



Equality Impact Assessment

Directorate: Finance

Service Area: Revenue and Benefits

Name of policy being assessed: Council Tax Support

Version: Draft Scheme

Date Completed: 8 September 2025

Signed off by: Malcolm Coe – Director of Finance

1. Overview

The Public Sector Equality Duty is part of the Equality Act 2010 and this Duty requires us as a public body to have “**due regard**” to equality. This includes taking proactive steps to promote equality, eliminate discrimination, harassment and, victimisation. It also requires us to advance equality of opportunity and foster good relations between people who share a “protected characteristic” and people who do not.

Having “due regard” means taking active steps to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

These are the protected characteristics:

- age
- disability
- sex
- pregnancy and maternity
- gender reassignment
- marriage and civil partnership
- race
- religion or belief
- sexual orientation

As a council, we also treat care experience as a protected characteristic and consider the impacts of our decisions on the Armed Forces Community as required by the Armed Forces Act.

2. Background

Council Tax Support is an income related discount scheme that helps vulnerable residents and those on low incomes pay their Council Tax bill. The initial working age scheme was developed through extensive consultation and introduced in April 2013, as a replacement for Council Tax Benefit.

As part of the introduction, the Government:

- a) Placed the duty to create a local scheme for Working Age applicants with billing authorities;
- b) Reduced initial funding by the equivalent of ten per cent from the levels paid through benefit subsidy to authorities under the previous Council Tax Benefit scheme; and
- c) Prescribed that persons of Pension age would be dealt with under regulations set by Central Government and not the authorities' local scheme.

The current Council Tax Support scheme administered by the Council is therefore divided into two schemes, with pension age applicants receiving support under the rules prescribed by Central Government, and the scheme for working age applicants being determined solely by the local authority.

Pension age households, subject to income and savings, can receive up to 100% support towards their Council Tax. The Council has no power to change the level of support provided to pensioners and therefore any changes to the level of Council Tax Support can only be made to the working age scheme.

There is a legislative requirement for local authorities to consider whether to review or replace the working age scheme each financial year.

Following a number of changes to the initial scheme, an income banded scheme was introduced in April 2024, followed by some minor changes in April 2025.

The proposed change for April 2026 has been assessed to ensure that due regard has been given to the Public Sector Equality Duty as enshrined in the Equality Act 2010.

3. How is the decision relevant to the three aims of the Public Sector Equality Duty?

We have identified households who are most likely to be affected by the introduction of the proposed scheme change and compared those to the make-up of our overall customer base to identify any specific groups of people that may be disproportionately affected.

4. What are the proposed changes?

We are reviewing our Council Tax Support scheme for 2026/27 and currently consulting on increasing financial support for single parent households by aligning the income bands that allocate Council Tax Support discounts for single parents with couples that have children.

The proposed change will align:

- The income band for a single parent with one child with the income band for a couple with one child.
- The income band for a single parent with two or more children with the income band for a couple with two or more children.

This proposal will potentially affect 1,644 households, which is **15.65%** of both working and pension age households that receive Council Tax Support in Torbay.

For the majority of households receiving Council Tax Support, which is 8,862 households (**84.35%**), this proposal will have no impact.

Case studies have been provided to illustrate how the proposed change will affect single parent households, at Appendix A.

The current Council Tax Support scheme for pension age households is not affected by the proposed change and is therefore outside of the scope of this consultation.

5. What data and supporting information have been used to assess this change?

All household data has been taken from Torbay Council's Revenue and Benefits processing system and the supporting application form.

We have also sourced information from:

- Office of National Statistics (ONS)
- UK Parliament (House of Commons Library)
- Joseph Rowntree Foundation (UK Poverty 2025: The essential guide to understanding poverty in the UK)
- Scope (Disability Price Tag 2025: statistical summary)

6. Engagement and consultation

After consultation, we will decide whether to proceed with the proposed change. Should it not go ahead, the current scheme will remain in place in accordance with the legislation.

A full public consultation will be undertaken from 24 September 2025 and closing on 4 November 2025.

An updated Equality Impact Assessment will be provided after the public consultation results analysis have been completed.

