

APPENDIX B – CTS Scheme Design: Further Details

In addition to the details contained within the report, further details regarding the proposed scheme are as follows:

1) Income Bands

Band	Discount	Single Person (weekly net income)	Couple with no children (weekly net income)	Couple or Lone Parent with one child/young person (weekly net income)	Couple or Lone Parent with two children /young persons (weekly net income)	Couple or Lone Parent with three children /young persons (weekly net income)	Couple or Lone Parent with four or more children/young persons (weekly net income)
1*	100%	£0 to £86.00	£0 to £135.00	£0 to £196.00	£0 to £258.00	£0 to £321.00	£0 to £383.00
2	75%	£86.01 to £135.00	£135.01 to £185.00	£196.01 to £246.00	£258.01 to £308.00	£321.01 to £371.00	£383.01 to £433.00
3	50%	£135.01 to £185.00	£185.01 to £235.00	£246.01 to £296.00	£308.01 to £358.00	£371.01 to £421.00	£433.01 to £483.00
4	25%	£185.01 to £235.00	£235.01 to £285.00	£296.01 to £346.00	£358.01 to £408.00	£421.01 to £471.00	£483.01 to £533.00
5	0%	£235.01 +	£285.01+	£346.01+	£408.01+	£471.01+	£533.01+

- 2) The highest level of discount will be at a maximum Council Tax liability (100%), Band 1, and all current applicants that are in receipt of a ‘*passported benefit’ such as Income Support, Jobseeker’s Allowance (Income Based) and Employment and Support Allowance (Income Related) will receive maximum discount;
- 3) All other discount levels are based on the applicant’s and partner’s, (where they have one) net weekly income, and the scheme allows for variation in household size with the levels of income per band increasing where an applicant has a partner, and / or dependants.
- 4) The scheme is designed so that Band 1 figures align with Universal Credit allowances. The figures shown align with 2023/24 rates followed by bands of £50. These will be uprated annually from April 2024 in line with UC allowances.
- 5) Any changes will be applied on a daily basis rather than weekly, in line with Council Tax liability. The scheme will include provision to backdate claims up to a maximum of 12 months from the date of claim where circumstances show

that the applicant would have been continuously eligible for the period in question had they applied at the time.

- 6) There will be no reductions in CTS award levels where an applicant has non-dependants living with them. The existing scheme currently applies a fixed deduction for most non-dependant members of the household at the rate of £5 per week for those not in work, or £7 per week for working people. This change means the administration of the scheme will be more straightforward whilst also protecting low-income families where adult sons and daughters, for example, remain at home.
- 7) To encourage work, a standard disregard of up to £50 per week will be provided against all earnings, replacing the current earnings disregards which are dependent on individual circumstances and working hours, and are complex to navigate.
- 8) Disability benefits such as Disability Living Allowance and Personal Independence Payment will continue to be disregarded as they are currently, and a further disregard of £50 per week will be applied to a customers' total income where one of those benefits are in payment.
- 9) Carer's Allowance and the Support Component of Employment and Support Allowance will be disregarded to protect carers and those with additional support needs;
- 10) The current childcare and child maintenance disregards will remain in place, and child benefit will be fully disregarded in order to better support families.
- 11) Universal Credit is made up of different components dependant on the household circumstances. The following elements will be disregarded within the new scheme: housing, limited capability for work, childcare, disabled child, and carer's element.
- 12) War pensions and war disablement pensions will continue to be disregarded;
- 13) Extended payments will be removed. Currently, in some cases when individuals in receipt of Income Support, Jobseekers Allowance or Employment and Support allowance move into work that ends their entitlement, CTS can be paid for an extended four weeks. Similar provisions do not exist for UC claimants, and so this change will ensure all applicants in receipt of DWP benefits are treated equally;
- 14) The Capital limit will be set at £10,000, and any applicant who has capital above that level will not qualify. Currently, for every £250 of savings over £6,000 and up to £16,000, additional income of £1 is added to an applicant's weekly assessed income
- 15) The full technical scheme document will be available on request