

Appendix two

Model showing the financial impact on household types in the city.

Household type one

Couple both aged 52. He receives contributory based Jobseekers Allowance and she receives a private pension of £200 per calendar month. They rent their home from a registered provider. It is a band A property, the weekly charge for Council Tax is £20.03 each week

Under the current Council Tax Support scheme this household would receive £15.65 each week. They would have £4.38 to pay themselves each week towards their Council Tax.

Under the proposed Council Tax Support scheme for those on Universal Credit they would receive £16.53. They would have to pay £3.50 each week towards their Council Tax.

Household type two

Lone parent aged 31 with an 8 year old son. She works part time and earns £500 per calendar month. She rents her home from a private landlord. It is a band A property and as she lives on her own she gets 25% off her bill so the weekly Council Tax charge is £15.02 each week.

Under the current benefit scheme this resident would also receive Tax Credits from HMRC of £673.57 each calendar month. She would not qualify for any Council Tax Support as her wages and tax credits are too high for her to qualify.

Under the proposed Council Tax Support scheme for those on Universal Credit this resident has a weekly excess income figure of £71.48 so her Council Tax Support entitlement is 30% of her Council Tax Liability, which is £4.51 each week. This would leave this resident with £10.51 to pay herself.

Household type three

Couple both aged 32 with two children aged 5 and 7. One member of the couple works and earns £500 per calendar month. They rent their own home from a private landlord. It is a band A property so the weekly Council Tax charge is £20.03 each week.

Under the current benefit scheme this resident would also receive Tax Credits from HMRC of £904.58 each calendar month. They would qualify for £6.85 Council Tax Support each week. They would have to pay £13.18 each week towards their Council Tax.

Under the proposed Council Tax Support scheme for those on Universal Credit these residents have a weekly excess income figure of £71.48 so their Council Tax Support entitlement is 30% of their Council Tax Liability, which is £6.01 each week. They would have to pay £14.02 each week towards their Council Tax.

Household type four

Couple both aged 41 with one child aged 13. One member of the couple works and earns £500 per calendar month. They own their home. It is a band A property so the weekly Council Tax charge is £20.03 each week.

Under the current benefit scheme this resident would also receive Tax Credits from HMRC of £673.57 each calendar month. They would qualify for £4.14 Council Tax Support each week. They would have to pay £15.89 each week towards their

Council Tax.

Under the proposed Council Tax Support scheme for those on Universal Credit these residents have a weekly excess income figure of £102.15 so they would not be entitled to any Council Tax Support. They would have to pay their full Council Tax of £20.03 each week.

Household type five

Single man aged 37 with no children. He works and earns £650 per calendar month. He rents his home from a private landlord. It is a band A property and as he lives on his own he gets 25% off his bill so the weekly Council Tax charge is £15.02 each week.

Under the current benefit scheme this resident would not qualify for Tax Credits as he does not work enough hours each week. He would not qualify for Council Tax Support as his income is too high.

Under the proposed Council Tax Support scheme for those on Universal Credit this resident will have a weekly excess income figure of £55.50 each week so his Council Tax Support entitlement is 30% of his Council Tax Liability, which is £4.51 each week. He would have to pay £10.51 each week towards their Council Tax.