Protected Characteristic: Age	
Pension Age	
In the ONS, 2021 census 27 per cent of Torbay residents are aged 65 and older.	In Torbay pensioners represent 26.7% of the population (ONS, 2021 census). A report published in July 2025 by the Work and Pensions Committee of the House of Commons highlights that in 2023/24, 1.9 million, or 16% of people of pension age are living in relative poverty, after housing costs (below 60% of median income). This is mainly due to the increase in the cost of living and low take up of Pension Credit. In many areas of the country, local authorities, third sector and community organisations are working together to engage and provide pension age households with the support they need. 5,082 pension age households receive Council Tax Support, which is 48.37% of the total Council Tax Support caseload.
Proposed Scheme Change	For pension age households the amount of Council Tax Support will continue to be calculated under the nationally prescribed scheme and therefore the proposed change to the working age scheme will have no impact.
Working Age	
According to ONS, 2021 census. 18 per cent of Torbay residents are under 18 years old. 55 per cent of Torbay residents are aged between 18 to 64 years old.	A report published in April 2025 by the House of Commons, shows that in 2023/24, 7.9 million, or 19% of people of working age are living in relative poverty, after housing costs (below 60% of median income). This is mainly due to a drop in household earnings, social security benefits and changing from a working to a workless household. 5,424 working age households receive Council Tax Support, which is 51.63% of the total Council Tax Support caseload. Around 54% of all working age households receiving Council Tax Support are single people, 30% single parents, 8% couples with children and just over 8% are couples with no children.
	Single People – No Children
	There are 2,939 single people receiving Council Tax Support, which represents 54.18% of all working age households. Women: 1,349 Men: 1,590
	Couples – No Children
	There are 423 couples with no children receiving Council Tax Support, which represents 7.8% of all working age households.

	Single Parents
	A report published in March 2023 by the House of Commons found that 50% of single parent families were receiving income related benefits in 2020/21, compared with 15% of couples with children and a 16% average across all household types. Single parent families are over-represented among households receiving benefit. Around 15% of UK households are single parent families but a much higher proportion of single parents receive Universal Credit and other benefits. There are 1,644 single parents receiving Council Tax Support, which represents 30.31% of all working age households. 1,518 or 92.21% of single parent households are women. The number of households with: One Child: 789 Two Children or more: 855
	Couples – With Children
	There are 418 couples with children receiving Council Tax Support, which represents 7.71% of all working age households. The number of households with: One Child: 152 Two Children or more: 266
Proposed Scheme Change	Single People – No Children
	The proposed change does not specifically affect this group.
	Couples – No Children
	The proposed change does not specifically affect this group.

Single Parents

The proposed change will provide additional financial support to some households within our community.

It will have a positive impact on those households that currently receive less than the maximum discount from April 2026.

The table below shows the number of cases, by household type, that will have an increase in the level of discount. Case studies have been provided to illustrate how the proposed change will affect single parent households, at Appendix A.

Household Type	Number of Households
Single Parent - One Child	174
Single Parent - Two Children or More	272
Total	446

It will also have a positive impact, where applicable, on households that may apply for Council Tax Support from 1 April 2026.

The table below shows the number of households that will remain unchanged as they currently receive the maximum level of discount.

Household Type	Number of Households
Single Parent - One Child	615
Single Parent - Two Children or More	583
Total	1,198

Couples – With Children

The proposed change does not affect this group, as it aligns the income bands for single parents with one child with the income band for a couple with one child and single parents with two or more children with couples with two or more children.

Protected Characteristic: Disability

In the ONS, 2021 Census, 23.8% of Torbay residents answered that their day-to-day activities were limited a little or a lot by a physical or mental health condition or illness.

A person is considered disabled if they have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities.

Physical or Mental Disability – this includes a wide range of conditions, such as hearing loss, visual impairments, mobility difficulties, mental health conditions (e.g., depression, anxiety), learning disabilities, and long-term health conditions like diabetes or heart disease.

Substantial Effect – the term 'substantial' refers to the level of effect the impairment has on the individual's daily life, highlighting the significant impact it can have on carrying out everyday tasks.

Long-Term – the effects of the impairment are considered long-term if they have lasted or are expected to last for at least twelve months or for the rest of the individual's life. This aspect of the definition acknowledges the enduring nature of many disabilities and their impact on the entire life of an individual.

People with disabilities are more likely to be living in poverty than non-disabled people. According to recent data published by the think tank Joseph Rowntree Foundation, the poverty rate for disabled people was 30%, 10 percentage points above those who are not disabled. The difference is even more significant for working-age adults: disabled working-age adults are almost twice as likely to live in poverty than those who are not (35% and 18% respectively).

