

## Report of Assistant Chief Executive (Citizens and Communities)

### Report to Executive Board

Date: 16<sup>th</sup> July 2014

### Subject: Localised Council Tax Support scheme

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of the main issues

- 1 Council Tax Benefit was abolished in March 2013 and local Council Tax Support schemes came into effect from 1<sup>st</sup> April 2013. Each year the Council must agree a local Council Tax Support scheme. This needs to be done by 31<sup>st</sup> January each year and failure to propose, consult upon and agree a scheme by 31<sup>st</sup> January in any year will see the previous year's scheme rollover into the next year.
- 2 In 13/14, the Council adopted a scheme that protected the most vulnerable groups and maintained these protections in the 14/15 scheme. This report also recommends maintaining those protections in 15/16. However, the impact on non-protected groups will be that we continue to see a year-on-year decrease in the level of support available, consequential on council tax rises and making the assumption that the existing budget will not be increased. The table below shows the year-on-year reduction in support for non-protected groups:

	% reduction in support	Amount to pay*	Increase
12/13 –baseline	0	0	-
13/14	19%	£167 pa	
14/15	26%	£232 pa	39%
15/16**	31%	£278 pa	20%

\* Band A Council Tax

\*\* assumes no additional funding and a Council Tax increase

- 3 Council Tax collection rates for 13/14 show that around half the households affected by Council Tax Support changes paid their Council Tax in full; overall the in-year collection rate for households previously entitled to 100% Council Tax Benefit was 65% in 13/14. An increased charge is likely to prove more difficult to collect in 14/15 and there are particular concerns for those households who have carried forward arrears into 14/15. The current approach, without additional funding or a decrease in numbers needing help, is likely to continue to deliver a less generous scheme year on year.

- 4 The current scheme is based on the national Council Tax Benefit (CTB) scheme that preceded it. The national CTB scheme did little to encourage and support households into work and was a standalone financial support scheme with limited conditions attached. This report sets out alternative scheme options with a focus on supporting people into work where appropriate. These options reflect the Citizens@Leeds approach to tackling poverty and deprivation and include options based around the concept of 'high levels of support and high challenge' to help households improve their financial and employment prospects.
- 5 Any change to the current scheme will require a public consultation exercise.

## **Recommendations**

Executive Board is asked to:

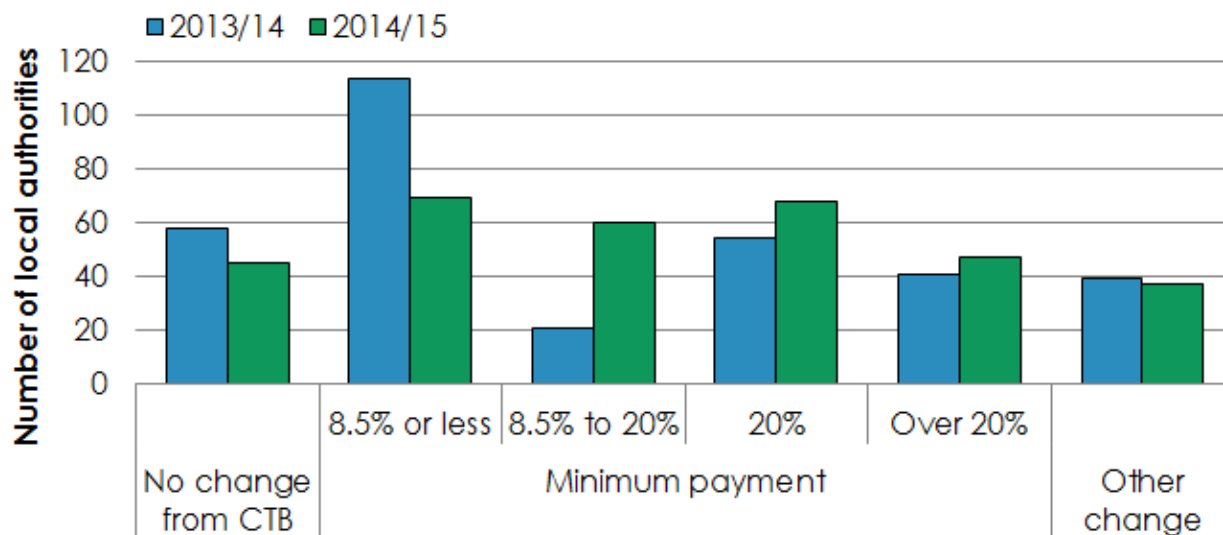
1. Note the issues created by the current approach to our Council Tax Support scheme and the need therefore to consider alternative approaches;
2. Agree that officers should undertake further work on options 2 and 3 and develop and consult upon a potential new Council Tax Support scheme, which is based around high levels of support and high levels of challenge with a focus on supporting people into work;
3. Confirm that funding for the 2015/16 Council Tax Support Scheme will be retained at the budgeted level for 2014/15.
4. Agree that the detail of developing a potential new scheme for consultation be delegated to the Assistant Chief Executive (Citizens and Communities). The decision to consult upon a new scheme would be made following discussions with relevant Executive Members and would be eligible for call-in. Any consultation would need to take place within the timescale set out in para 2.3.
5. Agree to receive a report in December 2014 outlining the outcome of consultation and making a recommendation based upon that consultation for the adoption of a new Council Tax Support scheme for 2015/16.

