

Additional information on the local council tax benefit scheme , as requested by financial monitoring task group at its meeting on 29 October 2013

More info on the table 2.38 from report

Comparing the financial data from the end of March 2013 to September 2013 there has been an increase in the collectable council tax figure, this is due to the removal of the empty home discounts and exemptions and a reduction in the level of council tax support being paid. The number of council tax properties within the borough have considerably increased over this period.

Number affected by discounts and exemptions

In 2012/13:

We granted 1,426 exemptions for the empty and uninhabitable exemption – some of these would have been for the full 12 months but many others for shorter periods. We granted approximately £590,000 in exemptions although some of these would have been for previous tax years

We granted 4,511 exemptions for the empty and unfurnished exemption – the maximum exemption is 6 months. Many of these exemptions are for relatively short periods for example, where a property is empty for the period when a tenant has vacated and the before the new tenant moves in. We granted approximately £1,000,000 in exemptions although again some of these would have been for previous tax years

We granted 300 discounts for second homes, equating to approximately £120,000.

Numbers affected by the proposed minor change to the council tax support scheme

I cannot provide an exact number as the modelling process only enabled me to report on value and not numbers, however I have estimated that the numbers affected will be between 700 and 1,400.

If we did not undertake the minor change these residents would lose 20p in council tax support for every additional pound in benefit they receive. So over a year if a resident received a £2 per week increase in their benefit they would have to pay £20.80 extra in council tax.

Collection rates

No further feedback received from Croydon Council on their benchmarking of neighbouring authorities regarding collection rates for council tax.

Reduction in scheme based on Band D

This piece of work has not been completed. Modelling any new schemes is a time consuming process and impacts on the computer system processing speed so it is best to undertake over weekends. I have scheduled the work over the next couple of weeks and will report back.

David Keppler, Head of Revenues and Benefits