Research published by disability equality charity Scope reported on the extra costs faced by disabled adults and families with disabled children. The latest findings show that disabled households need an additional £1,095 per month to have the same standard of living as non-disabled households. These costs include essential goods and services like medical equipment, therapies, higher energy bills, increased travel and specialised care.

Relevant disability benefits are disregarded in the calculation of Council Tax Support, thereby protecting those with specific long-term conditions who fall within this group - further details are available at Appendix B and C.

Proposed Scheme Change

The proposed change will affect those households that currently receive less than the maximum discount from April 2026.

The table below shows the number of cases, by household type, that will have an increase in the level of discount.

Household Type	Number of Households
Single Parent - One Child	14
Single Parent - Two Children or More	29
Total	43

It will also have a positive impact, where applicable, on households that may apply for Council Tax Support from 1 April 2026.

The table below shows the number of households that will remain unchanged as they currently receive the maximum level of discount.

Household Type	Number of Households
Single Parent - One Child	288
Single Parent - Two Children or More	242
Total	530

Protected Characteristic: Sex	
In the ONS, 2021 census 51.3% of Torbay's population are female and 48.7% are male Council Tax Support Working Age: 5,424 Women: 3,667 Men: 1,757	The Council Tax Support scheme will not treat people of different genders any differently. Based on current data there is a higher percentage of working age women receiving Council Tax Support 3,667 (67.6%) when compared to their representation in the Torbay population 71,493 (51.31%), as they tend to be the primary care givers. Furthermore, 1,518 (92.34%) of working age single parents are women compared to 126 men (7.66%).
	Single People – No Children
	There are 1,349 single women receiving Council Tax Support, which represents 25% of all working age households. 1,590 single men receive Council Tax Support, which represents 29% of all working age households.
	Couples – No Children
	There are 423 couples with no children receiving Council Tax Support, which represents 8% of all working age households.
	Single parents
	There are 1,644 single parents receiving Council Tax Support and the majority (1,518) are women, which represents 28% of all working age households. 126 single parents are men, which represents 2% of all working age households.
	Couples – With Children
	There are 418 couples with children receiving Council Tax Support, which represents 8% of all working age households.

Proposed Scheme Change

The proposed change will have a positive impact on women as they represent the majority of all single parents receiving Council Tax Support.

The proposed change will affect those households that currently receive less than the maximum discount from April 2026.

The table below shows the number of cases, by household type, that will have an increase in the level of discount.

Household Type	Women	Men	Total
Single Parent - One Child	162 (93.1%)	12 (6.9%)	174
Single Parent - Two Children or More	260 (95.6%)	12 (4.4%)	272
Total	422 (94.6%)	24 (5.4%)	446

It will also have a positive impact, where applicable, on some households that may apply for Council Tax Support from 1 April 2026.

The table below shows the number of households that will remain unchanged as they currently receive the maximum level of discount.

Household Type	Women	Men	Total
Single Parent - One Child	538 (87.5%)	77 (12.5%)	615
Single Parent - Two Children or More	556 (95.4%)	27 (4.6%)	583
Total	1,094 (91.3%)	104 (8.7%)	1,198

Local Protected Characteristic: Carers

In the ONS, 2021 census there were 14,900 unpaid carers in Torbay. 5,185 of these provided 50 hours or more of care.

The definition of unpaid caring responsibilities is someone who gives help or support to anyone who has long-term physical or mental ill-health conditions, illness or problems related to old age. It does not include any activities as part of paid employment and the help can be within or outside the carer's household (ONS, 2021 census).

The Council is required to consider the needs of households with caring responsibilities within its proposed scheme. It is recognised that households with caring responsibilities can affect people's ability to pursue paid work.

Financially, carers may face difficulties and their income may be affected by their caring role.

Proposed Scheme Change

The proposed change will have a positive impact on some single parent households that have caring responsibilities and currently receive less than the maximum discount from April 2026.

The table below shows the number of cases, by household type, that will have an increase in the level of discount.

Household Type	Number of Households
Single Parent - One Child	20
Single Parent - Two Children or More	86
Total	106

It will also have a positive impact, where applicable, on some single parent households that may apply for Council Tax Support from 1 April 2026.

The table below shows the number of households that will remain unchanged as they currently receive the maximum level of discount.

