**Example of a Council Tax Reduction (CTR) calculation letter (page 1 of 2)**

- **Reason for calculation**
  - The reason why the CTR statement was produced.

- **Income**
  - These are the itemised details we have of your household’s weekly income. This section should show all earnings from paid employments in your household and any other income or benefits.

- **Weekly Income**
  - The itemised weekly income amounts are totalled together.

- **Less Income Disregards**
  - This is the amount of income that we won’t take into account when working out the **total weekly income** amount for your CTR calculation. Disregarded income amounts are based on the make-up of your household with regard to age and circumstances such as hours worked and disabilities. [More information.](#)

- **Total Weekly Income**
  - This is the figure for use in your CTR calculation on page 2, with the disregarded income amounts deducted.

- **Total Assessed Capital**
  - Your itemised capital amounts above are totalled together.

- **Are your details correct?**
  - If any of the details in your CTR calculation letter are wrong or out-of-date you should [contact us](#) so we can correct or update your details and recalculate your CTR.

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**Claim reference**
- To help deal with any queries quickly, please always quote your claim reference when you contact the Benefits Service.

**Council tax reference**
- Please quote this number if you contact the Council Tax dept.

**Reduction Period**
- The period this Reduction calculation relates to on your Council Tax bill.

**Expenses**
- If you have child care costs, they will be shown here.

**Capital**
- The itemised amounts of capital you have at the time the letter is issued should be shown here. Eg. property, shares, savings etc.

**Total Living Allowance**
- This is the amount of money that the CTR scheme can allow for you (and your family), to have a basic standard of living after household costs have been taken into consideration.

  - The total is made up of separate amounts applied according to the circumstances and make-up of your household.

  - These individual amounts are set by the CTR scheme rules.

  - The total Living Allowance amount worked out here is then used in your CTR calculation which is on page 2 of the Council Tax Reduction letter shown below.
Example of a Council Tax Reduction (CTR) calculation letter (page 2 of 2)

How your CTR entitlement is worked out
Page 2 of this letter sets out the stages of your CTR calculation step by step, until we get the final amount of Council Tax Reduction due to you at the end.

Excess Income
Your Total Living Allowance is subtracted from your Total Weekly Income to give your household’s ‘Excess Income’ for the purpose of the CTR entitlement calculations.

Relevant Percentage
Only a percentage of the Excess Income amount is used in the CTR calculation. The relevant percentage is set by the scheme rules at 20%.

% of Excess Income
This is your Excess Income amount multiplied by the relevant percentage.

Eligible Weekly Council Tax
This will be your annual Council Tax charge converted to a weekly amount and multiplied by the maximum amount of help available. The maximum help available is set by the scheme rules at 91.5% for taxpayers of working age and 100% for taxpayers of pension age.

Non-dependant deductions
This section shows the names of anyone over 18 who lives with you (excluding your partner), their income, and the breakdown of the individual amounts that make up the total of your non-dependant deductions used in the calculation of your CTR.

Scheme restrictions, scheme cap and minimum Reduction award.
These lines (shown here in grey) are not used in CTR calculations in Brighton & Hove.

Claim reference
To help deal with any queries quickly, please always quote your claim reference when you contact the Benefits Service.

Council tax reference
Please quote this number if you contact the Council Tax dept.

Non-dependant deductions
Any non-dependant deduction amounts will be subtracted from the Eligible Weekly Council Tax in calculating your CTR.

Less % of Excess Income
The relevant percentage of your excess income will also be subtracted from the Eligible Weekly Rent/Council Tax in calculating your benefit.

Relevant capital cut-off
No CTR will be awarded where a household has more than this.

Amount of calculated reduction
The end result of the calculation is the Council Tax Reduction due to you, shown as a weekly adjusted amount. In your CTR summary letter, this amount will be converted to cover the period of your bill and your bill will show a reduction of the period amount.
Example of a Council Tax Reduction (CTR) calculation letter (page 1 of 1)

- This is an example of a one-page Council Tax Reduction calculation letter.

Re: A N Other-Person, 1 Example Close, Brighton, BN1 1PS
Reduction Period From: 01 April 2013 to 31 March 2014

**Reason for calculation:** CTR Annual Calculation

**INCOME / EXPENSES / CAPITAL DETAILS USED**

Income:
- Income Support, Child Benefit £13.40
- Child Benefit £13.40
- Child Benefit Eldest £20.30
- Carers Allowance £59.75
- Disability Living Allowance Mobility Low Dependant £21.00
- DLA Care Component Middle Dependant £53.00

Expenses: No Expenses

Capital: No Capital

How your Council Tax Reduction is worked out

How your reduction is worked out

Eligible weekly Council Tax
- £19.84

Less non-dependent deductions
- £0.00

Gives calculated reduction
- £19.84

Applying scheme cap gives (not applicable)
- £19.84

Applying minimum Reduction award (not applicable)
- £19.84

GIVES AMOUNT OF CALCULATED REDUCTION
- £19.84

Applying scheme cap gives (not applicable)
- £19.84

Applying minimum Reduction award (not applicable)
- £19.84

GIVES AMOUNT OF CALCULATED REDUCTION
- £19.84

You must tell us immediately if your circumstances change.