

# Council Tax Reduction Scheme Scenarios

The following scenarios are designed to show how the presented options for the future of Bristol's working age Council Tax Reduction scheme would affect the budgets of citizens receiving this support with a range of different household circumstances.

Please read these examples in conjunction with the background information document that details the individual scheme options.

Please note the Council Tax charges, benefit rates, and allowances for the financial year 2024/25 are not yet known and the figures in the scenarios are presented for illustrative purposes only.

## Scenario 1

John is a single person, not working, in receipt of Universal Credit. He lives in a privately rented one bedroom flat, assessed as liable for Council Tax (band A). He has a 25% single adult discount on his Council Tax. He currently gets full Council Tax Reduction.

John's monthly finances:

Universal Credit income      £1,063.76

Rent                                £850.00

Income after rent costs paid   £213.76

Council Tax per month        £102.59 (currently met in full by Council Tax Reduction)

Effect of options on Council Tax that John is billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Percentage increase in Council Tax payment</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	Nil	Nil	N/A	Nil
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£10.26	£10.26	N/A	4.80%
Option 2b – 17% minimum charge	£17.44	£17.44	N/A	8.16%
Option 2c – 20% minimum charge	£20.52	£20.52	N/A	9.60%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	£20.52	£20.52	N/A	9.60%
Option 3b – 34% minimum charge	£34.88	£34.88	N/A	16.32%
Option 3c – 41% minimum charge	£42.06	£42.06	N/A	19.68%
Option 4a – 13% minimum charge	£13.34	£13.34	N/A	6.24%
Option 4b – 19% minimum charge	£19.49	£19.49	N/A	9.12%
Option 4c – 25% minimum charge	£25.65	£25.65	N/A	12.00%

## Scenario 2

Hani is a single parent of a two-year-old child. She works 16 hours per week and is in receipt of legacy benefits. Hani and her child live in a two bedroom socially rented property, assessed as liable for Council Tax (band B). She has a 25% single adult discount on her Council Tax.

Hani's monthly finances:

Income from earnings        £722.45

Tax Credits Income        £613.34

Child Benefit                £104.00

Housing Benefit            £189.24

Rent                            £481.00

Income after rent costs paid £1,148.03

Council Tax per month      £119.69 (she currently receives a £29.90 Council Tax Reduction, so pays £89.79)

Effect of options on Council Tax that Hani is billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Percentage increase in Council Tax payment</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	£89.79	Nil	Nil	7.82%
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£101.76	£11.97	13%	8.86%
Option 2b – 17% minimum charge	£110.14	£20.35	23%	9.59%
Option 2c – 20% minimum charge	£113.73	£23.94	27%	9.91%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	£113.73	£23.94	27%	9.91%
Option 3b – 34% minimum charge	£119.69	£29.90	33%	10.43%
Option 3c – 41% minimum charge	£119.69	£29.90	33%	10.43%
Option 4a – 13% minimum charge	£105.35	£15.56	17%	9.18%
Option 4b – 19% minimum charge	£112.53	£22.74	25%	9.80%
Option 4c – 25% minimum charge	£119.69	£29.90	33%	10.43%

### Scenario 3

Jasmine is a single parent of a three-year-old child, not working, and in receipt of Universal Credit. Jasmine and her child live in a socially rented two bedroom property, assessed as liable for Council Tax (band B). She has a 25% single adult discount on her Council Tax. She currently gets full Council Tax Reduction.

Jasmine's monthly finances:

Universal Credit income      £1,104.15

Child Benefit                    £104.00

Rent                                £465.83

Income after rent costs paid   £742.32

Council Tax per month        £119.69 (currently met in full by Council Tax Reduction)

Effect of options on Council Tax that Jasmine is billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Percentage increase in Council Tax payment</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	Nil	Nil	N/A	Nil
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£11.97	£11.97	N/A	1.61%
Option 2b – 17% minimum charge	£20.35	£20.35	N/A	2.74%
Option 2c – 20% minimum charge	£23.94	£23.94	N/A	3.23%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	£23.94	£23.94	N/A	3.23%
Option 3b – 34% minimum charge	£40.70	£40.70	N/A	5.48%
Option 3c – 41% minimum charge	£49.07	£49.07	N/A	6.61%
Option 4a – 13% minimum charge	Nil	Nil	N/A	Nil
Option 4b – 19% minimum charge	Nil	Nil	N/A	Nil
Option 4c – 25% minimum charge	Nil	Nil	N/A	Nil

Note that Jasmine would be protected from a reduction in support under options 4a to 4c because she is not in work and has a child under five years of age.

