

**Proposals for Technical Reforms and Council Tax Reduction Scheme
Based on Report Presented to Cabinet on 19 July 2012**

	Proposal A	Proposal B
<u>Council Tax Technical Reforms</u>	£	£
a Removing second homes discount	72,000	72,000
b Reducing discount to 50% on unoccupied homes for 6 month period	456,000	456,000
c Charging a 50% premium on homes left empty for more than 2 years	523,000	523,000
d Reducing discount to 50% on empty homes undergoing major repairs	237,000	237,000
	1,288,000	1,288,000
Combination Adjustment	-88,000	-88,000
	1,200,000	1,200,000
 <u>Council Tax Support Scheme</u>		
1 Limit Claims to 80% of Bill	3,020,000	3,020,000
2 Reduce Capital Limit	80,000	80,000
3 Remove second adult rebate	48,000	48,000
4 Withdraw backdating award	25,000	25,000
5a Remove deduction for non dependants (WA)	-178,000	n/a
5b Introduce flat rate deductions for non-dependants	n/a	-72,000
	2,995,000	3,101,000
 Total Cummulative impact	4,195,000	4,301,000

Proposal A**Forecast Impact of Council Tax Support Scheme Proposals & Technical Changes on Council Tax Base & Council Tax Income. Based on Report Presented to Cabinet on 19 July 2012**

	Taxbase Forecast	Forecast Change in Council Tax Income			
		Sefton (including Parishes)	Police Authority	Fire Authority	Total
Council Tax Band D 2012/13		£1,276.89	£150.62	£67.36	£1,494.87
Share of Band D 2012/13		85.42%	10.08%	4.51%	100%
		£	£	£	£
Tax base / Council Tax Income 2012/13	93,119.6	118,903,461	14,025,671	6,272,535	139,201,667
Less Council Tax Benefit Expenditure 2011/12	-18,234.4	-23,283,274	-2,746,460	-1,228,267	-27,258,000
Technical Reforms	802.7	1,025,018	120,910	54,073	1,200,000
<u>Council Tax Support Scheme Proposals</u>					
1 Limit Claims to 80% of Bill	2,020.2	2,579,628	304,289	136,084	3,020,000
2 Reduce Capital Limit	53.5	68,335	8,061	3,605	80,000
3 Remove second adult rebate	32.1	41,001	4,836	2,163	48,000
4 Withdraw backdating award	16.7	21,355	2,519	1,127	25,000
5 Remove deduction for non dependants (WA)	-119.1	-152,044	-17,935	-8,021	-178,000
Sub-total	77,691.5	99,203,477	11,701,891	5,233,298	116,138,667
Allowance for Non-Payment & Growth	-330.5	-421,966	-49,774	-22,260	-494,000
Forecast Council Tax Base / Council Tax Income	77,361.0	98,781,512	11,652,117	5,211,038	115,644,667
Net Change in Council Tax Income		-20,121,949	-2,373,554	-1,061,497	-23,557,000
Initial Council Tax Support Grant Allocations (May 2012)		20,122,000	2,373,560	1,061,499	23,557,059
Forecast Budget Shortfall (-) / Surplus (+)		51	6	2	59

Proposal B**Forecast Impact of Council Tax Support Scheme Proposals & Technical Changes on Council Tax Base & Council Tax Income. Based on Report Presented to Cabinet on 19 July 2012**

	Taxbase Forecast	Forecast Change in Council Tax Income			
		Sefton (including Parishes)	Police Authority	Fire Authority	Total
Council Tax Band D 2012/13		£1,276.89	£150.62	£67.36	£1,494.87
Share of Band D 2012/13		85.42%	10.08%	4.51%	100%
		£	£	£	£
Tax base / Council Tax Income 2012/13	93,119.6	118,903,461	14,025,671	6,272,535	139,201,667
Less Council Tax Benefit Expenditure 2011/12	-18,234.4	-23,283,274	-2,746,460	-1,228,267	-27,258,000
Technical Reforms	802.7	1,025,018	120,910	54,073	1,200,000
<u>Council Tax Support Scheme Proposals</u>					
1 Limit Claims to 80% of Bill	2,020.2	2,579,628	304,289	136,084	3,020,000
2 Reduce Capital Limit	53.5	68,335	8,061	3,605	80,000
3 Remove second adult rebate	32.1	41,001	4,836	2,163	48,000
4 Withdraw backdating award	16.7	21,355	2,519	1,127	25,000
5 Introduce flat rate deductions for non-dependants	-48.2	-61,501	-7,255	-3,244	-72,000
Sub-total	77,762.4	99,294,020	11,712,571	5,238,075	116,244,667
Allowance for Non-Payment & Growth	-401.4	-512,509	-60,455	-27,036	-600,000
Forecast Council Tax Base / Council Tax Income	77,361.0	98,781,512	11,652,117	5,211,038	115,644,667
Net Change in Council Tax Income		-20,121,949	-2,373,554	-1,061,497	-23,557,000
Initial Council Tax Support Grant Allocations (May 2012)		20,122,000	2,373,560	1,061,499	23,557,059
Forecast Budget Shortfall (-) / Surplus (+)		51	6	2	59