### **1. Purpose of this report**

- 1.1 The report provides Executive Board with information on the likely costs and implications of maintaining the current Council Tax Support scheme for 15/16. The report also provides information on alternative schemes that support people moving into work and incentivise households to engage with the council to help improve work prospects.
- 1.2 The report asks Members of Executive Board to agree to develop and consult upon a potential new Council Tax Support scheme which is based around high levels of support and high levels of challenge with a focus on supporting people into work given the issues created by the current scheme.

## 2 Background information

- 2.1 Each year the Council must agree a local Council Tax Support scheme. This has to be done by 31<sup>st</sup> January each year and failure to propose, consult upon and agree a scheme by 31<sup>st</sup> January in any year will see the previous year's scheme rollover into the next year
- 2.2. The process for agreeing a scheme requires:
- a) confirmation of the funding for scheme in 15/16;
  - b) estimates of caseload; and
  - c) estimates of Council Tax levels.
- 2.3 Following legal advice received last year, any proposed changes to the scheme are subject to a public consultation exercise. In the event of any proposed changes to the scheme, the timetable for introducing a changed scheme is as follows:
- July 14: approval to consult on preferred scheme;
  - September 14: start of 6-8 week public consultation process;
  - November 14: analysis of consultation responses
  - December 14: report to Executive Board with scheme recommendation
  - January 15: report to Council with recommended scheme for adoption
- 2.4 In January 2014, Council adopted a scheme that kept scheme spend at 13/14 budgeted levels and allowed for a Council Tax increase of 1.99%. The scheme maintained protections for vulnerable groups but other groups saw their Council Tax Support reduced to 74% of the amount they would have got under the national Council Tax Benefit scheme – in 2013/14 non-protected groups had their Council Tax Support limited to 81% of the amount they would have got under the national Council Tax Benefit scheme.
- 2.5 The outcome for a family in a Band A property was that their Council Tax contribution increased by 39% from £167 a year to £232 a year. It is clearly too early to say what the larger impacts of the change have been in Leeds. However, the change in Leeds reflected the general trend cross the country with Council Tax Support schemes becoming less generous. The graph below from the New Policy Institute shows fewer councils in 14/15 providing schemes at previous Council Tax Benefit levels, a significant reduction in Councils continuing to limit schemes to no more than an 8.5% reduction and more councils increasing the amounts that residents have to contribute.



- 2.6 This trend is confirmed by a Joseph Rowntree Foundation report<sup>1</sup> that stated that 580,000 households nationally had seen their Council Tax payment increase by 55% on average in 14/15 as a result of changes to local Council Tax Support schemes.

#### Impact of the 13/14 scheme on collection

- 2.7 It is too early to say what impact the 14/15 scheme will have on collection rates for Council Tax. Information is available about the impact of the 13/14 scheme on collection rates. Throughout 2013/14, financial circumstances and therefore entitlement to support changes for a significant proportion of households and the analysis below represents the position based on entitlement at the end of March 2014.

