

Council Tax Reduction Scheme and terminal illness: Cost estimates

Technical Briefing

December 2025

1. Introduction

- 1.1. This briefing should be read in conjunction with the main technical briefing on our recommendation to include people living with a terminal illness in the council tax reduction scheme.
- 1.2. This briefing sets out some of the challenges with producing estimated costs for the policy proposal based on currently available data, before setting out estimated costs based on a number of assumptions.
- 1.3. As such these costs should be treated as a best estimate to provide an indication of the potential cost of the policy change.

2. Data challenges, limitations and assumptions

- 2.1. Estimating the potential costs of this policy proposal is challenging, due to a number of unknown factors and a lack of relevant data. The figures should be read with the following limitations in mind.
- 2.2. It is not possible from existing data to estimate how many people living with a terminal illness are living alone. In our model, Census 2021 data is used as a proxy, which shows that 31.9% of households in Wales are single person households.
- 2.3. Data for how many people living with a terminal illness are already in receipt of a council tax reduction is also not available. In our model we use two data points as a proxy to account for the likelihood that some people living with a terminal illness will already be receiving a council tax discount due to being in receipt of other benefits:
 - Data from the Bevan Foundation estimates that 21% of state pensioners are eligible for pension credit.

- Data from the UK Parliament Library Service states that 25.5% of working age households in Wales are in receipt of Universal Credit.

2.4. Data is also limited in relation to what council tax bands people living with a terminal illness will be subject to. Our model uses data on the proportion of households at each council tax band, for each local authority, to determine an estimate.

2.5. As a result of these limitations and assumptions, the costs presented below are likely to be on the higher end of the potential costs of this policy change.

3. Data Sources

Data	Source
People living with a terminal illness	Based on figures from Loughborough University prepared as part of the Marie Curie Dying in Poverty Series. Figures relate to 2023-24.
Average Council Tax Levels	Stats Wales "Council Tax Levels by year and band" Figures used: 2023-24
Proportion of dwellings at each council tax band	Stats Wales "Proportion of council tax dwellings by band and year (per cent)" Figures used: 2023-24
Total CTRS Expenditure 2023-24	Welsh Government Council Tax Reduction Scheme Annual report 2023 to 2024
Pension Credit eligibility	Bevan Foundation State of Wales Briefing: Pensioners and Winter Fuel Payment 2024
Universal Credit Rate	House of Commons Constituency data: Universal credit claimants (Feb 2025 data)
Single person households	ONS People's living arrangements in England and Wales: Census 2021

4. Calculating eligible households

4.1. To calculate the number of households eligible for support under this policy proposal the following steps were taken:

- The number of people of pension age and at end of life was reduced by 21% to account for the proportion likely to be eligible for pension credit and therefore already in receipt of a council tax reduction.
- The number of working age people at end of life was reduced by 25.5% to account for the proportion potentially in receipt of Universal Credit and therefore already in receipt of a council tax reduction.

4.2. To determine what proportion of eligible households are living at each council tax level, the assumption is made that at each council tax band the proportion of households aligns with the proportion of households at each council tax band for the local authority. For example:

- Blaenau Gwent has 653 people at end of life, who are eligible for a council tax reduction under our proposal.
- In Blaenau Gwent 58% of properties are Band A.
- 58% of eligible people at end of life are therefore assumed to be living in Band A properties.

5. Estimated Costs

5.1. Our model is based on the 34,200 people estimated to have been living with a terminal illness in Wales in 2023-24.

5.2. Accounting for those potentially already in receipt of a council tax reduction, 26,809 qualify for a council tax reduction under our proposal.

5.3. The total annual cost of this is **£28,857,169**. This is a 9.6% increase on Council Tax Reduction Scheme expenditure in 2023-24.

5.4. The estimated costs per local authority are set out in the table below.

Local Authority	Estimated Cost
Blaenau Gwent	£624,335
Bridgend	£1,335,368
Caerphilly	£1,358,742
Cardiff	£2,388,507
Carmarthenshire	£2,019,891
Ceredigion	£784,164
Conwy	£1,457,568
Denbighshire	£1,152,824
Flintshire	£1,494,706
Gwynedd	£1,149,017
Isle of Anglesey	£707,051
Merthyr Tydfil	£519,066
Monmouthshire	£1,234,979
Neath Port Talbot	£1,341,545
Newport	£1,202,133
Pembrokeshire	£1,246,711
Powys	£1,550,533
Rhondda Cynon Taf	£1,796,960
Swansea	£2,241,182
Torfaen	£840,108
Vale of Glamorgan	£1,222,070
Wrexham	£1,230,815
Wales	£28,857,169

- 5.5. The above estimates are based on the assumption that everyone living with a terminal illness in Wales is provided with an SR1 form. Currently, far fewer people living with a terminal illness are claiming benefits under the special rules.
- 5.6. In May 2025, a total of 4,306 people in Wales were claiming either Personal Independence Payments or Attendance Allowance under the special rules.¹ As such it's highly likely that when first introduced our proposed council tax reduction for people living with a terminal illness would cost significantly less than the high-end estimates set out in the table above.

¹ Based on data accessed via Stat Xplore - *PIP Cases with Entitlement from 2019 / Attendance Allowance with entitlement from May 2018* [Accessed 10.12.25]