Household Type	Number of Households
Single Parent - One Child	91
Single Parent - Two Children or More	118
Total	209

Protected Characteristic: Pregnancy and Maternity	
According to ONS, over the period 2010 to 2021, the rate of live births (as a proportion of females aged 15 to 44) has been slightly higher in Torbay (average of 63.7 per 1,000) than England (60.2) and the South-West (58.4).	Existing data on applicants receiving Council Tax Support does not provide any insights on pregnant women, those on maternity leave or those women who have given birth within the last 26 weeks.
Proposed Scheme Change	The proposed change will have a positive impact on some single parent households expecting their first or second child. Following the birth of the first or second child, the household composition will change, resulting in a revised level of discount that will be applied as appropriate. Under the current and proposed scheme change, no additional support is provided for households with three or more children. This is concurrent with other welfare schemes and has been part of previous means tested scheme since April 2017 and the current income banded scheme since April 2024. As we have an exceptional hardship fund then those requiring additional support can access this fund.

Protected Characteristic: Gender Reassignment		
Data and Insight	Negative Impact & Mitigating Actions	Neutral Impact
In the ONS, 2021 census, 0.4% of Torbay residents answered that their gender identity was not the same as registered at birth. This proportion is similar to the Southwest and is lower than England. The Government estimates that between 0.3 to 0.75 per cent of the UK population have a different gender to the one assigned to them at birth – for further information please refer to link https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/721642/GEO-LGBT-factsheet.pdf	Not applicable.	The eligibility criteria is neutral in relation to gender reassignment, as it does not expressly include, exclude or otherwise identify any particular group. All awards are therefore neutral in that they are available equally to all applicants.
Data is not held on the numbers of households receiving Council Tax Support with this characteristic.		

Protected Characteristic: Marriage and Civil Partnership		
Data and Insight	Negative Impact & Mitigating Actions	Neutral Impact
According to ONS, 2021 census, 44.2% of Torbay residents aged 16 or over, were married or in a registered civil partnership. We are unable to distinguish between married and unmarried couples receiving Council Tax Support, however 15.5% are couples.	Not applicable	Couples who are married or who have entered into a civil partnership are treated the same as an unmarried couple by the proposal. All awards are therefore neutral in that they are available equally to all applicants.

Protected Characteristic: Race		
Data and Insight	Negative Impact & Mitigating Actions	Neutral Impact
In the 2021 Census, 96.1% of Torbay residents described their ethnicity as white. This is a higher proportion than the South-West and England. Recent research has shown that across the UK people from minoritised backgrounds are disproportionately affected by financial hardship. We have no equivalent data explicitly for Torbay.	Not applicable	The eligibility criteria is neutral in relation to race, as it does not expressly include, exclude or otherwise identify any particular group. All awards are therefore neutral in that they are available equally to all applicants irrespective of race.
Data is not held on the numbers of households receiving Council Tax Support with this characteristic.		

Protected Characteristic: Religion or Belief																		
Data and Insight	Negative Impact & Mitigating Actions	Neutral Impact																
50.5% of Torbay residents stated that they have a religion in the ONS, 2021 census – for further detail see below: <table><tr><td>Christian</td><td>48.5%</td></tr><tr><td>Buddhist</td><td>0.4%</td></tr><tr><td>Hindu</td><td>0.2%</td></tr><tr><td>Jewish</td><td>0.1%</td></tr><tr><td>Muslim</td><td>0.6%</td></tr><tr><td>Sikh</td><td>0.0%</td></tr><tr><td>Other</td><td>0.7%</td></tr><tr><td>No religion</td><td>43.2%</td></tr></table>	Christian	48.5%	Buddhist	0.4%	Hindu	0.2%	Jewish	0.1%	Muslim	0.6%	Sikh	0.0%	Other	0.7%	No religion	43.2%	Not applicable	The eligibility criteria is neutral in relation to religion or belief, as it does not expressly include, exclude or otherwise identify any particular group. All awards are therefore neutral in that they are available equally to all applicants irrespective of race.
Christian	48.5%																	
Buddhist	0.4%																	
Hindu	0.2%																	
Jewish	0.1%																	
Muslim	0.6%																	
Sikh	0.0%																	
Other	0.7%																	
No religion	43.2%																	
Data is not held on the numbers of households receiving Council Tax Support with this characteristic.																		

Protected Characteristic: Sexual Orientation		
Data and Insight	Negative Impact & Mitigating Actions	Neutral Impact
In the ONS, 2021 Census, 3.4% of those in Torbay aged over 16 identified their sexuality as either Lesbian, Gay, Bisexual or, used another term to describe their sexual orientation.	Not applicable	The eligibility criteria is neutral in relation to sexual orientation, as it does not expressly include, exclude or otherwise identify any particular group. There is no evidence to suggest the changes will disproportionately disadvantage claimants with this characteristic.
Data is not held on the numbers of households receiving Council Tax Support with this characteristic.		