- The total amount for Council Tax due from households with reduced Council Tax Support was £7.55M of which £5.51M (73%) had been collected. Of this value £4.19M related to the cases who had previously received 100% relief, and £2.72M of this had been collected (65%).
  - Of those who previously would have received 100% support:
    - 12,787 accounts have paid in full (of which 1,575 accounts received a summons)
    - 13,319 had an outstanding balance at 31<sup>st</sup> March 2014. Of these:
      - 7,503 (59%) have been summonsed, and of these cases the current main areas of recovery are:
        - 172 - requests sent to DWP for deductions from benefits
        - 1,689 – awaiting current deductions for earlier debt to be cleared
        - 657 – have payment arrangements
      - Of the 5,816 cases not summonsed
        - 1,679 paid between 75% and 100% of the amount due
        - 955 paid between 50% and 75% of the amount due
        - 594 paid between 25% and 50% of the amount due
        - 339 paid something but less than 25% of the amount due
        - 2,206 no payments
- 2.8 Following requests to DWP for deductions to be made from benefits to pay Council Tax, we now receive monthly payments from DWP for 5,881 cases a month (76,283.24). This has risen from 3,938 cases a month (£48,581.08 pm) previously. DWP deductions are set at £3.60 a week and in many cases will be insufficient to repay Council Tax arrears in full.

Appendix 1 sets out the scenario for a household where the only payment being made is the £3.60 a week deduction from benefit – it should be noted that we do take a sympathetic approach to summons costs.

### Estimated 15/16 scheme costs

- 2.9 Based on caseload as at the end of March 2014, the costs of maintaining the current scheme in the event of a 1.99% increase in Council Tax in 15/16 would rise from £49.7m to £50.7m. If no additional funding is provided then the current scheme would need to change and would see non-protected groups contribution increase to 30% or 31% in 15/16 (from 19% in 13/14 and 26% in 14/15). The table at appendix 2 shows how this figure is arrived at.
- 2.10 There is some evidence that the caseload is starting to reduce although it is too early to say whether this will be maintained for the rest of the year. If the caseload reduction is maintained this could potentially provide the scope for the Council to continue the current scheme, with its protections and a 26% reduction for non-protected groups, into 2015/16 with no additional funding requirements. This approach would carry a risk and if the council is ultimately minded to take this approach, it would be appropriate to consider creating a contingency for 15/16 in the event that the caseload reduction is not maintained.

## **3 Main Issues**

- 3.1 Considering the issues and risks arising from the current scheme, there is a need to look at other possible options that would provide a longer-term solution, support people into work and complement the Citizens@Leeds approach to tackling poverty and deprivation. In November 2013 and December 2013, Executive Board approved an approach to tackling poverty and deprivation based around 4 key propositions:
- The need to **provide accessible and integrated services**;
  - The need to **help people out of financial hardship**;
  - The need to **help people into work**; and
  - The need to **be responsive to the needs of local communities**.
- 3.2 The propositions are underpinned by an expectation that financial support is provided as part of a package of support that includes advice and personal support with customers required to actively engage with agreed initiatives in order to continue to receive support. The current local Council Tax Support scheme, which is based on the national Council Tax Benefit scheme, acts as a standalone financial support scheme requiring no engagement in order to continue to receive financial support.
- 3.3 In light of the ongoing challenges in respect of the current scheme, particularly in relation to costs, impact and collection issues, this report sets out alternative options that are aimed at providing greater incentives and support for households to improve their employment prospects and better reflect the Citizens@Leeds approach. The schemes have been developed in conjunction with the Welfare Reform Club who were commissioned to look at schemes that would support the Council's intention to help people into work. Appendix 3 provides a summary of the key elements of the schemes.
- 3.4 The pros and cons of each scheme are set out below

### **Option 1: The current scheme**

- Although the current scheme does little to encourage engagement in work-related activity, it has some advantages:
  - It is administratively simple to deliver;
  - It is familiar;
  - Costs can be controlled by changes to the % reduction in support; and
  - It protects some vulnerable groups
- The main drawbacks are:
  - It is limited in its aims
  - It requires little engagement from customers;
  - It provides no additional support;
  - It becomes increasingly less generous without additional funding or reductions in caseload

