

TITLE:	Court Costs
TO/ON:	Executive – 6th February 2006
BY:	Director of Finance
PORTFOLIO:	Learning
STATUS:	Report

Strategic Factor Checklist

The Council's Corporate Management Team has confirmed that the Strategic Factor Checklist has been applied to the development of this report and there are no key issues over and above those set out in the body of this report that need to be brought to Members attention.

1. SUBJECT MATTER AND PURPOSE

1.1 To seek member's approval to increase the amount of court costs for obtaining a liability order for unpaid Council Tax and Non-Domestic Rates from £35.00 to £40.00 from 1 April 2006.

2. BACKGROUND

2.1 Regulation 34 (7) of the Council Tax (Administration and Enforcement) Regulations 1992 states " The liability order is to be made in respect of an amount equal the aggregate of: -

- The sum payable
- A sum of an amount equal to the costs reasonably incurred by the applicant Billing Authority in obtaining the liability order".

Regulation 12(6) of the National Non-Domestic Rates (Collection and Enforcement) (Local Lists) Regulations 1989 contains a similar provision.

2.2 When the complaint is made to the court, which allows the summons to be sent, there is a charge of £0.70p levied by the court. When a complaint is levied for a joint and several case, usually when a man and wife are being summonsed, the £0.70p is levied on both cases.

2.3 However as only one £0.70p is currently recharged to the account in these cases the Council effectively pay the extra £0.70p.

2.4 From 1 April 1993 until 1 March 1997 the court costs charged when a summons was issued was £20.70. This was increased to £30.70 from 1 April 1997 and further increased to the current £35.00 in April 2005.

3. PROPOSALS

3.1 The Court Service has increased the charge they levy from £0.70p to £3.00 with effect from 10th January 2006. Therefore all complaints from this date incur the charge of £3.00. I therefore propose to increase the current level of summons costs from £35.00 to £40.00.

3.2 This increase will cover the increased charge from the court and the charges incurred on the joint and several cases where the £3.00 is not charged on the additional summons.

3.3 I have shown below a table of the current and proposed costs of other Councils in the area.

Council	Current level of costs	Proposed level of Costs after increase
Chester Le Street	Summons 40.00	Summons 3.00 Liability Order 40.00
Durham City	45.00	50.00
Easington	35.00	40.00-45.00
Sedgefield	40.00	45.00
Teesdale	30.00	N/k
Wear Valley	40.00	45.00
Darlington	62.00	68.00

3.4 It is shown above that four Councils are proposing to charge more than my proposal of £40.00 and another at the same level or more. Although one level of costs has not been decided at the time of writing it is unlikely to charge more than our proposed figure. Therefore of all the Councils in the Durham area only one is likely to charge less than my proposed figure of £40.00

3.5 Comments have been sought from the local Citizens Advice Bureau and Consett Magistrates' Court. The Magistrates Court have written noting our proposals but no response has been received from the C.A.B.

4. RECOMMENDATIONS

4.1 That members agree to increase the court costs from £35.00 to £40.00 from 1 April 2006.

For further information on this report contact Ian Ferguson, on telephone number 01207 218670, or e-mail i.ferguson@derwentside.gov.uk