

Appendix 3 - Collection Rates for CTRS cases

August		2017/18			COLLECTION RATE	UNCOLLECTED
CTRS SCHEME	Caseloads	LIABILITY	RECEIPTS	£		
Vulnerable households are claimants who are either lone parents or couples with at least one dependent under 5 years old.	1,410	570,439.76	182,036.77	31.91%	388,402.99	
Vulnerable are claimants on NBCs local scheme or modified scheme e. g. War widows and disablement pension cases	15	417.58	274.88	65.83%	142.70	
Pensionable cases are claimants who are of pensionable age and are exempt from the CTRS reduction.	5,859	873,438.63	506,363.46	57.97%	367,075.17	
Working age employed are claimants who are either single people or couples who are in paid employment.	2,043	1,417,568.95	530,769.66	37.44%	886,799.29	
Working age other are claimants who are either single people or couples not in paid employment, and in receipt of DWP benefits.	6,213	2,305,094.04	841,617.42	36.51%	1,463,476.62	
TOTALS	15,895	5,166,958.96	2,061,062.19	39.89%		
August		2018/19			COLLECTION RATE	UNCOLLECTED
CTRS SCHEME		LIABILITY	RECEIPTS	£		
Vulnerable households		549,307.48	164,905.85	30.02%	384,401.63	
Vulnerable		615.74	706.38	114.72%	-90.64	
Pensionable		885,244.36	503,914.25	56.92%	381,330.11	
Working age employed		1,278,976.20	480,548.17	37.57%	798,428.03	
Working age others		2,375,967.22	882,412.93	37.14%	1,493,554.29	
TOTALS		5,090,111.00	2,032,487.58	39.93%		

- Both the maximum amount of CTRS awarded (35%) and the overall collection rate (47.30%) have stayed the same since last year. (August figures).
- To support CTRS we contact customers separately before the issue of a summons, where telephone and email addresses as known, to make repayment arrangements wherever possible. These arrangements are then closely monitored to ensure those customers who are making every effort who help themselves do not incur the additional cost of a summons. This additional support comes at an additional cost to NBC.

- For those customers that cannot, or won't, make an arrangement, they will be issued with a summons. Although there is not much attendance at court, we will still make an arrangement at this stage.
- There has been a 17.5% decrease in the number of reminders, final notices and summons issued in the first five months of the financial year. This compares to a 5.1% drop in the CTR caseload.
- Where a Liability Order is obtained, the Council's preferred option is to serve an attachment of benefit, and the use of this method of repayment is on the increase compared to previous years. The Council currently collects £29.6k per month through AOB, as compared to £29.1k last year.
- It should be noted that the maximum amount of money that can be deducted is £3.70 per week, regardless of how much a customer owes, and the recovery of council tax is not a priority debt for deduction by the DWP. The maximum a customer in these circumstances can repay is £192.40 per year. In 19/20, an unparished band A property with two adults would be liable for £1,179.71, reducing by maximum CTR would leave the customer liable to pay £412.90. The issue of a summons would add a further £79.90, leaving a customer with an annual charge of £300.04 more than the Council is able to recover.
- There is also a process to support customers whose debt is passed to Enforcement Agents, similar to that provided by the Council.
- Where customers are making realistic arrangements to pay these are often small amounts, over a long period of time, regardless of what point of the recovery cycle a customer has reached. Customers have struggled to maintain even these small value arrangements and this increases the cost to the Council to administer.