



Leicester
City Council

Appendix 1B:
***The current national and local
Council Tax Reduction schemes***

1. National overview

1.1 From April 2016, only 41 councils nationally (out of 326) are continuing to provide the levels of support available under the former Council Tax Benefit system for working age households, down from 58 in April 2013.

1.2 The most common change councils have made from the former CTB system has been to introduce a “minimum payment” which requires everyone to pay at least some council tax regardless of income. From April 2016, 259 (80% of authorities) schemes include a minimum payment, up from 250 in April 2015, 245 in April 2014 and 229 in April 2013.

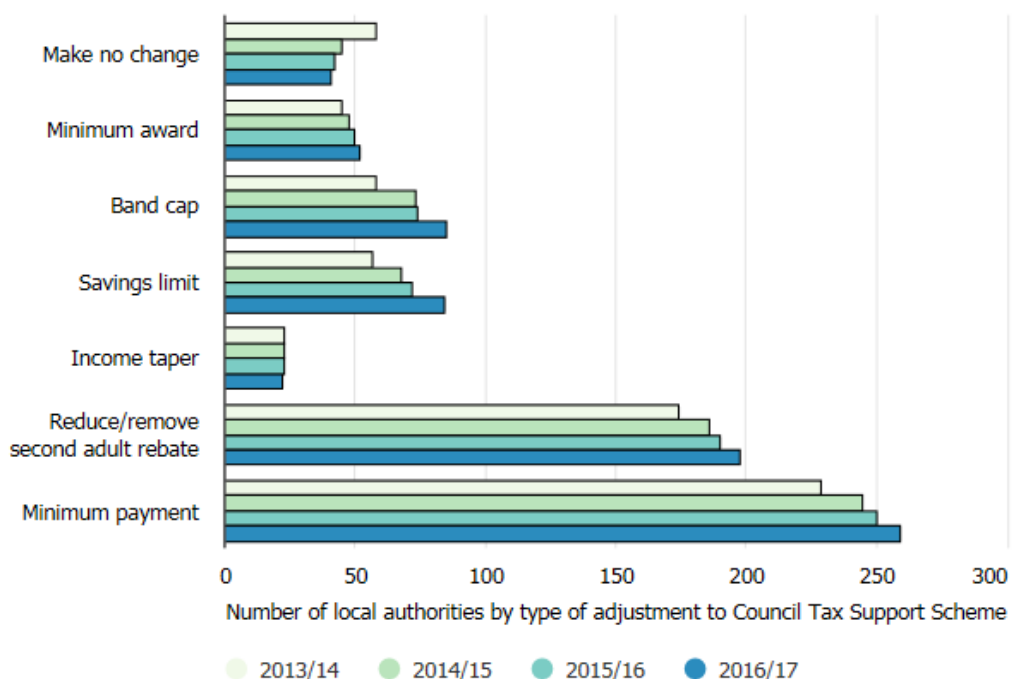
1.3 The average minimum payment levied has increased from 14.7% of council tax liability in 2013 to 17.7% in 2016. 20% (67) of authorities already require a minimum payment of over 20%. The highest of these is Kettering, requiring 45% minimum payment. These include local authorities with pockets of high deprivation, such as Stoke-on-Trent and Barnsley. From the available data, there is only a weak correlation between minimum payment levels and collection rates indicative of increased enforcement action.

1.4 The table below shows the 67 councils requiring minimum payments which exceed 20%. These schemes are as at April 2016.

Local authority	Minimum payment	Local authority	Minimum payment
Kettering	45.00%	Leeds	25.00%
Medway	35.00%	Luton	25.00%
Barnsley	30.00%	North Devon	25.00%
Castle Point	30.00%	North East Lincolnshire	25.00%
Harrow	30.00%	North Hertfordshire	25.00%
Peterborough	30.00%	Rutland	25.00%
South Tyneside	30.00%	South Holland	25.00%
Stoke-on-Trent	30.00%	Southampton	25.00%
Surrey Heath	30.00%	Southend-on-Sea	25.00%
Wakefield	30.00%	Spelthorne	25.00%
Wandsworth	30.00%	Tameside	25.00%
Northampton	29.00%	Tamworth	25.00%
Rochford	28.00%	Thurrock	25.00%
Blackpool	27.10%	Torbay	25.00%
Hyndburn	27.00%	Torridge	25.00%
Barking and Dagenham	25.00%	Walsall	25.00%
Basildon	25.00%	Welwyn Hatfield	25.00%

Boston	25.00%	West Berkshire	25.00%
Bradford	25.00%	Worthing	25.00%
Bromley	25.00%	North Somerset	24.50%
Central Bedfordshire	25.00%	Braintree	24.00%
Cheshire East	25.00%	Harlow	24.00%
Cheshire West and Chester	25.00%	Waltham Forest	24.00%
Cornwall	25.00%	Chelmsford	23.00%
Dacorum	25.00%	Sheffield	23.00%
Ealing	25.00%	Fylde	22.70%
East Lindsey	25.00%	York	22.50%
East Riding of Yorkshire	25.00%	Bath and North East Somerset	22.00%
East Staffordshire	25.00%	Mid Sussex	22.00%
Enfield	25.00%	West Lancashire	22.00%
Epping Forest	25.00%	Wirral	22.00%
Hillingdon	25.00%	Wolverhampton	22.00%
King's Lynn & West Norfolk	25.00%	Halton	21.60%
		Telford and Wrekin	21.00%

1.5 Along with a minimum payment, councils can also introduce other restrictions. The graph below shows the number of councils that have introduced a particular change. Elements already introduced in Leicester and increasing in takeup nationally are a minimum award, band cap, savings limit and the removal of second adult rebates.



1.6 Some authorities are in the process of considering changes to their schemes to make them less generous, and we have information from some. Proposals include increasing minimum payments (Derby), restricting disregards (Wakefield), restrictions on protected vulnerable groups, and requiring engagement with jobseeking support (Leeds).

2. Local Picture

2.1 Our consultation ran in partnership with the County & District councils, consulting on the same core options across the county.

2.2 Most participating County authorities also elected to consult on aligning their scheme with Housing Benefit, and introducing band caps, minimum payments and reduced capital allowances as Leicester has already done. Melton also elected to consult on enforcing jobseeking requirements. Current schemes in the county are as follows:

Local authority	Maximum award	Working-age 2nd Adult Rebate?	Maximum award capped at?	Minimum award?	Capital limit?
Leicester City Council	80%	Removed	Band B	£3.70	£6,000
Blaby District Council	85%	Removed	No cap	No minimum	£16,000
Charnwood Borough Council	85%	Removed	No cap	No minimum	£16,000
Harborough District Council	85%	Removed	No cap	No minimum award	£16,000
Hinckley and Bosworth Borough Council	88%	Removed	No cap	No minimum award	£16,000
North West Leicestershire District Council	85%	Removed	No cap	No minimum award	£16,000
Melton Borough Council	88%	Removed	No cap	No minimum award	£16,000
Oadby & Wigston Borough Council	85%	Removed	No cap	No minimum award	£16,000