

## Cost of collection

## Appendix C

	Option 1 scheme - based on 80% Council Tax eligible for support	Option 2 scheme - based on 91.5% Council Tax eligible for support	Option 3 Default – based on 100% Council Tax eligible for support	Option 4 scheme - based on 93% Council Tax eligible for support
Payment cards (for claimants who currently do not make Council Tax Payments Approx 8000)	£8,580.33	£8,580.33	No increased collection costs	£8,580.33
Weekly Additional Payment Transaction costs (weekly transactions introduced to assist budgeting)	£123,636.48	£123,636.48		£123,636.48
Reminder Notification costs	£4,330.00	£4,330.00		£4,330.00
Summons Notification costs	£10,639.44	£10,639.44		£10,639.44
Liability Order Notification costs	£1,368.08	£1,368.08		£1,368.08
Transaction costs for those summons	£189.64	£189.64		£189.64
Enforcement Correspondence costs	£2443.00	£2443.00		£2443.00
<b>Total additional costs</b>	<b>£151,186.97</b>	<b>£151,186.97</b>		<b>£151,186.97</b>

## Estimated Impact on collection rate of default payments

	Option 1- based on 80% eligible for support	Option 2- based on 91.5% eligible for support	Option 3 Default – based on 100% Council Tax eligible for support	Option 4 – based on 93% Council Tax eligible for support
Council Tax to collect	£1,950,853	£855,145		£711,233
27% default rate of £1,950,853	£526,730	£230,889		£192,033
Payment arrangement or deductions to benefit	£211,032	£184,711		£153,626
<b>Shortfall in collection for year 2013/14</b>	<b>£315,698</b>	<b>£46,178</b>		<b>£38,407</b>