
COUNCIL TAX PAYMENT METHODS

1 SUMMARY

- 1.1 Members to consider the report of the Head of Revenue and Housing Management on current Council Tax Payment Methods.

2 INTRODUCTION

- 2.1 Council Tax represents a major source of income for Rochford District Council, Essex County Council and the other precepting authorities. In 2004/05, the Revenue and Benefit Team will be collecting £34.6 million.
- 2.2 At Member's request, 10% of Council Tax payers using the payment book method were randomly surveyed and asked a series of questions relating to their payment habits. 615 responses were received representing a 64% return. These have been analysed and the findings are shown on the appendices.

3 FINDINGS

- 3.1 Of those questioned 32% of payers do not use their books at all. This represents around £7000 in printing costs. Of the remaining 68% around 10% do not use all of the slips in the payment book.
- 3.2 When asked why all vouchers were not being used, over a third of people stated that they make more than one payment at a time using a single voucher. Some of these payers will be those in receipt of Council Tax benefit who may have only a few pounds to pay each month. 17% said that it was more convenient to pay lump sums rather than have to pay every single month, but many of our customers wait for a reminder or final notice and pay by using the voucher attached.
- 3.3 The survey invited Customers to suggest an alternative method of payment if and when instalment books were withdrawn. 24% of respondents said they would be happy to send cheque payments directly in the post to us with their reference number on the back of the cheque. The next most popular choice out of the 11 options suggested was to pay directly via their bank using either Direct Debit or Standing Order.
- 3.4 Finally, we asked those surveyed whether there were any new payment methods we could easily introduce instead of the payment book option. A third of people would like us to introduce a swipe card, similar to that used for housing rents. However, half of those questioned would like to keep something similar to the payment book method.

4 CONCLUSIONS

- 4.1 It is clear that a significant number of those surveyed would be happy if the payment book method were withdrawn. However, it is evident that some customers would not be able to pay easily if the council did not issue them some form of payment voucher. It is therefore proposed that payment books are withdrawn as they are not cost effective and are very time consuming to produce at the busiest time of the year. Consequently, this will save on the Council's production costs and resources if a voucher format could be issued with the Council Tax bill. The Head of Service will produce an example at the meeting

5 RECOMMENDATION

It is proposed that the Committee **RESOLVES**

- 1) That the existing format of payment books be no longer provided
- 2) That where payers make an express request for paper based payment methods these be supplied as a voucher supplement to the Council Tax bill.

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Background Papers:-

None

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