### **Option 2: A work-incentive scheme that provides time-limited support**

- Such a scheme would rely on both the carrot of discretionary support, and the stick of strict conditionality in a scheme designed to incentivise behavioural change.
- All those expected to work would receive help at 90% of liability but for 6 months only, unless entering into work. Those entering work would continue to receive a level of Council Tax Support determined by their earnings.
- Support to protected groups is maintained at 100% of liability indefinitely.
- The savings from this time-limited and incentivised approach would be directed into a general hardship fund which would be used to support those whose time-limited support had expired with strict conditionality attached around engagement in activity aimed at improving work prospects. Early analysis suggests that between £2m and £3m could be generated for a hardship fund. An integrated service model involving advice, personal support and financial support would be an inherent part of such a scheme.
- The main advantages of this type of scheme are:
  - It's more generous at the start of a claim for non-protected groups both for in-work customers and out of work customers;
  - It best reflects the Citizens@Leeds approach to tackling financial hardship by providing wrap around support;
  - It provides an incentive for customers to engage in activity aimed at improving work prospects;
  - It continues to protect vulnerable groups;
  - Scheme costs can be contained through control of the discretionary element.
- The main risks are:
  - The scheme is more challenging to administer;
  - It requires effective intervention activity to help customers improve their work prospects and there would be resource implications arising from this. The scale of the intervention is significant and it may be more appropriate to move to such a scheme in phases over the next 2 years;
  - It could create hardship for individuals who lose entitlement and who do not engage after 6 months.

### **Option 3: A work-incentive scheme that supports those entering work.**

- This scheme is more generous than the current scheme for those in work and moving into work. This is achieved by disregarding more of the earnings before they are taken into account and by withdrawing CTS at the rate of 10% rather than 20%. This type of scheme would cost more for in-work customers with the additional costs being offset by reducing support for those expected to work after 6 months. For example, support would reduce from 74% to 65% after 6 months.
- The advantages of such a scheme are:
  - It retains protections for vulnerable groups;
  - It incentivises work by making the scheme more generous when people move into work. This more generous scheme also helps with in-work poverty and low pay;
  - The low withdrawal rate also better supports people increasing their hours of work.
- The main risks associated with this scheme are:
  - Dynamic measures such as the numbers moving into work are difficult to model and represent a risk to funding requirements;
  - Scheme costs increase for everyone that moves into part-time work;
  - Reductions in scheme costs from increased reductions after 6 months may not offset the costs of the additional awards for in-work customers and are likely to create more hardship and may mean the scheme is not affordable or not affordable in the medium – to long- term.

3.5 Appendix 4 shows the comparative impact of the 3 potential schemes on different household types with each household type being assessed against a) being out of work, b) working part-time (16 hours at £7.65 an hour) and c) working full time (35 hours at £7.65 an hour). Table 1 below shows the comparative position for different household types working part-time. Table 2 shows the comparison for out of work households

Table 1 – monthly CTS entitlement for households working part-time

	Current scheme	Option 2	Option 3
Single person	£2.47	£11.46	£45.56
Lone parent: 1 child over 5	-	0.18	£53.75
Lone parent: 2 children, 1 < 5	£18.54	£18.54	£59.66
Couple: 2 children	£73.92	£89.90	£99.89
Couple: severe dis. Premium	£87.40	£87.40	£87.40

Table 2- monthly CTS entitlement for out of work households

	Current scheme	Scheme 2		Scheme 3	
		1 <sup>st</sup> 6 mths	After 6 mths	1 <sup>st</sup> 6 mths	After 6 mths
Single person	£41.58	£50.57	-	£41.58	£35.56
Lone parent: 1 child over 5	£48.51	£59.00	-	£48.51	£41.49
Lone parent: 2 children, 1 < 5	£65.55	£65.55	£65.55	£65.55	£65.55
Couple: 2 children	£73.92	£89.90	-	£73.92	£63.22
Couple: severe dis. Premium	£87.40	£87.40	£87.40	£87.40	£87.40

3.6 Two other options are set out in appendix 3. However, neither of these schemes can be recommended at this time. One scheme removes protections for vulnerable groups in order to make the scheme more generous for others and does little to provide work incentives. The other scheme provides an option that could be considered alongside

Universal Credit but given that Universal Credit will not be live in Leeds until at least 2016, this option is not relevant at this time.

### **Annual benefits uprating**

- 3.7 Amendments are required to the scheme to take account of the annual benefit uprating. It is recommended that rates used in the Council Tax Support scheme are uprated in line with rates used in Housing Benefit administration. These are published by the Department of Work and Pensions each December. If the rates are not uprated this will increase some Council Tax Support awards and increase overall expenditure on the scheme. Scheme changes simply to reflect annual uprating are unlikely in themselves to trigger a requirement for public consultation.