Armed forces (including serving personnel, families and veterans)		
Data and Insight	Negative Impact & Mitigating Actions	Neutral Impact
According to ONS, 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. In Torbay, 5.9 per cent of the population have previously served in the UK armed forces. In 2023 the council resigned the Armed Forces Covenant to reaffirm Torbay Council's commitment to support HM Armed Forces and to recognise and remember the sacrifices made by members of the Armed Forces Community. The current scheme continues to disregard military payments for veterans - further details are available at Appendix B.	Not applicable	There is no evidence to suggest this proposal will disadvantage households with this characteristic. The eligibility criteria is neutral in relation to the armed forces community, as it does not expressly include, exclude or otherwise identify any particular group.
Data is not held on the numbers of households receiving Council Tax Support with this characteristic.		

Socio-economic impacts (Including impact on child poverty issues and deprivation)	The proposed change will have a positive impact on the amount of Council Tax Support awarded for some single parent households affected from 1 April 2026. It will also have a positive impact, where applicable, on some single parent households that may apply for Council Tax Support from 1 April 2026.
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	There are links between unemployment and poorer mental health, such as stigma, isolation, loss of self-worth and the material consequences of a reduced income. Unemployed individuals, particularly the long-term unemployed, have a higher risk of poor mental health compared with those in employment.
Human Rights	In accordance with Article 8 of the Human Rights Act the Council Tax Support scheme supports the right to respect private and family life, the home and correspondence.
Child Friendly Torbay Council is a Child Friendly Council and all staff and Councillors are Corporate Parents and have a responsibility towards cared for and care experienced children and young people.	The proposed change will have a positive impact on some single parent households.

Single Parent with One Child

Single parent, age 22 with one child, age 1.

Rents a two-bedroom property from social landlord.

Employed, receives Universal Credit (includes Housing Element) and Child Benefit.

Total Weekly Income (including Housing Element): £389.28.

Net Weekly Income for calculating Council Tax Support: £216.56.

Property Band A
Annual Charge: £1,169.92

Current Scheme

Level of Discount	Single and One Child
75%	In receipt of a passported benefit
75%	£0 to £179.00
55%	£179.01 to £220.00
40%	£220.01 to £261.00
20%	£261.01 to £302.00
0%	£302.01+

Council Tax to pay, after discount (55%) £10.12 per week.

Proposed Change

Level of Discount	Single and One Child and Couple with One Child
75%	In receipt of a passported benefit
75%	£0 to £234.00
55%	£234.01 to £275.00
40%	£275.01 to £316.00
20%	£316.01 to £356.00
0%	£356.01+

Council Tax to pay, after proposed scheme change, £5.62 per week.

Single Parent with One Child

Single parent, age 32 with one child, age 5.

Rents a two-bedroom property from a private landlord.

Employed, receives Universal Credit (includes Housing Element, based on the two-bedroom Local Housing Allowance rate) and Child Benefit.

Total Weekly Income (including Housing Element): £457.21.

Net Weekly Income for calculating Council Tax Support: £250.39.

Property Band A
Annual Charge: £1,169.92

Current Scheme

Level of Discount	Single and One Child
75%	In receipt of a passported benefit
75%	£0 to £179.00
55%	£179.01 to £220.00
40%	£220.01 to £261.00
20%	£261.01 to £302.00
0%	£302.01+

Council Tax to pay, after discount (40%) £13.50 per week.

Proposed Change

Level of Discount	Single and One Child and Couple with One Child
75%	In receipt of a passported benefit
75%	£0 to £234.00
55%	£234.01 to £275.00
40%	£275.01 to £316.00
20%	£316.01 to £356.00
0%	£356.01+

Council Tax to pay, after proposed scheme change, £10.12 per week.

Single Parent with One Child

Single parent, age 53 with one child, age 16.

Owner occupier

Receives Universal Credit and Child Benefit

Total Weekly Income: £539.21.

Net Weekly Income for calculating Council Tax Support: £296.57.

Property Band D

Annual Charge: £1,754.88

Current Scheme

Level of Discount	Single and One Child
75%	In receipt of a passported benefit
75%	£0 to £179.00
55%	£179.01 to £220.00
40%	£220.01 to £261.00
20%	£261.01 to £302.00
0%	£302.01+

Council Tax to pay, after discount (20%) £27.00 per week.

