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## **State Benefits and Council Tax Reduction Scheme (CTRS) data**

### **Summary**

1. This paper sets out the latest position concerning the most recent State benefits and CTRS datasets and the potential impact on the 2026-27 Local Government Settlement.

### **Views Sought**

2. DSG members are asked to consider the State benefits and CTRS datasets and outline their views on the use of this data for the 2026-27 settlement.

### **Related Papers**

3. Distribution Sub-Group (2024) - Paper 12 - Benefits datasets and CTRS
4. Distribution Sub-Group (2023) - Paper 14 - Unemployment benefits dataset update
5. Distribution Sub-Group (2022) - Paper 12 - Unemployment benefits dataset update
6. Distribution Sub-Group (2021) - Paper 17 - Unemployment benefits dataset update.

### **Background**

7. Benefits data are used as proxies for deprivation within settlement indicators. This includes a combination of unemployment-related datasets—such as Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit (UC) 'not in employment', covering both all-age and working-age populations. Disability-related benefits, including Personal Independence Payment (PIP), Severe Disablement Allowance (SDA), and Disability Living Allowance (DLA), are also incorporated.
8. To account for seasonal fluctuations and volatility, a rolling 12-quarter average was previously agreed by the group and is now applied within the Settlement. This approach helps smooth year-on-year changes, with 4 of the 12 quarters updated annually as part of the settlement process.
9. On 1 April 2013, the [Council Tax Reduction Scheme \(CTRS\)](#) replaced Council Tax Benefit (CTB) in Wales and eligible households were automatically transferred onto the new scheme. The CTRS Regulations were closely based on previous CTB rules, ensuring households retained their entitlement to support in meeting their council tax liability. We have amended the original Regulations each year since to maintain entitlements.

## ***Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update***

### **Analysis**

10. **Table 1** in **Annex A** shows the underlying average of 12 quarters data by different benefit combinations. Apart from Pension Credit claimants aged 65 and over, all local authorities have experienced a gradual increase in the number of benefit claimants overall.
11. **Table 2** shows the relative share change and Standard Spending Assessment (SSA) element for the Benefits Datasets:
  - a) For the **“Pension credits for 65s and over” indicator** changes range from a 0.06 percentage point decrease in Rhondda Cynon Taff to a 0.04 percentage point increase in Bridgend. For context, in 2025-26 this data set was used to distribute £140m of Standard Spending Assessment (SSA) within the PSS IBA, therefore a 0.01 percentage point change would equate to £14k change in SSA for this IBA. Note however, that ‘Pensions Credits’ is also included within a composite indicator (see paragraph below) and therefore there will be an additional SSA impact of any change in this individual indicator.
  - b) For the **‘Total Claimants of Income Support (IS), Jobseeker’s Allowance (JSA), Pension Credit (PC) and Universal Credit ‘not in employment’ indicator** changes range from a 0.06 percentage point decrease in Flintshire to a 0.09 percentage point increase in Carmarthenshire. For context, in 2025-26 this data set was used to distribute £34.6m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £3k change in SSA.
  - c) For the **‘Total Under 65’s of Income Support (IS), Jobseeker’s Allowance (JSA), and Universal Credit ‘not in employment’ indicator** changes range from a 0.16 percentage point decrease in Cardiff to a 0.14 percentage point increase in Carmarthenshire. For context, in 2025-26 this data set was used to distribute £34.7m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £3k change in SSA.
  - d) For the **‘Severe disablement, disability living and personal independence payment allowances” indicator** changes range from a 0.05 percentage point decrease in Neath Port Talbot to a 0.06 percentage point increase in Wrexham. For context, in 2025-26 this data set was used to distribute £149.3m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £15k change in SSA.
12. **Table 3** shows the relative share change and Standard Spending Assessment (SSA) element for the CTRS Datasets.
  - a) For the **‘CTRS expenditure’ indicator** changes range from a 0.17 percentage point decrease in Rhondda Cynon Taff to a 0.16 percentage point increase in Pembrokeshire. For context, in 2025-26 this data set was used to distribute £244m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £24k change in SSA.
  - b) For the **‘CTRS caseload’ indicator** changes range from a 0.14 percentage point decrease in Cardiff to a 0.08 percentage point increase in Pembrokeshire. For context, in 2025-26 this data set was used to distribute £4.8m of Standard Spending Assessment (SSA), therefore a 0.01 percentage point change would equate to £484 change in SSA.