### **Changes to Prescribed Regulations**

- 3.8 The Local Government Finance Act allows for further prescribed regulations to be laid. DCLG have not indicated that there are likely to be changes to the prescribed regulations and the Council Tax administration and enforcement regulations. However, any additional prescribed regulations must be incorporated within the local scheme

### **Universal Credit**

- 3.9 As indicated above, Universal Credit is not scheduled to be rolled out into Leeds in 2015 but under migration plans, claimants in the pilot areas who move into the local area may continue to claim Universal Credit if their circumstances mean that they qualify for it.
- 3.10 The Local Council Tax Support scheme provides that Universal Credit claimants are treated as set out in the national default scheme for 2013/14. The impact of this is that out of work claimants will receive a level of support similar to the level they received under the legacy benefits system; however working claimants whilst better off under universal credit will receive little or no Council Tax Support. It is recommended that until Universal Credit impacts are clearer that no change is made to the local scheme for 2015-16.

## **4. Corporate Considerations**

### **4.1 Consultation and engagement**

- 4.1.1 A formal consultation exercise will be required in order change the current Council Tax Support scheme.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 A detailed impact analysis was carried out during preparations for 2013-14. A further analysis will be undertaken in the event that the preferred scheme for 15/16 is different to the current scheme.

### **4.3 Council Policies and City Priorities**

- 4.3.1 The local Council Tax Support scheme plays a key element in tackling poverty and deprivation. The current scheme is no strong on engagement and personal support and a move towards a scheme of financial support within a package of advice and personal support would better complement the Citizens@Leeds approach approved by the Executive Board in November 2013 and December 2013.



#### **4.4 Resources and Value for Money**

- 4.4.1 The current scheme remains affordable only if early caseload reductions are maintained into next year. The alternatives for the current scheme are to increase funding for 15/16 by £1m, based on caseload at the end of March 2014, or change the scheme so that non-protected groups face a reduction of 31% in 15/16
- 4.4.2 Option 2 provides an alternative scheme that is likely to be affordable both in the short and the long term and demands engagement from customers who are expected to work. The scheme, if successful, would help to reduce the numbers dependent on Council Tax Support and ultimately reduce future scheme costs. Option 3 also seeks to encourage customers into work through extra support for in-work customers. The costs of option 3 are difficult to gauge and further work is needed to more accurately estimate the financial impacts of this scheme.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 Councils are required to confirm existing scheme or adopt a new local schemes by 31<sup>st</sup> January each year and in order to do so need to undertake meaningful consultation with major precepting authorities, the public and groups with an interest in the scheme design.
- 4.5.2 Although a full consultation was carried out ahead of the 13/14 scheme being adopted and again in relation to changes for 14/15, legal advice is that further changes would require further consultation.

#### **4.6 Risk Management**

- 4.6.1 The main risk attached to maintaining the current is around affordability and the ongoing adequacy of the unconditional support provided. Changing the scheme to a scheme that provides greater work incentives and requires greater levels of engagement from customers is more likely to have positive outcomes and be affordable in the long-term. However, it does carry the risk that some households will face even greater hardship where there is not the level of engagement required. .
- 4.6.2 All schemes are at risk of costs pressures caused by increases in caseload and increases in Council tax levels.

#### **5. Conclusions**

- 5.1 The current approach to Council Tax Support schemes is providing reducing levels of support to households without providing significant incentives for people to move into work. The long-term approach to providing support needs to be based around helping people into work with elements of the scheme conditional on citizen engagement with initiatives that are designed to improve work prospects. Such schemes are dependent on a number of factors including the provision of wrap around support that incorporates financial help, advice and personal support and would also require integrated delivery models.
- 5.2 If successful the new approach to Council Tax Support schemes would ultimately reduce scheme costs to the council and allow additional funding to be made available to continue helping people to move into work.

## 6. Recommendations

Executive Board is asked to:

1. Note the issues created by the current approach to our Council Tax Support scheme and the need therefore to consider alternative approaches;
2. Agree that officers should undertake further work on options 2 and 3 and develop and consult upon a potential new Council Tax Support scheme, which is based around high levels of support and high levels of challenge with a focus on supporting people into work;
3. Confirm that funding for the 2015/16 Council Tax Support Scheme will be retained at the budgeted level for 2014/15.
4. Agree that the detail of developing a potential new scheme for consultation be delegated to the Assistant Chief Executive (Citizens and Communities). The decision to consult upon a new scheme would be made following discussions with relevant Executive Members and would be eligible for call-in. Any consultation would need to take place within the timescale set out in para 2.3.
5. Agree to receive a report in December 2014 outlining the outcome of consultation and making a recommendation based upon that consultation for the adoption of a new Council Tax Support scheme for 2015/16.

