

Appendix 1

Calculation 1

Single Person claiming Council Tax Reduction, the net weekly earnings are too high to qualify for Universal Credit.

Single Person Personal Allowance	73.10	Weekly net income from earnings	150.00
Earnings less Personal Allowance	76.90	20% of the difference	15.38
Weekly Council Tax Liability	23.27		
Less 20% of the difference	15.38		
Total Reduction in Council Tax	7.89		

Calculation 2

Single Person Claiming Universal Credit with Housing Costs

Single Person Personal Allowance	73.10	Weekly net income from earnings	150.00
Housing Costs Allowance	119.09	Universal Credit award	94.73
Total Allowance	192.19	Total Income	244.73
Difference between allowance and income	52.54	Times 20%	10.50
Weekly Council Tax Liability	23.27		
Less 20% of the difference	10.50		
Total Reduction in Council Tax	12.77		