## ***Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update***

### **Distributional impact of updating the data**

13. For the purposes of this analysis, it is assumed that the 2025-26 top-up figures allocated to certain local authorities under the floor funding calculations remain unchanged.
14. **Table 4** in [Annex B](#) provides an exemplification of the latest benefits data on the 2025-26 settlement. Overall, the distributional impact in AEF is relatively small with the largest decrease in Denbighshire (£89k) and the largest increase in Carmarthenshire (£107k).
15. **Table 5** in [Annex B](#) provides an exemplification of the latest CTRS data on the 2025-26 settlement. Overall, the largest decrease can be seen in Rhondda Cynon Taff (£411k) and the largest increase in Pembrokeshire (£387k).
16. **Table 6** in [Annex B](#) provides an exemplification of the latest Benefits and CTRS data on the 2025-26 settlement. Overall, the largest decrease can be seen in Rhondda Cynon Taff (£498k) and the largest increase in Pembrokeshire (£364k).

### **Recommendation**

17. As the distributional impacts are minimal it is recommended that we continue to use the benefits data as a proxy for deprivation, in line with the approach taken for the 2025-26 Settlement i.e. continue to use a 12-quarter average, with 4 the 12 quarters being updated with the latest data.

### **Conclusion**

18. DSG members are asked to consider the information provided within this paper and the subsequent recommendation.

**Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update**

**Annex A**

**Table 1: Combined caseload of benefit indicators by local authority and settlement year**

	<u>Average of 12 quarters May 2022 to February 2025 (2026-27 Settlement)</u>				<u>Average of 12 quarters May 2021 to February 2024 (2025-26 Settlement)</u>			
	Pension credits for 65s and over	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA) and Universal Credit 'not in employment'	Severe disablement, disability living and personal independence payment allowances	Pension credits for 65s and over	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA) and Universal Credit 'not in employment'	Severe disablement, disability living and personal independence payment allowances
Isle of Anglesey	2,060	6,087	3,909	3,507	2,112	5,837	3,596	3,197
Gwynedd	3,399	9,294	5,748	5,087	3,489	9,048	5,397	4,591
Conwy	3,673	10,573	6,734	6,343	3,725	10,220	6,302	5,831
Denbighshire	3,090	9,762	6,515	6,485	3,175	9,422	6,068	5,963
Flintshire	3,482	12,275	8,610	7,837	3,542	11,905	8,135	7,135
Wrexham	3,324	12,165	8,681	7,921	3,364	11,747	8,159	7,162
Powys	3,349	9,231	5,728	5,919	3,370	8,671	5,120	5,437
Ceredigion	1,861	5,321	3,368	3,202	1,909	5,015	3,006	2,998
Pembrokeshire	3,526	10,808	7,093	6,827	3,580	10,343	6,557	6,294
Carmarthenshire	5,265	16,674	11,143	12,073	5,322	15,671	10,049	11,101
Swansea	6,634	24,229	17,282	16,075	6,705	23,121	15,988	14,800
Neath Port Talbot	4,296	15,692	11,182	11,564	4,369	14,915	10,274	10,709
Bridgend	3,569	13,327	9,551	9,769	3,589	12,737	8,887	8,980
The Vale of Glamorgan	2,782	10,034	7,118	6,586	2,831	9,599	6,595	5,988
Rhondda,Cynon,Taff	6,677	24,066	17,062	17,704	6,829	22,886	15,658	16,303
Merthyr Tydfil	1,774	6,704	4,840	4,948	1,800	6,439	4,519	4,599
Caerphilly	5,186	18,561	13,120	13,751	5,250	17,602	12,018	12,608
Blaenau Gwent	2,265	8,490	6,093	5,968	2,301	8,031	5,566	5,498
Torfaen	2,564	10,027	7,312	6,873	2,570	9,533	6,776	6,364
Monmouthshire	1,845	5,757	3,802	3,891	1,861	5,458	3,476	3,582
Newport	3,806	16,574	12,582	9,885	3,858	15,899	11,774	9,058
Cardiff	7,447	34,019	26,163	19,471	7,554	32,649	24,519	17,847
<b>Wales SSA Element (£)</b>	<b>81,873</b>	<b>289,667</b>	<b>203,632</b>	<b>191,685</b>	<b>83,103</b>	<b>276,747</b>	<b>188,440</b>	<b>176,043</b>

**Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update**

**Table 2: Relative share change percentage point (pp) and SSA element distribution difference (£'000s)**

	<u>Relative Share difference (pp)</u>				<u>SSA Element distribution difference (£'000s)</u>				Total (£'000s)
	Pension credits for 65s and over	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA) and Universal Credit 'not in employment'	Severe disablement, disability living and personal independence payment allowances	Pension credits for 65s and over	Total Claimants of Income Support (IS), Jobseeker's Allowance (JSA), Pension Credit (PC) and Universal Credit 'not in employment'	Total Under 65's of Income Support (IS), Jobseeker's Allowance (JSA) and Universal Credit 'not in employment'	Severe disablement, disability living and personal independence payment allowances	
Isle of Anglesey	-0.0259	-0.0076	0.0112	0.0134	-36	-3	4	20	-15
Gwynedd	-0.0465	-0.0610	-0.0417	0.0459	-65	-21	-14	69	-32
Conwy	0.0038	-0.0430	-0.0377	-0.0036	5	-15	-13	-5	-28
Denbighshire	-0.0462	-0.0346	-0.0208	-0.0036	-64	-12	-7	-5	-89
Flintshire	-0.0092	-0.0640	-0.0888	0.0356	-13	-22	-31	53	-13
Wrexham	0.0125	-0.0451	-0.0670	0.0641	17	-16	-23	96	74
Powys	0.0358	0.0538	0.0956	-0.0004	50	19	33	-1	101
Ceredigion	-0.0250	0.0248	0.0588	-0.0323	-35	9	20	-48	-54
Pembrokeshire	-0.0014	-0.0062	0.0034	-0.0137	-2	-2	1	-20	-23
Carmarthenshire	0.0268	0.0937	0.1394	-0.0079	37	32	48	-12	107
Swansea	0.0342	0.0098	0.0025	-0.0210	48	3	1	-31	21
Neath Port Talbot	-0.0097	0.0278	0.0387	-0.0501	-14	10	13	-75	-65
Bridgend	0.0403	-0.0016	-0.0258	-0.0044	56	-1	-9	-7	40
The Vale of Glamorgan	-0.0091	-0.0046	-0.0045	0.0344	-13	-2	-2	51	36
Rhondda,Cynon,Taff	-0.0618	0.0387	0.0695	-0.0253	-86	13	24	-38	-87
Merthyr Tydfil	0.0008	-0.0125	-0.0214	-0.0309	1	-4	-7	-46	-57
Caerphilly	0.0166	0.0472	0.0654	0.0121	23	16	23	18	80
Blaenau Gwent	-0.0018	0.0292	0.0383	-0.0096	-3	10	13	-14	7
Torfaen	0.0391	0.0169	-0.0054	-0.0295	55	6	-2	-44	15
Monmouthshire	0.0138	0.0149	0.0222	-0.0045	19	5	8	-7	25
Newport	0.0065	-0.0233	-0.0690	0.0117	9	-8	-24	17	-6
Cardiff	0.0066	-0.0534	-0.1631	0.0196	9	-18	-57	29	-37
<b>Wales SSA Element (£)</b>					<b>139,555,097</b>	<b>34,600,947</b>	<b>34,730,083</b>	<b>149,339,356</b>	
					£13,956	£3,460	£3,473	£14,934	

**Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update**

**Table 3: CTRS data by settlement year**

	2026-27 Settlement		2025-26 Settlement		Relative share difference & SSA element share difference £'000s				
	2024-25 CTRS expenditure	2024-25 CTRS caseload	2023-24 CTRS expenditure	2023-24 CTRS caseload	CTRS expenditure		CTRS caseload		Total
Isle of Anglesey	6,728,946	5,411	6,029,938	5,554	0.08	198	-0.03	-2	196
Gwynedd	10,454,201	7,977	9,552,887	8,105	0.06	158	-0.02	-1	157
Conwy	12,801,811	9,583	11,719,670	9,607	0.07	176	0.03	1	178
Denbighshire	11,712,601	8,724	10,841,284	8,830	0.03	66	-0.01	0	65
Flintshire	13,323,779	10,104	12,297,950	10,215	0.04	103	0.00	0	103
Wrexham	13,494,326	10,826	12,365,432	11,064	0.07	176	-0.05	-2	174
Powys	12,072,607	9,163	11,106,773	9,083	0.05	122	0.07	3	126
Ceredigion	7,079,431	5,140	6,476,459	5,163	0.04	101	0.01	1	102
Pembrokeshire	11,072,763	9,102	9,849,864	8,999	0.16	384	0.08	4	387
Carmarthenshire	19,553,214	15,276	18,137,721	15,284	0.03	78	0.06	3	81
Swansea	25,589,854	20,947	24,153,460	21,102	-0.10	-233	0.02	1	-232
Neath Port Talbot	20,359,313	15,376	18,973,967	15,461	0.00	10	0.03	1	12
Bridgend	16,334,115	12,161	15,566,192	12,437	-0.11	-269	-0.06	-3	-271
The Vale of Glamorgan	12,350,285	8,876	11,535,215	8,990	-0.01	-14	-0.01	0	-15
Rhondda,Cynon,Taff	26,965,464	23,129	25,655,786	23,453	-0.17	-410	-0.03	-2	-411
Merthyr Tydfil	7,382,423	5,819	6,801,574	5,792	0.03	67	0.03	2	69
Caerphilly	17,793,211	15,995	16,632,359	16,048	-0.01	-31	0.04	2	-29
Blaenau Gwent	10,374,803	8,227	9,703,463	8,282	-0.01	-23	0.01	1	-22
Torfaen	10,642,765	9,227	10,256,444	9,506	-0.11	-267	-0.07	-3	-270
Monmouthshire	7,857,683	5,404	7,403,264	5,500	-0.02	-61	-0.02	-1	-61
Newport	14,342,146	12,139	13,299,708	12,151	0.02	61	0.04	2	63
Cardiff	36,488,722	27,892	34,516,047	28,554	-0.16	-393	-0.14	-7	-400
Wales	324,774,463	256,498	302,875,457	259,180	SSA Element	£244,000,000	SSA Element	£4,839,206	
						£24,400.00		£484	

***Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update***

**Annex B**

**Table 4: Exemplification of benefits data on the 2025-26 settlement**

Unitary Authority	Average of 12 quarters May 2021 to February 2024 (2025-26 Settlement)	Average of 12 quarters May 2022 to February 2025 (2026-27 Settlement)	£'000s	
			Difference Value	Difference %
Angelsey	135,881	135,867	-15	-0.01%
Gwynedd	248,390	248,358	-32	-0.01%
Conwy	219,010	218,982	-28	-0.01%
Denbighshire	215,251	215,162	-89	-0.04%
Flintshire	275,984	275,972	-13	0.00%
Wrexham	249,508	249,582	74	0.03%
Powys	251,461	251,562	101	0.04%
Ceredigion	144,225	144,171	-54	-0.04%
Pembrokeshire	233,534	233,511	-23	-0.01%
Carmarthenshire	375,692	375,799	107	0.03%
Swansea	468,409	468,430	21	0.00%
Neath Port Talbot	306,177	306,112	-65	-0.02%
Bridgend	276,528	276,568	40	0.01%
Vale of Glamorgan	224,448	224,483	36	0.02%
Rhondda Cynon Taff	521,329	521,243	-87	-0.02%
Merthyr	133,144	133,087	-57	-0.04%
Caerphilly	373,900	373,980	80	0.02%
Blaenau Gwent	154,534	154,541	7	0.00%
Torfaen	192,216	192,230	15	0.01%
Monmouthshire	135,248	135,274	25	0.02%
Newport	329,322	329,317	-6	0.00%
Cardiff	674,886	674,849	-37	-0.01%
<b>Total Unitary Authorities</b>	<b>6,139,078</b>	<b>6,139,078</b>		

***Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update***

**Table 5: Exemplification of CTRS data on the 2025-26 settlement**

Unitary Authority	2023-24 CTRS Data Settlement 2025-26	2024-25 CTRS Data Settlement 2026-27	£'000s	
			Difference Value	Difference %
Angelsey	135,881	136,077	196	0.14%
Gwynedd	248,390	248,547	157	0.06%
Conwy	219,010	219,188	178	0.08%
Denbighshire	215,251	215,317	65	0.03%
Flintshire	275,984	276,086	102	0.04%
Wrexham	249,508	249,682	174	0.07%
Powys	251,461	251,586	126	0.05%
Ceredigion	144,225	144,326	102	0.07%
Pembrokeshire	233,534	233,922	387	0.17%
Carmarthenshire	375,692	375,773	81	0.02%
Swansea	468,409	468,177	-232	-0.05%
Neath Port Talbot	306,177	306,189	12	0.00%
Bridgend	276,528	276,256	-271	-0.10%
Vale of Glamorgan	224,448	224,433	-15	-0.01%
Rhondda Cynon Taff	521,329	520,918	-411	-0.08%
Merthyr	133,144	133,213	69	0.05%
Caerphilly	373,900	373,871	-29	-0.01%
Blaenau Gwent	154,534	154,512	-22	-0.01%
Torfaen	192,216	191,945	-270	-0.14%
Monmouthshire	135,248	135,187	-61	-0.05%
Newport	329,322	329,385	63	0.02%
Cardiff	674,886	674,486	-400	-0.06%
<b>Total Unitary Authorities</b>	<b>6,139,078</b>	<b>6,139,078</b>		



***Distribution Sub-Group (2025) Paper 10 –Benefits datasets and CTRS update***

**Table 6: Exemplification of both benefits and CTRS data on the 2025-26 settlement**

Unitary Authority	Settlement 2025-26	Benefits and CTRS	£'000	
			Difference Value	Difference %
Angelsey	135,881	136,063	181	0.13%
Gwynedd	248,390	248,515	125	0.05%
Conwy	219,010	219,160	150	0.07%
Denbighshire	215,251	215,228	-24	-0.01%
Flintshire	275,984	276,074	89	0.03%
Wrexham	249,508	249,756	248	0.10%
Powys	251,461	251,688	227	0.09%
Ceredigion	144,225	144,272	48	0.03%
Pembrokeshire	233,534	233,898	364	0.16%
Carmarthenshire	375,692	375,880	188	0.05%
Swansea	468,409	468,198	-211	-0.05%
Neath Port Talbot	306,177	306,123	-54	-0.02%
Bridgend	276,528	276,296	-231	-0.08%
Vale of Glamorgan	224,448	224,469	21	0.01%
Rhondda Cynon Taff	521,329	520,832	-498	-0.10%
Merthyr	133,144	133,156	12	0.01%
Caerphilly	373,900	373,951	51	0.01%
Blaenau Gwent	154,534	154,518	-16	-0.01%
Torfaen	192,216	191,960	-256	-0.13%
Monmouthshire	135,248	135,212	-36	-0.03%
Newport	329,322	329,380	57	0.02%
Cardiff	674,886	674,449	-436	-0.06%
<b>Total Unitary Authorities</b>	<b>6,139,078</b>	<b>6,139,078</b>		