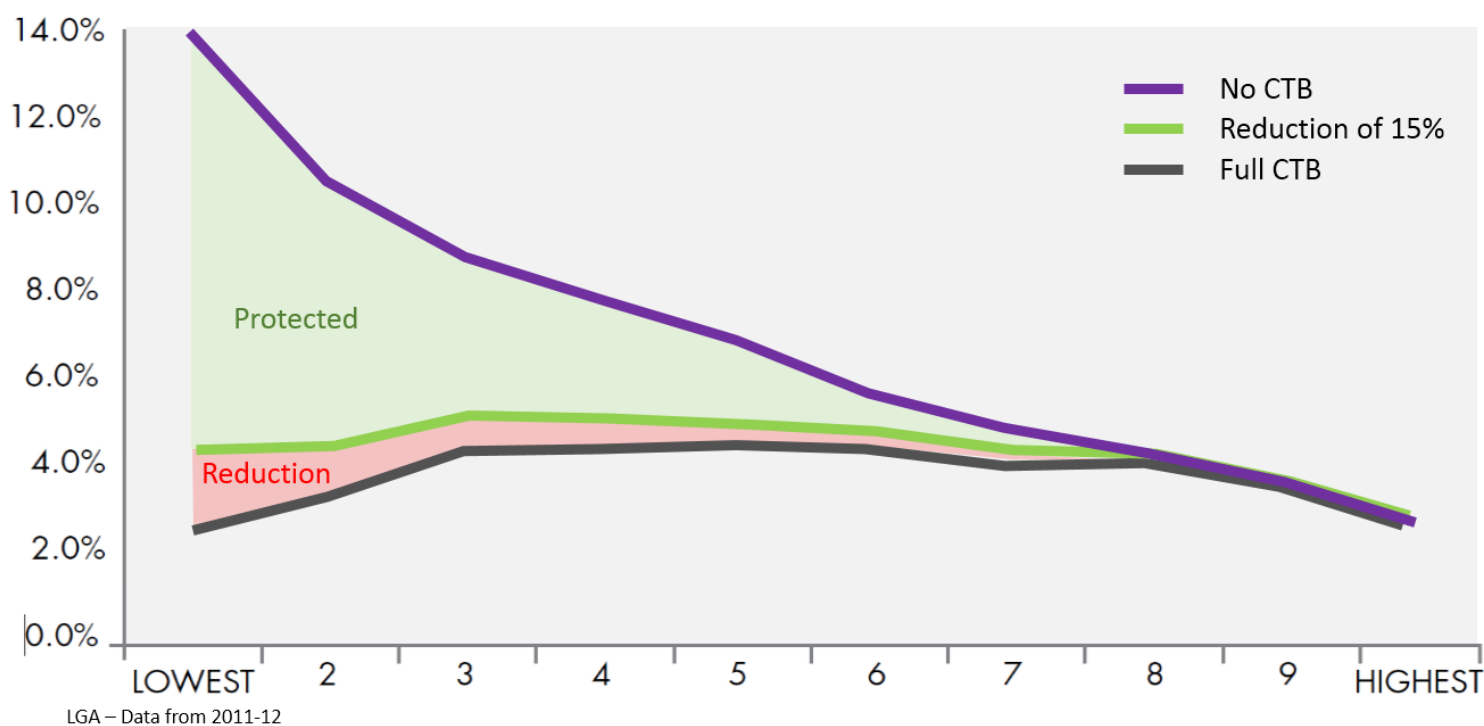




Council Tax Support and Welfare Reform Factsheet

Council tax as a proportion of net household income after housing costs by income decile




120 homes with their benefit capped at £26,000 will see an average £2.89 a week reduction in their Council Tax Benefit (£150.28 a year)


2,035 under-occupied homes will see an average £2.61 a week reduction in their Council Tax Benefit (£135.72 a year)

Source: CCC September 2015

Impact of welfare reform on residents who are likely to claim Council Tax Benefit

Other Housing Benefit Changes

- 8,668 households**
LHA room rate change - £120 and £360 reduction a year
- 21 households**
Four bedroom cap - £947 reduction a year
- 219 households**
Abolishing the £15 excess - £780 reduction a year
- 698 households**
Extension of the shared room rate (under 35) - £1,392 reduction a year

DWP changes

-  **3,528 people**
Estimated impact of Incapacity Benefit changes - £1,543 reduction a year
-  **9,600 people**
Estimated impact of Employment and Support Allowance changes - £1,479 reduction a year
-  **2,948 people**
Estimated impact of Disability Living Allowance changes - £3,640 reduction a year

Source: CCC estimates

Other Changes

- 1,900 households**
Non-dependant deductions - £1,121 reduction a year
- 28,500 households**
Tax credit - £812 reduction a year



Source: Sheffield Hallam

Total estimated loss

- £2.6 million**
Localisation of Council Tax Benefits
- £112 million**
Total estimated impact of pre-2015 cuts


Source: Sheffield Hallam

July 2015 Budget changes linked to those claiming CTB

-  **£26,000 to £20,000**
Further benefit cap reduction
-  **18-21 years olds**
Housing benefit not paid automatically and a youth obligation that they 'earn or learn'