Proposed Change

Level of Discount	Single and One Child and Couple with One Child
75%	In receipt of a passported benefit
75%	£0 to £234.00
55%	£234.01 to £275.00
40%	£275.01 to £316.00
20%	£316.01 to £356.00
0%	£356.01+

Council Tax to pay, after proposed scheme change, £20.25 per week.

Single Parent with One Child

Single parent, age 26 with one child, age 4.

Rents a two-bedroom property from a social landlord.

Receives Universal Credit (includes Housing Element) and Child Benefit.

Total Weekly Income (including Housing Element): £288.83.

Net Weekly Income for calculating Council Tax Support: £157.24.

Property Band B

Annual Charge: £1,364.91

Current Scheme

Level of Discount	Single and One Child
75%	In receipt of a passported benefit
75%	£0 to £179.00
55%	£179.01 to £220.00
40%	£220.01 to £261.00
20%	£261.01 to £302.00
0%	£302.01+

Council Tax to pay, after discount (75%) £6.56 per week.

Proposed Change

Level of Discount	Single and One Child and Couple with One Child
75%	In receipt of a passported benefit
75%	£0 to £234.00
55%	£234.01 to £275.00
40%	£275.01 to £316.00
20%	£316.01 to £356.00
0%	£356.01+

Council Tax to pay, after proposed scheme change, £6.56 per week.

Single Parent with Two or More Children

Single parent, age 35 with three children, age 12, 9 and 6

Rents a three-bedroom property from a private landlord.

Employed, receives Universal Credit (includes Housing Element, based on the three-bedroom Local Housing Allowance rate) and Child Benefit.

Total Weekly Income: £697.73.

Net Weekly Income for calculating Council Tax Support: £372.57.

Property Band B
Annual Charge: £1,364.91

Current Scheme

Level of Discount	Single with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £261.00
55%	£261.01 to £302.00
40%	£302.01 to £342.00
20%	£342.01 to £383.00
0%	£383.01+

Council Tax to pay, after discount (20%) £21.00 per week.

Proposed Change

Level of Discount	Single with Two or More Children and Couple with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £316.00
55%	£316.01 to £356.00
40%	£356.01 to £397.00
20%	£397.01 to £438.00
0%	£438.01+

Council Tax to pay, after proposed scheme change, £15.75 per week.

Single Parent with Two or More Children

Single parent, age 44 with two children, age 14, and 12

Rents a three-bedroom property from a private landlord.

Employed, receives Universal Credit (includes Housing Element, based on the three-bedroom Local Housing Allowance rate) and Child Benefit.

Total Weekly Income: £685.38.

Net Weekly Income for calculating Council Tax Support: £341.45.

Property Band C
Annual Charge: £1,559.90

Current Scheme

Level of Discount	Single with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £261.00
55%	£261.01 to £302.00
40%	£302.01 to £342.00
20%	£342.01 to £383.00
0%	£383.01+

Council Tax to pay, after discount (40%) £18.00 per week.

Proposed Change

Level of Discount	Single with Two or More Children and Couple with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £316.00
55%	£316.01 to £356.00
40%	£356.01 to £397.00
20%	£397.01 to £438.00
0%	£438.01+

Council Tax to pay, after proposed scheme change, £13.50 per week.

Single Parent with Two or More Children

Single parent, age 35 with two children, age 13 and 9

Rents a two-bedroom property from a private landlord.

Employed, receives Universal Credit (includes Housing Element, based on the two-bedroom Local Housing Allowance rate) and Child Benefit.

Total Weekly Income: £528.84.

Net Weekly Income for calculating Council Tax Support: £269.71.

Property Band B
Annual Charge: £1,364.91

Current Scheme

Level of Discount	Single with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £261.00
55%	£261.01 to £302.00
40%	£302.01 to £342.00
20%	£342.01 to £383.00
0%	£383.01+

Council Tax to pay, after discount (55%) £11.81 per week.

Proposed Change

Level of Discount	Single with Two or More Children and Couple with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £316.00
55%	£316.01 to £356.00
40%	£356.01 to £397.00
20%	£397.01 to £438.00
0%	£438.01+

Council Tax to pay, after proposed scheme change, £6.56 per week.

Single Parent with Two or More Children

Single parent, age 39 with two children, age 16 and 6.

Rents a two-bedroom property from a private landlord.

