

Option	Funding shortfall from scheme	Impact on potential one-off transitional grant from Government	Additional ongoing costs?	Overall financial implication for Waverley Borough Council
<p>1) Set a local council tax reduction scheme with the same criteria and components as the current council tax benefit scheme ie. 'no-change' option</p>	<p>The full 10% funding shortfall would be incurred of £610,000. Waverley would incur budget gap of £65,000</p>	<p>Initial Government guidance suggests that a 'no-change' scheme will attract a £19k grant. Awaiting clarification from the Government.</p>	<p>This option would not require additional resources above the new fraud/inspection post already approved and would not affect the council tax collection rate. Additional fraud/inspection post £35,000 already approved but not funded in 2013/14. Appointment decision pending Government grant settlement. Additional ongoing software maintenance costs of £7k pa</p>	<p>In 2013/14, net cost of £88,000 assuming no one-off grant from SCC/SPA In future years without the one-off funding in 2013/14, unless the scheme was revised to pass some cost on to working age claimants, a net cost of £72,000 plus additional fraud costs would exist - assuming constant claimant caseload</p>
<p>2) Set a local scheme with the specific changes to the eligibility and criteria for working age claimants as proposed in the report and set out in Annex</p>	<p>The scheme proposed in the report would result in an overall funding shortfall of £411,000 of which Waverley would incur £43,000 Any scaling back of these proposals in the final scheme would increase this funding gap</p>	<p>Based on the Government's scheme conditions, Waverley would not receive any funding support if its proposed scheme is approved as the final scheme.</p>	<p>This option may require additional staff resources over and above the new fraud/inspection post already approved. Additional enforcement resource approved by Council - will need to keep under review. The changes would reduce council tax support given to 900 low income working age households, therefore council tax collection rate could be adversely affected and this would need to be allowed for when setting the council tax base. It is estimated that a 0.1% overall deterioration would be applied. Waverley could have to bear a possible loss of £9,000 Additional fraud/inspection post £35,000 - see above Additional ongoing software maintenance costs of £7k pa</p>	<p>In 2013/14, net cost of £85,000 assuming no grant from SCC/SPA In future years, this cost would continue, assuming constant claimant caseload</p>