

Appendix B – Options appraisal of the differing support in an income banded CTS scheme.

Scheme	Pros	Cons
85% Income Band	<ul style="list-style-type: none"> • Saving of £700k 	<ul style="list-style-type: none"> • Bad Debt Provision will increase = cost to the council • Increase in the amount of CTax arrears / burden of collection – reduced collection rates • MBC – one of the most income deprived areas in the UK • Further pressure on the courts and additional increases in debt due to court costs • Where schemes have changed, no councils has taken money out / reduced support
90% Income Band	<ul style="list-style-type: none"> • Affordable • Provides greater level of support for those on low levels of income • Supports those going back into work and those who are already in work • Links in with other welfare strategies such as Stop the Knock, our Crisis support and other discretionary funds, and is part of our toolkit to respond to differing degrees of poverty • Current scheme requires improvement and proposed scheme seeks to address • the amount left to pay be more affordable = realising a greater opportunity to pay • Scheme is easier to administer = more likely to claim 	<ul style="list-style-type: none"> • Still an amount to pay for the most financially vulnerable
100% Income Band	<ul style="list-style-type: none"> • 100% support for the most vulnerable • Any other payments will go against historical / bad debt • Significant reduction in the administration of collection • Less pressure on courts 	<ul style="list-style-type: none"> • Significant cost to the council – circa £1million plus – likely unaffordable

Do nothing /
Remain with
Current CTR
scheme

- Scheme continues 'as is' with no changes to processes.

- No additional support for the most vulnerable.
- Take up of scheme is compromised due to the complexities of the current scheme
- The scheme is administratively resource intensive, and over the coming years may cost the council more to administer.
- The scheme creates difficulties in collection due to multiple changes to entitlement leading to resetting of instalments and recovery stages.
- As more and more claimants transition to Universal Credit, the efficiencies of assessing Housing Benefit and Council Tax Reduction together are lost.