

Appendix A

Income Band Changes

Option 2

Current scheme allows residents to claim up to 100% support.

In this proposal Council Tax Support income band percentage reductions would be amended as per table to the right

Explanation:

All CTS claimants will be expected to contribute a minimum of 35% towards their Council Tax liability. Their Council Tax Support award will then be calculated based on their income and which band they fall into.

Savings:

Applying this option would reduce the overall the cost of the scheme by **£7,632,909.20**

Income Band per week	Current Scheme	Proposed	Number of claimants
£0-£80	100%	65%	12402
£80-£110	80%	50%	531
£110-£150	50%	30%	893
£150-£250	30%	20%	2967
£250+	0%	0%	0

Scenario 1 – Single parent, Band C, 2 children, working 16 hours per week at national living wage (£183.04).

Under this proposal, this would mean an increase to their council tax owed per week of £2.61 / £135.72 per annum

<u>Current Scheme</u>		<u>Proposed Scheme</u>	
Weekly council tax liability	£26.03	Weekly council tax liability	£26.03
Weekly CTR entitlement	£7.81	Weekly CTR entitlement	£5.21
Weekly council tax to pay	£18.22	Weekly council tax to pay	£20.83

Scenario 4 – Couple, Band C, 2 children, passported. 1 non-dependant not-working.

Under this proposal, this would mean an increase to their council tax owed per week of £12.15 / £631.70 per annum

<u>Current Scheme</u>		<u>Proposed Scheme</u>	
Weekly council tax liability	£34.71	Weekly council tax liability	£34.71
Weekly CTR entitlement	£29.71	Weekly CTR entitlement	£17.56
Weekly council tax to pay	£5.00	Weekly council tax to pay	£17.15