

Council Tax Reduction (CTR) changes in awards statistics

CTR changes / revised council tax bills in Period 1 November 2019 to 31 March 2020

	Working age Universal Credit Claimant	Working age not claiming Universal Credit	Total Working Age	Pension Age	Total changes in period
Total award changes in 5-month period	1941	1997	3938	428	4366
Average changes per month overall	388	399	788	86	873

Average number of CTR changes per month by value

Amount by which CTR award changed (<i>plus or minus</i>)	Working age Universal Credit Claimant	Working age not claiming Universal Credit	Total Working Age (= <i>potential reduction in bills issued</i>)	Pension Age	Average Total changes in month
£0.50 or under	41	60	101	24	126
£1 or under	74	92	165	33	199
£2 or under	118	150	268	42	310
£5 or under	174	308	483	62	545
Over £5	214	91	305	23	328
All changes total	388	399	788	85	873

Note/ Due to the impact of Covid-19, the number of changes producing a bill across all categories has risen sharply since April 2020. For example, in the peak month ending June 2020, there were a total of 1448 changes that generated a revised council tax bill, of which 326 were for a weekly change of £0.50 or less. These figures have not been used in this report as they are not thought to be representative going forward. However, the rise in CTR cases where the claimant is receiving Universal Credit means that the figures provided in the table above are minimum numbers affected. The table below shows projected increases by January 2024.

Projected number of CTR changes per month if 90% of working age CTR caseload receives Universal Credit

Amount by which CTR award changed (<i>plus or minus</i>)	Working age Universal Credit Claimant	Working age not claiming Universal Credit	Total Working Age (= <i>reduction in bills issued per month</i>)
£0.50 or under	160	8	168
£1 or under	284	12	296
£2 or under	457	20	476
£5 or under	674	20	714
Over £5	214	91	305
All changes total	1043	107	1151

Amount by which income must change to trigger revised Council Tax bill

Change in CTR award (<i>plus or minus</i>)	Universal Credit claimants - Amount by which their earnings must change to reduce the award by this amount*	General amount by which income must change to reduce the award by this amount**
£0.50 or under	£ 6.79	£ 2.50
£1 or under	£ 13.58	£ 5.00
£2 or under	£ 27.15	£ 10.00
£5 or under	£ 67.88	£ 25.00

Level at which income needs to change to produce change in CTR award

*Universal Credit cases with earnings

In terms of earnings, because there is a 63% taper on earnings in UC, and a 20% taper in CTR, for every £1 increase in earnings the CTR would change by £0.07. Therefore;

- A £0.50 per week de Minimis rule would mean that where the applicant is a UC claimant their earnings would need to change by £6.79 a week to change the CTR assessment by £0.50
- A £1 per week would mean their earnings would need to change by £13.58 a week to change the CTR assessment by £1.
- A £2 per week would mean their earnings would need to change by £27.15 a week to change the CTR assessment by £2.
- A £5 per week rule would mean that earnings would need to change by £67.88 a week to bring about a change in CTR

Other income types

**Changes in other non-disregarded income and on earnings on non-UC cases would require a change of:

- £2.50 a week to bring about a £0.50 change in CTR
- £5 per week to bring about a £1 change in CTR
- £10 per week to bring about a £2 change in CTR or
- a £25 a week change to bring about a £5 change in CTR.