

SUBJECT:	Credit Card Payments for Council Tax and Business Rates
REPORT OF:	Portfolio holder for Customer Services and Business Support
RESPONSIBLE OFFICER	Nicola Ellis – Head of Customer Services
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WARD/S AFFECTED	Taxpayers across all wards

1. Purpose of Report

The purpose of the report is to consider revising the current policy not to accept credit card payments in respect of Council Tax and Business Rates.

RECOMMENDATION

That Cabinet agree to accept credit card payments in respect of Council Tax and Business Rates.

2. Reasons for Recommendations

- 2.1 The acceptance of credit card payments meets customers' needs as identified by feedback from customers. This revision to the policy would mean that the available methods of payment are the same as those available for Chiltern District Council. The acceptance of credit cards supports the principles of the Customer Experience Programme as payment by credit card supports on line and automated payment mechanisms.

3. Background

- 3.1 Historically South Bucks District Council have had a policy not to accept credit cards in respect of payments for Council Tax and Business Rates. Members made this decision some time ago and at that time it was felt that it was not appropriate for customers to be using credit to pay a tax bill. When the decision was made credit card transactions also attracted an additional charge but from January 2018 this is no longer the case.
- 3.2 This policy was last reviewed by Overview and Scrutiny Committee on 11th November 2015 as part of a proposal to deliver additional income. The decision at that time was to continue with the policy not to accept credit cards.

- 3.3 In May 2016, the Revenues Shared Service was created and in November 2018 the service will be fully delivered in-house. From April 2017 Customer Services began dealing with all phone calls in respect of Revenues for South Bucks DC. Chiltern District Council do accept credit card payments in respect of Council Tax and Business Rates and so the services are currently working with two different policies.
- 3.4 Feedback from customers via Customer Services has indicated that customers require the facility to pay by credit card. Customer Services regularly receive complaints about this option not being available and explain the reasons that Members originally made this decision. This request has increased since the removal of credit card charges. Feedback from customers indicates that many people use credit cards to manage their finances on a daily basis and this does not necessarily mean that they are in financial difficulty or increasing debt.
- 3.5 Following this year's annual billing we received a formal complaint from a customer challenging our policy not to accept credit card payments. The customer felt that this policy meant that we were not completely 'financially accessible' and that the policy was out dated. This complaint has been through all 3 stages of our Complaint Procedure and in the stage 3 response the Chief Executive advised that we would ask Members to reconsider the policy. The customer has advised that he intends to challenge this further with the Ombudsman and his local MP.
- 3.6 As we are shortly to embark on the delivery of the Customer Experience Programme which requires significant channel shift to deliver the benefits identified a decision to accept credit card payments would support the principles of this programme and facilitate self service and on line payments.

4. Consultation

- 4.1. Not applicable

5. Options

- 5.1 The Council has the option to revise the policy and accept credit card payments or to continue with the current policy.

6. Corporate Implications

- 6.1 Financial – The financial implications are difficult to quantify. There would be a cost for the acceptance of credit cards which exceeds the cost of accepting debit card payments:

Merchant ID 14711493 (Touchtone)

MASTERCARD DEBIT	0.402%
MASTERCARD CREDIT	1.789%
VISA DEBIT INCL ELECTRON	0.392%

Merchant ID 83836482 (online)

MASTERCARD DEBIT	0.384%
MASTERCARD CREDIT	1.419%
VISA DEBIT INCL ELECTRON	0.374%

- 6.2 In 2017/18 SBDC took 16,000 card payments for Revenues, at a card charge cost of approximately £16,000. The payment profile for CDC is approximately 75% debit card payments and 25% credit card payments. If this same profile applied to SBDC then the cost of taking Revenues payments would increase to approximately £28,000. However enabling the facility to accept credit card payments could result in increased collection.
- 6.3 Legal – There are no legal implications.
- 6.4 ICT – There are no ICT implications as we already have the technology to enable us to accept credit cards
- 6.5 HR – There are no HR implications.

7. Links to Council Policy Objectives

- 7.1 This decision supports the Council's objective to deliver cost effective customer focussed services by responding to feedback from customers to provide an accessible service and facilitating the collection of revenue for the Council.

8. Next Step

- 8.1 The Revenues Service will make the necessary arrangements to begin to accept credit card payments.