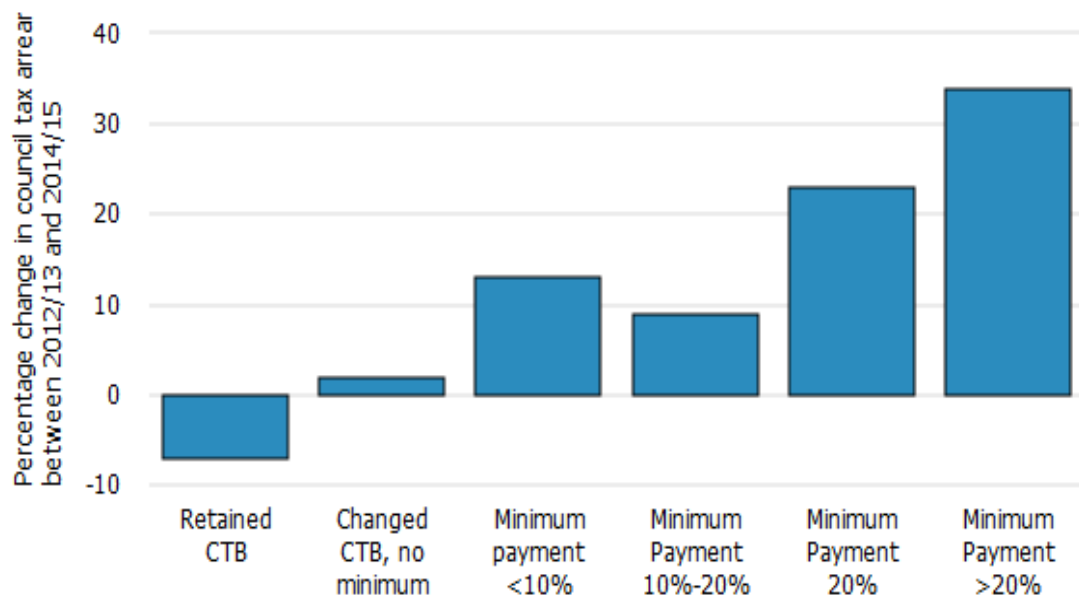


Appendix 1

Research into Council Tax Reduction by the New Policy Institute

The New Policy Institute (NPI) is an economic and social research institute, which has conducted a lot of research into CTR. Their graph below shows the change in council tax arrears between 2012/13 (the last year of CTB) and 2014/15 (the second year of CTR). It shows arrears in respect of council tax liability for the year in question. The bars are grouped according to the scheme in place in each council in 2014/15, by whether they changed the scheme from CTB, whether they introduced a minimum payment, and the size of the minimum payment if one had been introduced. The change in arrears shown controls for change in the amount of council tax that was collectable over this period.

It shows that, although arrears include residents who are not in receipt of CTR, those councils with a larger increase in minimum payment saw a bigger increase in arrears. Among the 45 councils that retained CTB, arrears fell in relative terms by 7%. Among other councils, the increase was smallest across the 36 local authorities that did not introduce a minimum payment, at 2%. For the 69 councils with a minimum payment of 20% arrears were 23% higher. In the 47 councils with a minimum payment of over 20%, arrears rose 44%.



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