

SDR 89/2015

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Council Tax collection rates in Wales: 2014-15

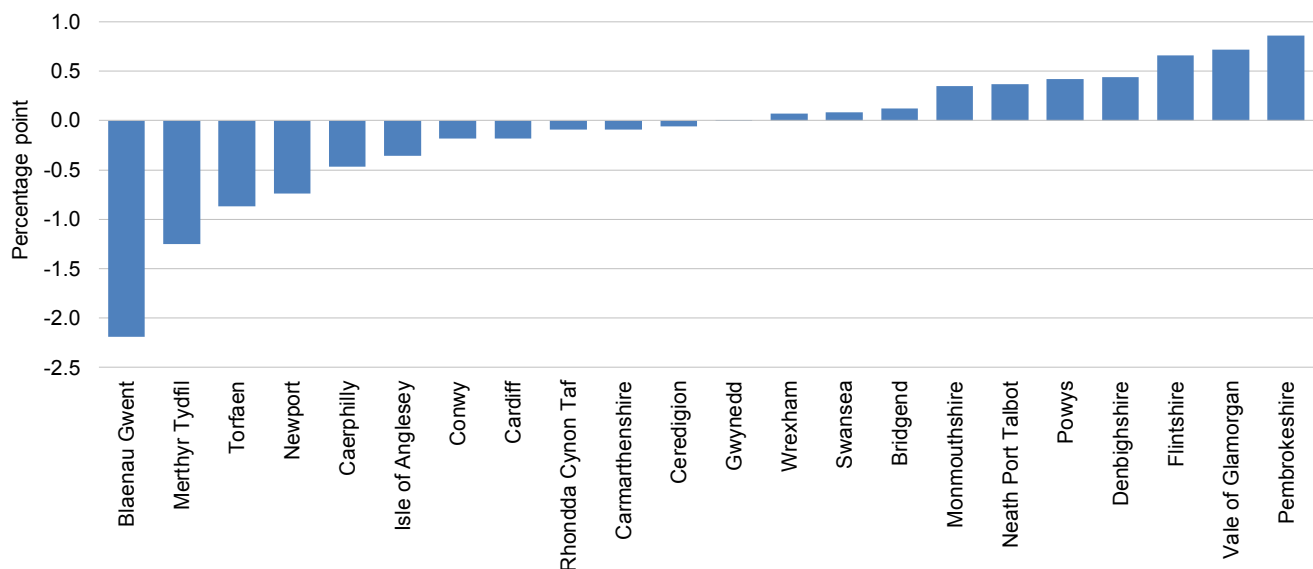
Introduction

Council tax is the main source of locally raised income for local authorities. It is the source of funding used to meet the shortfall between the amount an authority wishes to spend and the amount it receives from other sources. This statistical release analyses the amount of council tax that Welsh local authorities collected in the 2014-15 financial year.

Key points

- In 2014-15, billing authorities collected 97.2% of council tax billed, an increase of 0.1 of a percentage point (table 1). This is the highest collection rate since the introduction of council tax.
- 13 authorities recorded a year on year increase in their collection rate in 2014-15 (table 1).
- Pembrokeshire recorded the highest in-year collection rate at 98.0% whilst Blaenau Gwent recorded the lowest at 95.0% (table 1).
- The amount actually collected in respect of 2014-15 bills, excluding council tax reduction scheme, was £1,249 million out of £1,285 million collectable (table 2).
- During 2014-15, billing authorities collected £29 million of arrears in respect of previous years and wrote off £6 million as bad debts (table 2 and chart 4).
- The total amount outstanding at 31 March 2015 was £84 million, of which £36 million was in-year arrears (table 2 and chart 2)

Chart 1: Council tax collection rates: percentage point difference from the Wales average, 2014-15



Contact: Anthony Newby

Tel: 029 2082 5673

E-mail: stats.finance@wales.gsi.gov.uk

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Twitter: www.twitter.com/statisticswales | www.twitter.com/ystadegaucymru

Cyhoeddwyd gan Y Gwasanaethau Gwybodaeth a Dadansoddi
Llywodraeth Cymru, Parc Cathays, Caerdydd, CF10 3NQ
Ffôn – Swyddfa'r Wasg **029 2089 8099**, Ymholiadau Cyhoeddus **029 2082 3332**
www.llyw.cymru/ystadegau

Issued by Knowledge and Analytical Services
Welsh Government, Cathays Park, Cardiff, CF10 3NQ
Telephone – Press Office **029 2089 8099**, Public Enquiries **029 2082 5050**
www.gov.wales/statistics



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Table 1 shows a year on year comparison of in-year collection rates across all authorities. Newport has the highest year on year collection rate increase at 0.8 percentage point whereas Torfaen's rate decreased by 1.1 percentage points mainly due to new software impacting adversely on their ability to recover outstanding balances.