Employed, receives Universal Credit (includes Housing Element, based on the two-bedroom Local Housing Allowance rate) and Child Benefit.

Total Weekly Income: £426.05.

Net Weekly Income for calculating Council Tax Support: £234.16.

Property Band C
Annual Charge: £1,559.90

Current Scheme

Level of Discount	Single with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £261.00
55%	£261.01 to £302.00
40%	£302.01 to £342.00
20%	£342.01 to £383.00
0%	£383.01+

Council Tax to pay, after discount (75%) £7.50 per week.

Proposed Change

Level of Discount	Single with Two or More Children and Couple with Two or More Children
75%	In receipt of a passported benefit
75%	£0 to £316.00
55%	£316.01 to £356.00
40%	£356.01 to £397.00
20%	£397.01 to £438.00
0%	£438.01+

Council Tax to pay, after proposed scheme change, £7.50 per week.

Income bands and level of discount set for financial year ending 31 March 2026

Level of Discount	Single	Couple	Single and 1 Child	Single and 2+ Children	Couple and 1 Child	Couple and 2+ Children
75%	£0-£104	£0-£152	£0-£179	£0-£261	£0-£234	£0-£316
55%	£104.01-£135	£152.01-£193	£179.01-£220	£261.01-£302	£234.01-£275	£316.01-£356
40%	£135.01-£165	£193.01-£233	£220.01-£261	£302.01-£342	£275.01-£316	£356.01-£397
20%	£165.01-£196	£233.01-£274	£261.01-£302	£342.01-£383	£316.01-£356	£397.01-£438
0%	£196.01+	£274.01+	£302.01+	£383.01+	£356.01+	£438.01+

Key features

All Cases

- Savings limit at £6,000.
- No deductions made for any non-dependents living in the household.

Passported Benefit Income

- Passported refers to households that are in receipt of Employment and Support Allowance (Income Related), Job Seekers Allowance (Income Based) or Income Support receive the maximum discount, which is currently set at 75% of the Council Tax liability.

Universal Credit Income

- Housing Element disregarded.
- Carer Allowance disregarded.
- Limited Work Capability disregarded.
- Disabled Child Element disregarded.
- Transitional Protection disregarded.
- Standard Earnings disregards – if the applicant and/or partner is in full or part-time employment some of the earnings is discounted and a standard income disregard is applied. The amount disregarded depends on personal circumstances (£5, £10, £20 & £25).

For further information on Universal Credit income, see Appendix C.

Standard Income

- Disability Living Allowance and Personal Independence Payments are disregarded.
- Support Component for Employment and Support Allowance is disregarded.
- Child Benefit, child maintenance and child-care costs are disregarded.
- Carers Allowance disregarded.
- £75 income disregard where the applicant or partner receives a disability benefit.
- Standard Earnings disregards – if the applicant and/or partner is in full or part-time employment some of the earnings is discounted and a standard income disregard is applied. The amount disregarded depends on personal circumstances (£5, £10, £20 & £25).
- Minimum set income for self-employed after one year's trading, based on the national minimum wage, for the age group, multiplied by a set number of hours, depending on circumstances.

Military Payments

War disablement pensions are paid to those who have been disabled or injured, either from their service or from wartime conditions. War widow's pensions are paid where a husband, wife or civil partner have died as a result of them serving in the armed forces.

War Disablement Pensions – The war disablement pensions prescribed are:

1. Any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (earnings and Pensions) Act 2003;
2. Any retired pay or pension payable to a member of the armed of the Crown in respect of a disablement which is attributable to service, under:
 1. An Order in Council made under section 3 of the Naval and marine Pay and Pensions Act 1865
 2. The Army Pensions Warrant 1977
 3. The Army Pensions (armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Warrant 2010
 4. Any order or regulations made under section 2 of the Air Force (constitution) Act 1917
 5. Any order or regulations made under section 4 of the Reserve Forces Act 1996
 6. Any instrument amending or replacing any of the instruments referred to above or any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown; and
 7. A payment made under article 14(1)(b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005

War Widow's Pensions – The war widow's pension prescribed are:

