

Background

- Council Tax Support – help for those on low incomes with the cost of Council Tax
- Changes can only affect working age residents
- Consultation: 10,223 residents contacted by email or letter
- Social media channels used to advertise the consultation
- Two drop-in sessions held in the Civic Centre
- 80 responses

Consultation

Three options proposed:

Option 1 - Retain the scheme in its current form

Option 2 - Make changes to the existing scheme to deliver increased entitlement for those on the lowest household incomes.

And Option 3 was chosen-

- Introduce an income banded scheme
- Taking best elements of current scheme 80% & 90%
- Remove the additional earnings disregard that was linked to Working Tax Credit.

Income Banded Schemes

Income Banded schemes make it simpler to administer and explain while providing a greater certainty for residents about how much Council tax they need to pay each month.

For those in receipt of Universal Credit, they will be placed into either a UC Vulnerable Group or a UC Other group, and only their earnings will be looked at to decide which income band they are placed into.

Banded Incomes

Each earnings income band corresponds with an amount the resident contributes towards their weekly council tax.

All working age residents are expected to pay something towards their Council Tax. The maximum Council Tax Support is either 80% up to Council Tax Band D or 90% up to Council Tax Band D.

The contribution is the amount in addition to 10% or 20% paid towards Council Tax.

Earnings Income Bands	Contribution towards weekly Council Tax
£0 - £19.99	£0.00
£20 - £64.99	£8.00
£65 - £134.99	£16.00
£135 - £209.99	£22.00
£210 - £309.99	£27.00
£310 - £419.99	£32.00
£420>	No CTS

Example of Banded Income calculation

Paul is in the Universal Credit vulnerable group and living in Band C property with his partner. His income includes Employment Support Allowance, Universal Credit and he earns £100.00 per week.

Under the new Council Tax Support scheme, based on 90% of Band C the most he can get each week is £36.52



He would be asked to pay £16.00 per week because his wages are between £65.00 - £134.99 per week

Paul's council Tax support is now £20.52 weekly

Annual council tax Support would be £1,069.76

His Council Tax liability for the year is £1,045.85

Jane is a lone parent, in the Universal Credit other group and living in Band C property with one child. She receives Universal Credit and Child Benefit and earns £47.50 per week after disregards.

Under the new Council Tax Support scheme, based on 80% of Band C the most she can get each week is £24.34



She would be asked to pay £8.00 per because her wages are between £20.00 - £64.99 per week

Jane's council Tax support is now £16.34 weekly

Annual council tax Support would be £852.23

Her Council Tax liability for the year is £734.48

Example of Banded Income calculation

Jack and Suzan are in the Universal Credit other group living in a Band E property with four children. Jack receives Universal Credit and Child Benefit and is self-employed earning £281.23 per week.

Under the new Council Tax Support scheme based on 80% of Band D the most they can get each week is £36.52



They would be asked to pay £27.00 because her wages are between £210.00 - £309.99 per week

Jack and Suzan's weekly council Tax support is now £9.52

Annual council tax Support would be £496.19

Their Council Tax liability for the year is £2,412.77

Ashley and Laura are in the Universal Credit Vulnerable group living in a Band D property with dependant children receiving Disability Living Allowance and a non-dependant son. Ashley gets Carers Allowance while Laura receives universal Credit, Child Benefit and is earning £266.66 per week. Under the new Council Tax Support scheme, based on 90% of Band D the most they can get each week is £41.08



Ashley and Laura's Council Tax support is now £9.08 weekly,

There is a £5 non dependant deduction and they would be asked to pay £27.00 because her wages are between £210.00 - £309.99 per week

Annual council tax Support would be £472.16

Their Council Tax liability for the year is £

Example of Banded Income calculation

Jackie is in the Universal Credit other group living in a Band E property with two children. Jackie receives Universal Credit and Child Benefit.

Under the new Council Tax Support scheme based on 80% of Band D the most she can get each week is £27.39 after the Single Person Discount



She would not be asked to pay anything each week in addition to the £14.49 Council Tax due because she has no earnings or they are between £0.00 - £19.99 per week

Jack and Suzan's weekly council Tax support is now £27.39

Annual council tax Support would be £1,428.04

Her Council Tax liability for the year is £753.68