tax level at band A. However, these options would not provide 100% relief to any council taxpayers other than those in a band A property and would not relieve the residents of the council tax burden. These options would also not best fit with the recommendations of the Marie Curie report.
- 2.7 **Eligibility**
Whichever option is decided upon, scheme eligibility should be determined by a number of mandatory elements, preventing staff from having to apply discretion in a

time of extreme difficulty for the recipients. As a minimum the criteria should be set to:

- Your residence is in the Newark & Sherwood District
- You, your partner or a family member in your household is terminally ill
- The household is in receipt of council tax support through the LCTR scheme
- You are in receipt of a clinician completed **SR1 form**, which advises that the named person:
 - has a progressive disease, and
 - because of that disease, the expected remaining life of the patient is less than 12 months.

2.8 The developed scheme should start from 1st April 2026, with no relief backdated prior to that date. The scheme should pay the relief from the date the **SR1** applies (or 1 April 2026 where the date is earlier) and allow for relief to be paid until the end of the financial year during which death occurs, unless they die in March in which case relief will be paid to the end of the financial year and also cover April of the following financial year. If the named person does not die within the 12 months as anticipated, there must be no claw back of relief paid and it should be on-going until they do pass.

2.9 As with all other relevant Council Tax related local policies and decisions, any approved scheme relating to Council Tax Support for Terminally Ill Residents will need to be reconsidered by March 2028 by the new unitary authority to continue beyond April 2028.

3.0 **Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Financial Implications FIN25-26/7118

3.1 Any decision to award relief under Section 13A of the Local Government Finance Act 1992 must be met entirely by the general fund and cannot be passed on to the collection fund and therefore shared with preceptors. Depending on the final structure of the potential scheme to support households on a low income that include someone living with a terminal illness, the Council will need to make appropriate budget adjustments to accommodate any awards.

3.2 The Council currently holds a balance of £26,283 in grant receipts in advance from a government Council Tax hardship grant. This amount could be used to partially fund the new scheme. However, once this funding is exhausted, any remaining costs will need to be covered by the General Fund.

3.3 As detailed in the main body of the report, options 1 and 2 are not financially viable for the Council. Option 3 is the recommended approach. If option 3 is approved, an additional budget of £50,000 will be included in the proposed 2026–27 General Fund

budget. Of this, £26,283 will be funded from the available grant, resulting in a net budget increase of £23,717 for 2026–27. For subsequent years within the Medium-Term Financial Plan (MTFP) period, the budget will increase by £50,000 annually.

- 3.4 Should further options for the scheme be considered, a separate report will be required to outline the financial implications of any amendments

Legal Implications- LEG2526/385

- 3.5 Section 13A(1)(c) of the Local Government Finance Act 1992, provides Councils with a discretionary power to reduce the amount of council tax payable by individuals and to allow a further reduction to those already benefitting from the authority's council tax reduction scheme.
- 3.6 Section 13A(6) of the act allows the power under (1)(c) to reduce the amount to nil and Section 13A(7) allows the power to be exercised in relation to particular cases or by determining a class of case.
- 3.7 Policy & Performance Improvement Committee is the appropriate body to consider the content of this report.

Human Resources Implications

- 3.8 None

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.