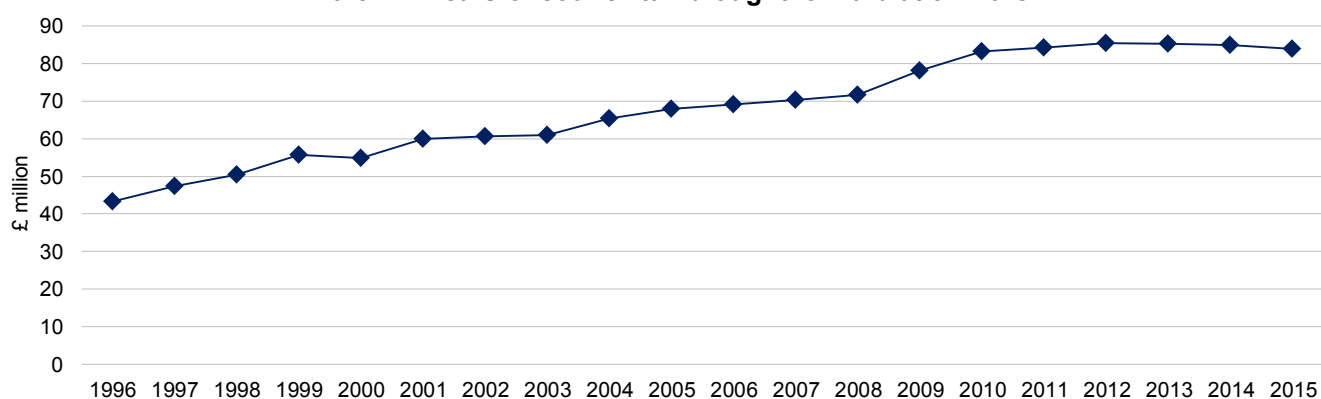
Table 1: Council tax collection rates *Per cent*

Billing authority:	Amount collected in-year as a percentage of the total collectable debit (a)		Memorandum:		
	2013-14	2014-15	Percentage point change	Assumed	Percentage point difference to actual rate
				collection rate 2014-15 (b)	
Isle of Anglesey	97.1	96.8	-0.3	98.5	-1.7
Gwynedd	96.9	97.2	0.2	99.0	-1.8
Conwy	96.8	97.0	0.2	98.5	-1.5
Denbighshire	97.7	97.6	-0.1	98.3	-0.7
Flintshire	97.9	97.8	-0.1	99.0	-1.2
Wrexham	96.8	97.2	0.4	98.2	-1.0
Powys	97.6	97.6	-0.0	98.5	-0.9
Ceredigion	96.7	97.1	0.3	96.5	0.6
Pembrokeshire	97.9	98.0	0.1	97.5	0.5
Carmarthenshire	97.0	97.1	0.0	97.5	-0.4
Swansea	96.8	97.2	0.4	97.5	-0.3
Neath Port Talbot	97.3	97.5	0.2	96.0	1.5
Bridgend	97.1	97.3	0.1	97.0	0.3
Vale of Glamorgan	97.5	97.9	0.4	96.0	1.9
Cardiff	96.3	97.0	0.7	98.2	-1.2
Rhondda Cynon Taf	97.1	97.1	-0.0	96.5	0.6
Merthyr Tydfil	95.9	95.9	-0.0	96.0	-0.1
Caerphilly	96.4	96.7	0.3	97.0	-0.3
Blaenau Gwent	95.7	95.0	-0.7	93.5	1.5
Torfaen	97.4	96.3	-1.1	98.0	-1.7
Monmouthshire	97.9	97.5	-0.4	98.0	-0.5
Newport	95.7	96.4	0.8	98.3	-1.8
Wales average	97.0	97.2	0.1	97.6	-0.5
Minimum	95.7	95.0		93.5	
Maximum	97.9	98.0		99.0	

(a) This table compares the amount collected within the year with the total collectable debit raised for the year. The net collectable debit is the council tax for the relevant year that authorities would collect if everyone liable had paid. The collection of any arrears of council tax are excluded. The figures are net of all deductions such as council tax reduction scheme.