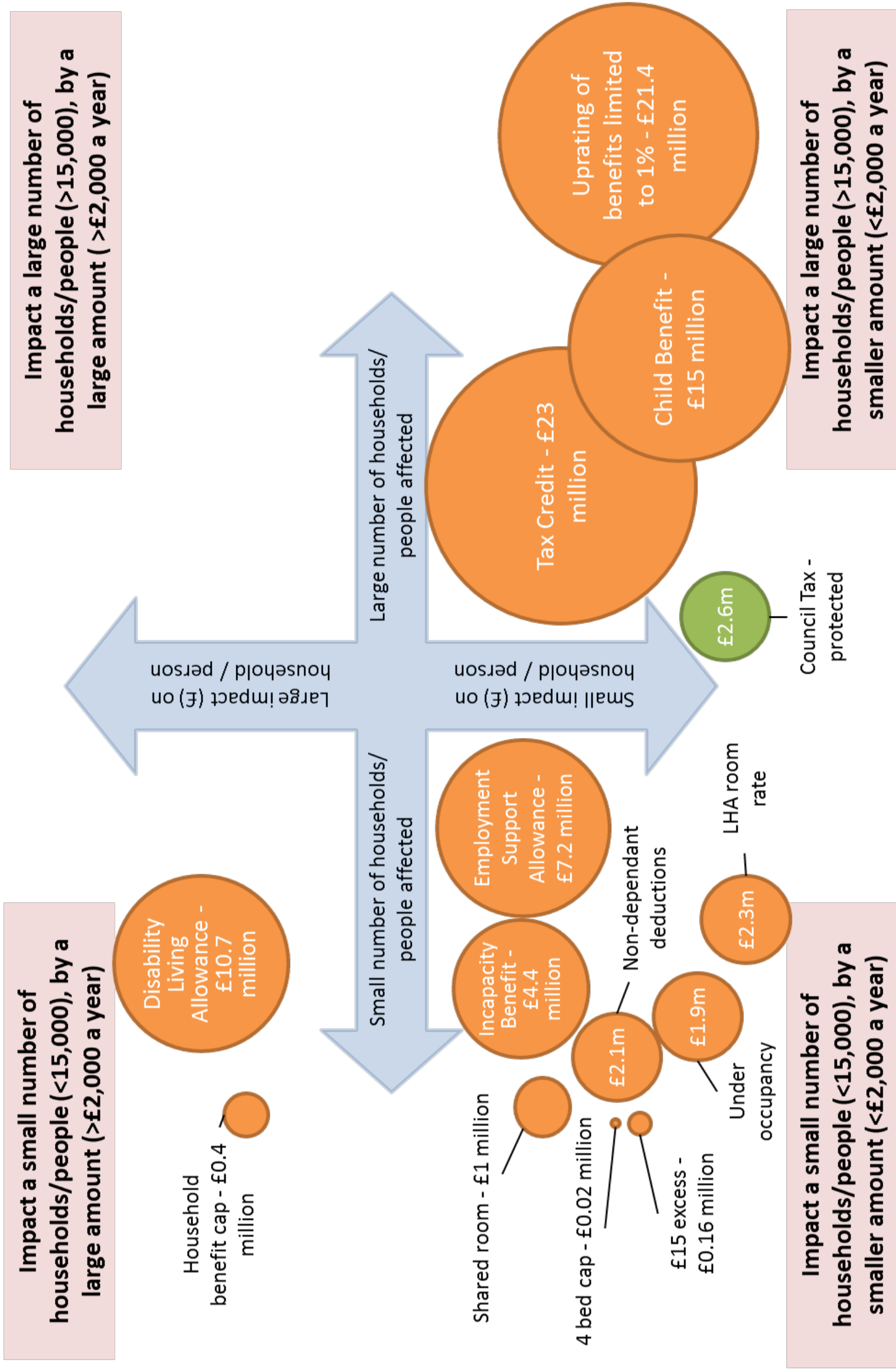
 **3,160 work-related ESA claimants**
ESA claimants on work-related activity aligned with JSA rate - noted to be a 30% cut

 **Changes to Tax Credits**
27,800 families in Coventry receiving an average £6,622 in CTC and WTC - IFS estimate the loss to be £1,000 a year to working people

 **Frozen**
All working age benefits frozen

The Impact of Welfare Reform on Coventry

Note: size of the circle represents the impact on the economy



Headline data for Coventry

- Both JSA and ESA sanctions have fallen after previous increases. Note that some of the JSA fall will be influenced by fewer claiming JSA.
- 2,053 (7%) fewer people claim housing benefit than two years ago. In 2011 17% of those claiming housing benefit were in work, this has risen to currently 24%.
- 8,020 residents had a ESA Work Capability Assessments between October 2010 and June 2014, 23% were found fit for work compared to 19% nationally.
- In May 2015 there were 3,483 PIP claimants, 43% were reassessments. The PIP award rate was 47% as of July 2015
- As of May 2015 there were 8,800 working age DLA claimants in Coventry
- Employment levels within the city have picked up in the last two years after seeing little if any recovery post-recession