

## SUMMARY OF POTENTIAL SAVINGS/COST TO THE COUNCIL TAX REDUCTION SCHEME, BY OPTION

Option	Suggested Amendment to the Scheme as per Consultation	Saving to the Scheme £'000
1	Keep scheme as is	0
1a	reduce the maximum level of support to 80%	53
1b	reduce the maximum level of support to 75%	233
2*	remove the Family Premium for all new working age claims	30
3*	reduce the period a claim can be backdated to 1 month	20
4	minimum level of income for self-employed earners after 1 year of self-employment	150
5*	reduce the period a person can be absent from Great Britain to 4 weeks	5
6	reduce capital limit from £16,000 to £6,000	34
7	standard non-dependant deduction	116
8	count child maintenance in full in assessment of household income	200
9	count child benefit paid to the claimant or partner in full in assessment of household income	180
10	limit the maximum level of Council Tax Reduction payable to a Band D charge	80
11	remove Second Adult Reduction	10
12*	remove the Work Related Activity Component in the calculation for new ESA applicants	2
13*	limit the number of children taken into account on a claim to 2	25
14	introduce a targeted protection scheme based on Exceptional Hardship (cost to scheme)	-50

NOTES

- a. Options marked \* denote introduction would align with recently introduced HB rules
- b. Options 1a and 1b cannot be introduced at the same time. Could introduce one or the other, or neither.
- c. Savings identified are best estimates of what might be achieved if the option was introduced on a standalone basis
- d. Options may be interdependent and savings cannot simply be added together - more complex modelling required
- e. 'Savings' are savings to the whole Scheme. Approximately 12.7% is attributable to TMBC.