- Any pension or allowance payable to a widow, widower or surviving civil partner under an instrument specified in section 639(2) of the Income Tax (earnings and Pensions) Act 2003 in respect of the death or disablement of any person;
- A pension payable, to a widow, widower or surviving civil partner of a member of the armed forces of the Crown in respect of death, which is attributable to service, under;
 1. An Order in Council made under section 3 of the Naval and Marine Pay and Pensions Act 1865
 2. The Army Pensions Warrant 1977
 3. The Army Pensions (armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Warrant 2010
 4. Any order or regulations made under section 2 of the Air Force (constitution) Act 1917
 5. Any order or regulations made under section 4 of the Reserve Forces Act 1996
 6. Any instrument amending or replacing any of the above or any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown; and
 7. A payment made under article 21(1)(a) of the Armed Forces and Reserve Forces (compensation Scheme) Order 2005;
 8. A payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs

In accordance with Section 13A 1A of the Local Government Finance Act 1992, the working age scheme ignores (fully disregards) income from War Widows (Widowers), War Disablement Scheme and the Armed Forces Compensation Scheme when calculating a Council Tax Support discount.

Universal Credit - Universal Credit is a means tested single benefit payment for working-age people who are looking for work or on a low income. It was introduced in 2013 to simplify welfare payments, replacing six “legacy” benefits and tax credits into one single monthly payment:

- Housing Benefit;
- Income-Related Employment and Support Allowance;
- Income-Based Job Seekers Allowance;
- Child Tax Credit;
- Working Tax Credit;
- Income Support.

Standard Allowance – the set amount, depending on age and personal status.

2025/26 Rates

Personal Circumstances	Monthly Amount
Single and under 25	£316.98
Single and 25 and over	£400.14
Living with partner and both under 25	£497.55
Living with partner and one or both over 25	£628.10

Housing Element – the amount that’s paid to help households that have a rent liability.

For tenants that rent from a private landlord the amount is based on the Local Housing Allowance rate for the South Devon area. The amount paid is determined by age and household composition.

For tenants that rent from a housing association (social landlord), the payment is based on the actual rent.

Carer Allowance – this is added to the maximum amount of Universal Credit where the applicant has regular and substantial caring responsibilities. This means that the person meets the entitlement conditions for carer’s allowance including caring for at least 35 hours a week. It also includes a person who would be entitled to carer’s allowance, but their earnings are too high. There is no requirement to actually claim carer’s allowance.

Limited Work Capability - the amount paid if the applicant has a limited capability for work and has a work-related activity.

Work-related activities include:

- phoning work coach
- creating and maintaining an online profile
- improving job seeking skills
- registering with an employment agency
- searching for jobs
- applying for jobs
- obtaining references
- taking part in training courses

Child Element – this is included where the applicant is responsible for a child or qualifying young person and live with them. The child element continues until the first September following the 16th birthday, or if in full-time non-advanced education or approved training, until the first September after the 19th birthday.

There are two separate rates for the child element, one for the first or only child and then a reduced rate for second and subsequent children. From 6 April 2017, the higher first child amount is only available for a child or qualifying young person is born before 6 April 2017.

From 6 April 2017 the child element is subject to the two-child limit policy. The current rules limit the child element to two children. The general rule is that third and subsequent children born on or after 6 April 2017 will only qualify if an exception applies to them. For children born before 6 April 2017, a child element will be included.

Disabled Child Element – in addition to the child element, the disabled child element is paid where a child or children have a disability. There are two rates, that are dependent on the type of disability benefits that are in payment.

Transitional Protection – for households that move from legacy benefits to Universal Credit by DWP under the formal managed migration exercise will receive transitional protection where they have no change of circumstances and their new UC award, at the point they are moved, is lower than their former legacy benefits.

Work Allowance (Earned Income) – the amount households with children and/or with limited capability for work are allowed to earn before Universal Credit is reduced. This amount is increased annually in line with inflation (September's CPI).

If a housing element is included in the Universal Credit payment, the household will receive a lower work allowance. This is also the case for households entitled to Universal Credit and also receives housing benefit for temporary accommodation.

2025/26 Rates**Household Circumstances****Monthly Rate**

Housing element included	£411.00
Housing element not included	£684.00

Taper (Earned Income) - The taper is the rate at which maximum Universal Credit is reduced by earnings. Maximum Universal Credit is reduced by 55 per cent of net earnings above the work allowance. For households that are not eligible for a Work Allowance, the maximum Universal Credit is reduced by 55 per cent of the net earnings.

Disregard (Earned Income) – this is applied if the applicant and/or partner is in full or part-time employment.

2025/26 Rates**Household Circumstances****Weekly Rate****Monthly Rate**

Single	£5.00	£21.67
Single Parent	£25.00	£108.33
Couple	£10.00	£43.33
Disability	£20.00	£86.67