### Background documents<sup>1</sup>

*Background documents*

7 None.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

## Appendix 1 – Impact on a household where payments is secured through deductions from benefit

### Year 1 scheme: 19% reduction in Council Tax Support

• 13/14 Council Tax charges	£166.74
• Summons costs:	<u>£ 90.00</u>
• Total to pay	£256.74

Summons action is normally only taken where there is no contact with the customer; it is required to secure a liability order which is needed to apply for deductions from national benefits

• DWP deductions (from 1/9, @ £3.60 pw)	£111.16
• Balance carried forward	£145.58

### Year 2 scheme: 26% reduction in Council Tax Support

• Balance brought forward	£145.58
• 14/15 Council Tax charges	£232.53
• Summons costs	<u>£ 90.00</u>
• Total to pay	£468.11

A liability order is needed for each year's Council Tax in order to apply for deductions for national benefits. Deductions for year 2 will be queued up and will only commence when year 1 charges have been cleared

• DWP deductions (£3.60 x 52)	£187.20
• Balance outstanding (to be carried forward)	£280.91

### Potential Year 3 scheme: 31% reduction in Council Tax Support

• Balance brought forward	£280.91
• 15/16 Council Tax charge	£278.00
• Summons costs	<u>£ 90.00</u>
• Total to pay	£648.91
• DWP deduction (£3.60 x 52)	£187.20
• Balance outstanding (to be carried forward)	£461.71

## Appendix 2– current scheme costs vs scheme costs with an increase in Council Tax

Col.1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7
	Caseload		14/15 budgeted scheme costs	15/16 scheme costs with Ctax increase		30.5% scheme
Elderly	29605	Protected	£21,446,746	£ 21,875,681	Protected	£21,875,681
War Pensioners	33	Protected	£24,852	£25,349	Protected	£25,349
Severe Disability	2525	Protected	£ 1,766,880	£1,802,218	Protected	£1,802,218
Enhanced Disability	5968	Protected	£ 4,340,916	£4,427,734	Protected	£4,427,734
Carer	1688	Protected	£ 1,364,757	£1,392,052	Protected	£1,392,052
Lone Parent Child Under 5	6733	Protected	£ 4,644,337	£4,737,224	Protected	£4,737,224
Other	31302	<b>26% reduction</b>	£ 16,175,982	£16,499,502	<b>30.5% reduction</b>	£15,496,154
<b>Total</b>	<b>77854</b>		<b>£ 49,764,473</b>	<b>£50,759,763</b>		<b>£49,756,415</b>

**Column 1:** describes the category of case

**Column 2:** shows the number of cases as at 31<sup>st</sup> March 2014

**Column 3:** shows whether the category of case is protected and, if not, the level of reduction in CTS

**Column 4:** shows costs of the scheme based on 14/15 Council Tax levels

**Column 5:** shows costs of the scheme in 15/16 with a 1.9% increase in Council Tax in 15/16, using same protections and reductions as in Col 3

**Column 6:** shows whether the category of case is protected and, if not, the level of reduction in CTS

**Column 7:** shows the new costs of the scheme using a 30.5% reduction

Appendix 3 – options for alternative schemes

	Scheme 1	Scheme 2	Scheme 3	Scheme 4	Scheme 5
	Current scheme	Work incentive scheme 1	Work incentive scheme 2	Minimum payment scheme	Best fit with Universal Credit
Protected groups	Pensioners;  Severe or enhanced disability;  Carers;  War pensions;  Lone parent with child under 5	Pensioners;  Severe or enhanced disability;  Carers;  War pensions;  Lone parent with child under 5	Pensioners;  Severe or enhanced disability;  Carers;  War pensions;  Lone parent with child under 5	Pensioners	Pensioners;  Severe or enhanced disability;  Carers;  War pensions; Lone parent with child under 5
Reduction for non-protected groups					
In-work claims	26%	10%	0%	20%	26%
Out of work claims – 1 <sup>st</sup> 6 months	26%	10%	26%	20%	26%
Out of work claims – after 6 months	26%	100%	35%	20%	26%
Additional features					
	Support withdrawn at 20p for every extra £ earned	Same as scheme 1 except:  No mandatory support after 6 months for people expected to work;  Discretionary hardship fund to support households engaged in initiatives to improve work options	CTS worked out using 100% entitlement for in-work claims  More generous work allowances than current scheme;  Support withdrawn at 10p for every extra £ earned  Support further reduced from 26% to 35% after 6 months for those expected to work	Support withdrawn at 20p for every extra £ earned  Minimum £2 payment below which no CTS is paid	Support withdrawn at 65p in the £ to mirror Universal Credit position

