

**PROPOSED AGREEMENT BETWEEN DISTRICTS AND MAJOR
PRECEPTING AUTHORITIES ON LOCAL SCHEMES OF SUPPORT FOR
COUNCIL TAX**

If a District

1. Accepts Option 1 with a standard deduction of 18.5% on all non pensioner claimants, or produces an alternative local scheme that achieves the equivalent of a 10% saving in expenditure on discounts to claimants,

and

2. Agrees to reduce the exemption on Class C empty properties from 6 months to 3 months (or its equivalent).

THEN

Major Precepting Authorities will agree:

1. If a district incurs a cost on new council tax discounts from the local scheme that is higher than the grant receivable from government, then major precepting authorities (jointly) will reimburse the district the difference.
2. Major Precepting Authorities (jointly) will pay £125,000 to each district each year as a contribution to the increased administrative, collection and recovery costs of the new scheme.
3. Major Precepting Authorities (jointly) will reimburse each district reasonable increased administrative costs necessarily incurred if the case load on the local scheme (during the period of this agreement) exceeds the case load of the council tax benefit scheme (as at 31 March 2013) by more than 15%.

FURTHER

1. This agreement to operate for three years
2. A review is undertaken between April and June 2015..

This agreement will limit the cost to districts of discounts granted under a local scheme to the value of the grant received from government. Districts will also receive a contribution from major preceptors to offset estimated additional administrative and recovery costs. The agreement gives major preceptors some certainty and increased income for the change to class C empty exemptions.