

## Council Tax Support Scheme 2024/25 - February Cabinet Report

### Appendix B

#### Proposed Council Tax Support 2024-25 scheme example calculations

**Example 1 – Affected by the maximum award change from 75.5% to 50% only.**

**Single claimant, Band C property, in receipt of UC but not working.**

#### Minimum payment 24.5%

<u>Current Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band C less 25% single person discount	£24.89
Maximum eligible Council Tax Support at 75.5%	£18.79
Weekly Council Tax payable	£6.10

#### Minimum payment 50%

<u>Proposed Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band C less 25% single person discount	£24.89
Maximum eligible Council Tax Support at 50%	£12.44
Weekly Council Tax payable	£12.45

In this example under the proposed scheme the household will be entitled to a weekly CTS award of £12.44, as the maximum award has been decreased from 75.5% to 50%.

The customer will be paying £6.35 per week more towards their Council Tax liability than under the current scheme.

**Example 2 – Affected by the maximum award change from 100% to 50% (previously protected) and the Band C restriction (Band D).**

**Single claimant, Band D property, in receipt of ESA IR and high-rate PIP (Personal Independence Payments).**

**Protected, Band D**

<u>Current Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band D less 25% single person discount	£28.00
Maximum eligible Council Tax Support at 100% (protected)	£28.00
Weekly Council Tax payable	£0.00

**Not protected, band C restriction, maximum award 50%**

<u>Proposed Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band D less 25% single person discount	£28.00
Band C restriction less 25% single person discount	£24.89
Maximum award 50% (loss of protection)	£12.45
Weekly Council Tax payable	£15.55

In this example the customer will lose the protection, have the maximum support restricted to Band C and is affected by the maximum award of 50%.

The customer has not had to pay anything towards their Council Tax under the current scheme but will be paying £15.55 per week under the proposed CTS scheme.

**Example 3 – Affected by the UC Banded scheme. The maximum award for a single claimant earning £200 per week is reduced from 30% to 20%, the Band C restriction (Band E) and non-dep changes (non-dep deductions increased by 20% and introduction of non-dep deductions if not working).**

**A claimant with two non-dependents, band E property, claimant in receipt of UC and earning £200 per week. One non-dependent working and earning £300 per week, the other non-dependent out of work and receiving out-of-work benefit.**

**Band E, one non-dep deduction  
20%**

<u>Current Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band E	£45.64
Non-dependent deductions (£9.40 for working non-dep)	£9.40
Maximum award after non-dep deductions	£36.24
Maximum eligible support earning £200 per week 30% (minimum contribution of 70%)	£10.87
Weekly Council Tax payable	£34.77

**Band C restriction, two non-dep deductions and  
increase for working non-dep**

<u>Proposed Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band E	£45.64
Band C restriction	£33.19
Non-dependant deductions (£11.28 for working non-dep and £5.52 for non-working non-dep)	£16.80
Eligible support after non-dep deductions	£16.39
Maximum eligible support earning £200 per week 20% (minimum contribution of 80%)	£3.28
Weekly Council Tax payable	£42.36

In this example the customer's eligible Council Tax Support will be restricted to a Band C. The customer will also be affected by a 20% increase in non-dependent deductions for one of the non-deps, and an introduction of a £5.52 per week deduction for the non-working non-dep on UC. Based on the claimant's earnings, the maximum eligible support has been reduced to 20% compared to 30% under the current scheme.

The customer will be paying £7.59 per week more towards their Council Tax liability than under the current scheme.

**Example 4 – Affected by the UC banded scheme maximum award for a non-worker reduced from 75.5% to 50%, Band C restriction (Band F) and non-dependent deductions increase.**

**Single claimant in receipt of UC (not working). Band F, three non-dependents, one with no income, one getting out of work benefit and one earnings £200 / week.**

**Band F, two non-dep deductions**

<u>Current Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band F	£53.94
Non-dependent deductions (£4.60 x2)	£9.20
Maximum award after non-dep deductions	£44.74
Maximum eligible Council Tax Support 75.5%	£33.78
Weekly Council Tax payable	£20.16

**Band C restriction, three non-dep deductions**

<u>Proposed Council Tax Support Scheme</u>	
Weekly Council Tax liability - Band F	£53.94
Band C restriction	£33.19
Non-dependent deductions (£5.52 x 3)	£16.56
Maximum award after non-dep deductions	£16.63
Maximum support 50%	£8.32
Weekly Council Tax payable	£45.62

In this example the customer’s eligible Council Tax Support will be restricted to a Band C. The customer will also be affected by a 20% increase in non-dependent deductions for two of the non-deps, and an introduction of a £5.52 per week deduction for the non-dep getting out of work benefit. Maximum eligible Council Tax Support reduced from 75.5% to 50%.

The customer will be paying £25.46 per week more for their Council Tax liability than under the current scheme.