#### Scenario 4

Geoffrey is a single person. He receives Employment and Support Allowance with the support component and Personal Independence Payments. He rents a one bedroom flat, assessed as liable for Council Tax (band A). He has a 25% single adult discount on his Council Tax and gets full Council Tax Reduction.

Geoffrey's monthly finances:

Employment and Support Allowance	£976.95
Personal Independence Payments	£411.67
Housing Benefit	£458.47
Rent	£458.47
Income after rent costs paid	£1,388.62
Council Tax per month	£102.59 (currently met in full by Council Tax Reduction)

Effect of options on Council Tax that Geoffrey is billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Percentage increase in Council Tax payment</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	Nil	Nil	N/A	Nil
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£10.26	£10.26	N/A	0.74%
Option 2b – 17% minimum charge	£17.44	£17.44	N/A	1.26%
Option 2c – 20% minimum charge	£20.52	£20.52	N/A	1.48%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	Nil	Nil	N/A	Nil
Option 3b – 34% minimum charge	Nil	Nil	N/A	Nil
Option 3c – 41% minimum charge	Nil	Nil	N/A	Nil
Option 4a – 13% minimum charge	£13.34	£13.34	N/A	0.96%
Option 4b – 19% minimum charge	£19.49	£19.49	N/A	1.40%
Option 4c – 25% minimum charge	£25.65	£25.65	N/A	1.85%

Note that Geoffrey would be protected from a reduction in support under options 3a to 3c because he is receiving disability related benefits.

## Scenario 5

James is a single parent of a four -year-old child. He works 12 hours per week and is in receipt of Universal Credit. He lives with his child in a privately rented two bedroom property, assessed as liable for Council Tax (band B). He has a 25% single adult discount on his Council Tax.

James' monthly finances:

Income from earnings	£572.00
Universal Credit income	£1,357.16
Child Benefit	£104.00
Rent	£1,095.00
Income after rent costs paid	£938.16

Council Tax per month £119.69 (he currently receives a £26.52 Council Tax Reduction, so pays £93.17)

Effect of options on Council Tax that James is billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Percentage increase in Council Tax payment</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	£93.17	Nil	Nil	9.93%
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£105.14	£11.97	13%	11.21%
Option 2b – 17% minimum charge	£113.52	£20.35	22%	12.10%
Option 2c – 20% minimum charge	£117.11	£23.94	26%	12.48%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	£117.11	£23.94	26%	12.48%
Option 3b – 34% minimum charge	£119.69	£26.52	28%	12.76%
Option 3c – 41% minimum charge	£119.69	£26.52	28%	12.76%
Option 4a – 13% minimum charge	£108.73	£15.56	17%	11.59%
Option 4b – 19% minimum charge	£115.91	£22.74	24%	12.36%
Option 4c – 25% minimum charge	£119.69	£26.52	28%	12.76%

## Scenario 6

Aleksy and Katarzyna are a couple. They have three children, one of whom receives Disability Living Allowance. Aleksy works full time. They also receive some Universal Credit. They live in a privately rented three bedroomed property, assessed as liable for Council Tax (band C).

Aleksy and Katarzyna's monthly finances:

Income from earnings	£1,396.00
Universal Credit income	£1,700.36
Disability Living Allowance	£295.10 (this is paid in respect of their child)
Child Benefit	£241.80
Rent	£1,400.00
Income after rent costs paid	£2,233.26
Council Tax per month	£182.39 (they currently receive a £15.04 Council Tax Reduction, so pay £167.35)

Effect of options on Council Tax that Aleksy and Katarzyna are billed for:

Scheme Option	Amount of Council Tax to pay	Additional amount of Council Tax to pay	Percentage increase in Council Tax payment	Percentage of income paid in Council Tax after rent has been paid
Option 1 – Fully funded scheme retained	£167.35	Nil	Nil	7.49%
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£182.39	£15.04	9%	8.17%
Option 2b – 17% minimum charge	£182.39	£15.04	9%	8.17%
Option 2c – 20% minimum charge	£182.39	£15.04	9%	8.17%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	£167.35	Nil	Nil	7.49%
Option 3b – 34% minimum charge	£167.35	Nil	Nil	7.49%
Option 3c – 41% minimum charge	£167.35	Nil	Nil	7.49%
Option 4a – 13% minimum charge	£182.39	£15.04	9%	8.17%
Option 4b – 19% minimum charge	£182.39	£15.04	9%	8.17%
Option 4c – 25% minimum charge	£182.39	£15.04	9%	8.17%

Note that Aleksy and Katarzyna would be protected from a reduction in support under options 3a to 3c because their child is receiving disability related benefits.

## Scenario 7

David and Elaine are a couple. David is self-employed. Elaine works part-time and receives disability benefits. They own their home, so have no rent costs. Their four bedroomed property is assessed as liable for Council Tax (band D).

David and Elaine's monthly finances:

Income from earnings	£1,157.00
Working Tax Credits	£544.96
Employment and Support Allowance	£561.17
Disability Living Allowance	£423.37
Total income	£2,686.50
Council Tax per month	£205.19 (they currently receive a £61.71 Council Tax Reduction, so pay £143.48)

Effect of options on Council Tax that David and Elaine are billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Percentage increase in Council Tax payment</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	£143.48	Nil	Nil	5.34%
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£164.00	£20.52	14%	6.11%
Option 2b – 17% minimum charge	£178.37	£34.89	24%	6.64%
Option 2c – 20% minimum charge	£184.59	£41.11	29%	6.87%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 3a – 20% minimum charge	£143.48	Nil	Nil	5.34%
Option 3b – 34% minimum charge	£143.48	Nil	Nil	5.34%
Option 3c – 41% minimum charge	£143.48	Nil	Nil	5.34%
Option 4a – 13% minimum charge	£170.16	£26.68	19%	6.33%
Option 4b – 19% minimum charge	£182.47	£38.99	27%	6.79%
Option 4c – 25% minimum charge	£194.78	£51.30	36%	7.25%

Note that David and Elaine would be protected from a reduction in support under options 3a to 3c because Elaine is receiving disability related benefits

## Scenario 8

Hamza and Samira are a couple. They have two children over five years old. Both Hamza and Samira work 16 hours per week. They also receive Universal Credit. They live in three bedroom privately rented property, assessed as liable for Council Tax (band C).

Hamza and Samira's monthly finances:

Income from earnings       £1,478.19

Universal Credit             £1,383.84

Child Benefit                £172.90

Rent                            £1,350.00

Income after rent costs paid   £1,684.93

Council Tax per month       £182.39 (they currently receive a £7.67 Council Tax Reduction, so pay £174.72)

Effect of options on Council Tax that Hamza and Samira are billed for:

<b>Scheme Option</b>	<b>Amount of Council Tax to pay</b>	<b>Additional amount of Council Tax to pay</b>	<b>Additional percentage of Council Tax to pay</b>	<b>Percentage of income paid in Council Tax after rent has been paid</b>
Option 1 – Fully funded scheme retained	£174.72	Nil	Nil	10.37%
<b>Schemes with minimum charge only</b>				
Option 2a – 10% minimum charge	£182.39	£7.67	4%	10.83%
Option 2b – 17% minimum charge	£182.39	£7.67	4%	10.83%
Option 2c – 20% minimum charge	£182.39	£7.67	4%	10.83%
<b>Schemes with minimum charge protecting certain groups</b>				
Option 5a – 20% minimum charge	£182.39	£7.67	4%	10.83%
Option 5b – 34% minimum charge	£182.39	£7.67	4%	10.83%
Option 5c – 41% minimum charge	£182.39	£7.67	4%	10.83%
Option 4a – 13% minimum charge	£182.39	£7.67	4%	10.83%
Option 4b – 19% minimum charge	£182.39	£7.67	4%	10.83%
Option 4c – 25% minimum charge	£182.39	£7.67	4%	10.83%