



CHILTERN DISTRICT COUNCIL

Cabinet

**Tuesday, 17th December, 2013
At
4.30 pm**

**Council Chamber, King George V House, King George V Road,
Amersham**

**Council Tax Reduction Scheme:
Appendix 11
Appendix 12**

Collection implications if Vulnerable Groups restricted to 95% maximum reduction

If Members agree that vulnerable working age households claiming a council tax reduction should pay at least 5% of council tax liability the table below shows the annual amount that will be payable by those in the vulnerable group. The majority of households, as the table shows, are within Bands A to D, and will be required to pay monthly amounts ranging from £4.90 in Band A, to £7.45 in Band D.

In the event of non-payment these households, as with all other non-payers, will put themselves at risk of recovery proceedings in the Magistrates Court, incurring summons costs of £65, and the possibility of a further £60 in liability order costs, if the debt remains outstanding after the hearing. The costs therefore, at £125 in total, will be higher in Bands A to E than the original debt; not to include costs in respect of households claiming a reduction in council tax would discriminate against households not eligible for a reduction.

Many of these cases would probably get a sympathetic reaction if they made an application for a payment from the Council's discretionary fund, or be written off as uneconomic to collect. There would be a higher than average cost in administration exceeding possibly, in some cases, the amount levied in the first place.

Annual Council Tax liability if vulnerable groups protected at 95% maximum					
Band	5% charge	Band D restriction	5% & Band D combined	no. of cases	Total CT charge
A	49.85	0.00	49.85	23	1,146.55
B	58.16	0.00	58.16	231	13,434.96
C	66.47	0.00	66.47	298	19,808.06
D	74.77	0.00	74.77	146	10,916.42
E	91.39	16.62	108.01	51	5,508.51
F	108.01	33.24	141.25	18	2,542.50
G	124.62	49.85	174.47	3	523.41
H	149.55	74.78	224.33	0	0.00
Total				770	53,880.41

(The estimates here are based on an assumption that all the vulnerable claimants would normally be entitled to a 100% reduction, most of them will be entitled to 100% but there will be a relatively small number that would currently pay something).

Scheme	Parameters		Protected Groups %			Childcare Disregard	Child Maintenance Disregard	Earnings Disregard	Working Age Entitlement	Pension Age Entitlement	Total	Estimated Savings	Estimated Savings %	Bucks CC	Chiltern DC	Police	Fire	Parishes
	Maximum Entitlement	Band D Cap	Carers	LP child <5	Disabled													
Current	100%	No	NA	NA	NA	Yes	0	No	£2,196,006.62	£2,123,386.29	£4,319,392.91	Nil	NA	71.30%	10.80%	10.40%	3.90%	3.60%
Draft scheme as consulted on.	80%	Yes	90%	90%	90%	Yes	0	Yes	£1,736,711.85	£2,098,000.41	£3,834,712.26	-£484,680.65	-11.22%	£345,577.30	£52,345.51	£50,406.79	£18,902.55	£17,448.50
Draft scheme but with 95% protection for vulnerable groups.	80%	Yes	95%	95%	95%	Yes	0	Yes	£1,778,586.66	£2,098,000.41	£3,876,022.00	-£443,370.91	-10.26%	£316,123.46	£47,884.06	£46,110.57	£17,291.47	£15,961.35