Appendix 4 – illustrations of impact of alternative schemes on different households

<b>Single Person, Under 35, Band A, Shared room rate, No children</b>								
Gross Monthly Earnings	Scheme 1 Current scheme		Scheme 2 Strong work incentives Strict conditionality with enhanced front-line advice. Non-protected groups receive 90% support for 6 months only.			Scheme 3 Strong work incentives 10% Taper, run-on, cut in support after 6 months		
	Take Home Income	CTS paid	Take Home Income	CTS paid	CTS after 6 mths	Take Home Income	CTS Paid	CTS after 6 mths
Out of Work	£ 786.62	£ 41.58	£ 795.61	£ 50.57	£ -	£ 786.62	£ 41.58	£ 35.56
£531.86	£ 837.67	£ 2.47	£ 846.66	£ 11.46	£ 11.46	£ 880.76	£ 45.56	£ 45.56
£1,163.44	£ 1,265.92	£ -	£ 1,265.92	£ -	£ -	£ 1,265.92	£ -	£ -
<b>Lone parent, One Child over 5, Band B, Two bedrooms</b>								
	Take Home Income	CTS paid	Take Home Income	CTS paid	CTS after 6 mths	Take Home Income	CTS Paid	CTS after 6 mths
Out of Work	£ 1,253.19	£ 48.51	£ 1,263.68	£ 59.00	£ -	£ 1,253.19	£ 48.51	£ 41.49
£531.86	£ 1,572.40	£ -	£ 1,572.58	£ 0.18	£ 0.18	£ 1,626.16	£ 53.75	£ 53.75
£1,163.44	£ 1,795.41	£ -	£ 1,795.41	£ -	£ -	£ 1,795.41	£ -	£ -
<b>Lone parent, Two Children, one under 5, Band B, Two bedrooms</b>								
	Take Home Income	CTS paid	Take Home Income	CTS paid	CTS after 6 mths	Take Home Income	CTS Paid	CTS after 6 mths
Out of Work	£ 1,558.28	£ 65.55	£ 1,558.28	£ 65.55	£ 65.55	£ 1,558.28	£ 65.55	£ 65.55
£531.86	£ 1,917.38	£ 18.54	£ 1,917.38	£ 18.54	£ 18.54	£ 1,958.49	£ 59.66	£ 59.66
£1,163.44	£ 2,099.17	£ -	£ 2,099.17	£ -	£ -	£ 2,101.59	£ 2.42	£ 2.42
<b>Couple, Two Children, Band C, Three bedrooms</b>								
	Take Home Income	CTS paid	Take Home Income	CTS paid	CTS after 6 mths	Take Home Income	CTS Paid	CTS after 6 mths
Out of Work	£ 1,871.46	£ 73.92	£ 1,887.45	£ 89.90	£ -	£ 1,871.46	£ 73.92	£ 63.22
£531.86	£ 1,914.92	£ 73.92	£ 1,930.90	£ 89.90	£ 89.90	£ 1,940.89	£ 99.89	£ 99.89
£1,163.44	£ 2,298.81	£ -	£ 2,298.81	£ -	£ -	£ 2,349.41	£ 50.60	£ 50.60
£1,662.05	£ 2,582.07	£ -	£ 2,582.07	£ -	£ -	£ 2,582.81	£ 0.74	£ 0.74
<b>Couple, no children, severe disability premium, Band B (permitted work)</b>								
	Take Home Income	CTS paid	Take Home Income	CTS paid	CTS after 6 mths	Take Home Income	CTS Paid	CTS after 6 mths
Out of Work	£ 1,883.12	£ 87.40	£ 1,883.12	£ 87.40	£ 87.40	£ 1,883.12	£ 87.40	£ 87.40
£531.86	£ 2,998.66	£ 87.40	£ 2,998.66	£ 87.40	£ 87.40	£ 2,998.66	£ 87.40	£ 87.40
£1,063.71	£ 2,434.65	£ 36.26	£ 2,434.65	£ 36.26	£ 36.26	£ 2,435.54	£ 37.14	£ 37.14