

## **Appendix A: Principles of the current CTS Scheme**

Our current CTS scheme assesses people's income against an allowed amount, called an 'applicable amount'. If their income is less than the applicable amount they receive full CTS, subject to an 8.5% contribution if they are working age. If their income is more than the applicable amount their CTS is reduced by 20p for every extra £1.

The key points of our current CTS Scheme Principle:

<b>Working Age people have their CTS calculated based on 91.5% of their weekly CT bill</b>
A weekly deduction is made for each non-dependent based on their income level.
No Tariff Income is assumed for capital under £6,000.
The maximum amount of capital allowed is £16,000.
CTS will be paid based on the national, more generous scheme for those who have reached the qualifying age for State Pension Credit.
Second Adult Rebate can be calculated where there is only one liable person for Council Tax and at least one other adult occupies the property as a non-liable person.
War Pensions will be fully disregarded in the income calculation.

To fulfil the requirement to consider vulnerable groups, CTS will be paid based on the national, more generous scheme for those who have reached the qualifying age for State Pension Credit. Entitlement to CTS in these cases will be based on 100% of their weekly Council Tax bill.

To protect other vulnerable groups, where the applicant and/or partner are in receipt of disability benefits such as attendance allowance, disability living allowance or Personal Independence Payments, income from such benefits will be disregarded.

The CTS scheme also includes incentives to find work. Where people have income from earnings a certain amount of their earnings are disregarded. The amounts are:

<b>Claimant group</b>	<b>Earnings Disregard</b>
Single	£5
Couple	£10
Disabled or a Carer	£20
Lone Parent	£25

In all other areas the CTS scheme rules will follow the rules for working age Housing Benefit claims.