

Private and confidential - Commercial in confidence

Calculation of the reasonable costs in work involved in obtaining a Council Tax liability order

1. Barnet total gross cost of Council tax operation		£5,026,516.00	A	
This amount includes all costs, direct staffing, staffing on-costs (pension and NI), support costs, accommodation, all relevant recharges (legal, finance, director, policy, committees etc), front and back office, computer costs, apportionment of debt charges				
	Range of possible percentages	Appropriate percentage for particular authority		
1. General costs of operation in respect of customers that pay as due	5-25%	25%		£1,256,629.00
2. Cost of dealing with customers that progress to reminder / final but do not progress to liability order:	5-15%	10%		£502,651.60
3. Cost of work post liability order	2-10%	10%		£502,651.60
4. Cost of work involved in all activities in respect of those customers where it is necessary to make complaint and issue summons	45-65%	45%	B	£2,261,932.20
				£2,764,583.80
5. Cost of activities between summons and liability order hearing	2-10%	10%	C	£502,651.60
6. Total of percentages		100%		
6. Total number of summonses issued		20119	D	
7. Total number of cases where liability order granted		15858	E	
8. Cost to be charged in respect of summons/complaint			£112 F	
(A * B / D)				
9. Cost to be charged in respect of liability order			£32 G	
(A * C / E)				
10. Total costs per case where case progresses to LO			£144	
(F + G)				