

Council Tax Option 4 Minimum Income wage for self-employed - Case study 3

Band D property for 2015, a couple with 3 children. Self-employed income claimant £36.07 weekly, self-employed income partner £20.39 weekly, employed earnings £59.33 weekly, child benefit £48.10 weekly and tax credits of £315.49 per week, and Disability Living allowances mobility low rate of £21.80 and care low rate £21.80 per week. Child benefit and Disability Living allowances are disregarded. **Total weekly income £522.98**



Proposal is to apply a minimum living wage for self-employed people after 1 years self-employment (£7.20 per hour for 35 hours per week) to bring in line with Universal Credit.

Current bill

Council tax liability band D	£1546.56
Maximum eligible amount (100%)	£1546.56
Benefit due on current scheme	£1387.14
Annual amount to pay	£159.42
Weekly amount to pay	<u>£3.05</u>

Possible Future bill

Applying self-employed minimum living wage for claimant and partner to £252.00 per week (35 hours at £7.20 per hour)- additional income of £447.54 per week

Council tax liability band D	£1546.56
Entitlement based on minimum income for claimant and partner (increase £447.54per week)	£0.00
Annual amount to pay	£1546.56
Weekly amount to pay	<u>£29.58</u>