(b) When setting council tax levels, local authorities set an 'assumed collection rate'. This is on an accruals basis and includes the collection of amounts after the year-end. The memorandum columns compare the in-year collection rate with the 'assumed collection rate'.

Chart 2: Arrears of council tax brought forward at 31 March



(a) For 2015, the amount outstanding is used.

(a)

Table 2 shows a comparison of the amounts outstanding by authority. Overall, total arrears decreased by £1 million or 1.2%.

Table 2: Amounts outstanding in respect of bills and arrears (a)

£ thousand

	Arrears					In-year council tax 2014-15						
	Total arrears brought forward at 01/04/14 1	Prior year debits/credits raised in 2014-15 (b) 2	Amount collected during 2014-15 3	Arrears written off as bad debts during current year 4	Arrears outstanding at 31/03/15 5=(1+2-3-4)	Total debits 6	Amounts collected during year 7	Collection rate (%) 8=(7/6)	Amounts written off as bad debts during year 9	Arrears outstanding at 31/03/15 10=(6-7-9)	Total Arrears outstanding at 31/03/15 11=(10+5)	Change in arrears over previous year 12=(11-1)
Billing authority:												
Isle of Anglesey	2,673	-269	537	45	1,822	32,421	31,383	96.8	9	1,029	2,851	178
Gwynedd	3,044	-459	762	232	1,591	60,224	58,510	97.2	30	1,684	3,275	231
Conwy	3,287	-161	1,464	200	1,462	52,972	51,367	97.0	0	1,605	3,067	-220
Denbighshire	2,701 (c)	-145	1,139	311	1,106	44,520	43,449	97.6	11	1,060	2,166	-535
Flintshire	2,808	-102	876	350	1,480	68,290	66,794	97.8	45	1,451	2,931	123
Wrexham	4,362	-161	865	721	2,615	55,788	54,240	97.2	9	1,539	4,154	-208
Powys	3,270	-52	1,292	86	1,840	67,574	65,935	97.6	29	1,610	3,450	180
Ceredigion	2,753 (c)	-255	654	131	1,713	34,635	33,629	97.1	5	1,001	2,714	-39
Pembrokeshire	1,903	-197	791	102	813	47,425	46,483	98.0	-2	944	1,757	-146
Carmarthenshire	5,366	-361	1,256	165	3,584	78,724	76,412	97.1	4	2,308	5,892	526
Swansea	8,456	133	2,677	540	5,373	95,387	92,749	97.2	66	2,572	7,945	-511
Neath Port Talbot	4,752 (c)	-50	1,200	235	3,267	57,404	55,980	97.5	21	1,403	4,670	-82
Bridgend	4,716	136	1,568	166	3,118	60,519	58,868	97.3	28	1,623	4,741	25
Vale of Glamorgan	1,677	-124	1,222	160	171	62,859	61,522	97.9	47	1,290	1,461	-216
Cardiff	10,514	-1,120	3,322	848	5,224	138,306	134,119	97.0	89	4,098	9,322	-1,192
Rhondda Cynon Taf	4,105	-96	1,650	364	1,995	87,973	85,388	97.1	66	2,519	4,514	409
Merthyr Tydfil	3,627 (c)	-212	693	205	2,517	21,331	20,457	95.9	8	866	3,383	-244
Caerphilly	3,476 (c)	-82	1,669	179	1,546	56,936	55,048	96.7	37	1,851	3,397	-79
Blaenau Gwent	2,857	23	990	4	1,886	24,690	23,447	95.0	0	1,243	3,129	272
Torfaen	2,132	-42	836	73	1,181	34,081	32,815	96.3	1	1,265	2,446	314
Monmouthshire	3,254	722	1,706	186	2,084	52,125	50,821	97.5	8	1,296	3,380	126
Newport	3,221	-121	1,339	253	1,508	50,976	49,147	96.4	33	1,796	3,304	83
Total Wales	84,954 (c)	-2,995	28,508	5,556	47,896	1,285,160	1,248,563	97.2	544	36,053	83,949	-1,005

(a) The amounts are net of all deductions on council tax bills, such as council tax reduction scheme.

(b) Includes bills raised (positive) and reductions for overbilling (negative) for previous years.

(c) Differences compared to the previous year are due to incorrectly stated arrears carried forward.

Chart 3 shows that Merthyr Tydfil has the highest amount outstanding per chargeable dwelling at £131 whereas Vale of Glamorgan has the lowest at £27. The Wales average is £63.

Chart 3: Amounts outstanding per chargeable dwelling at 31 March 2015

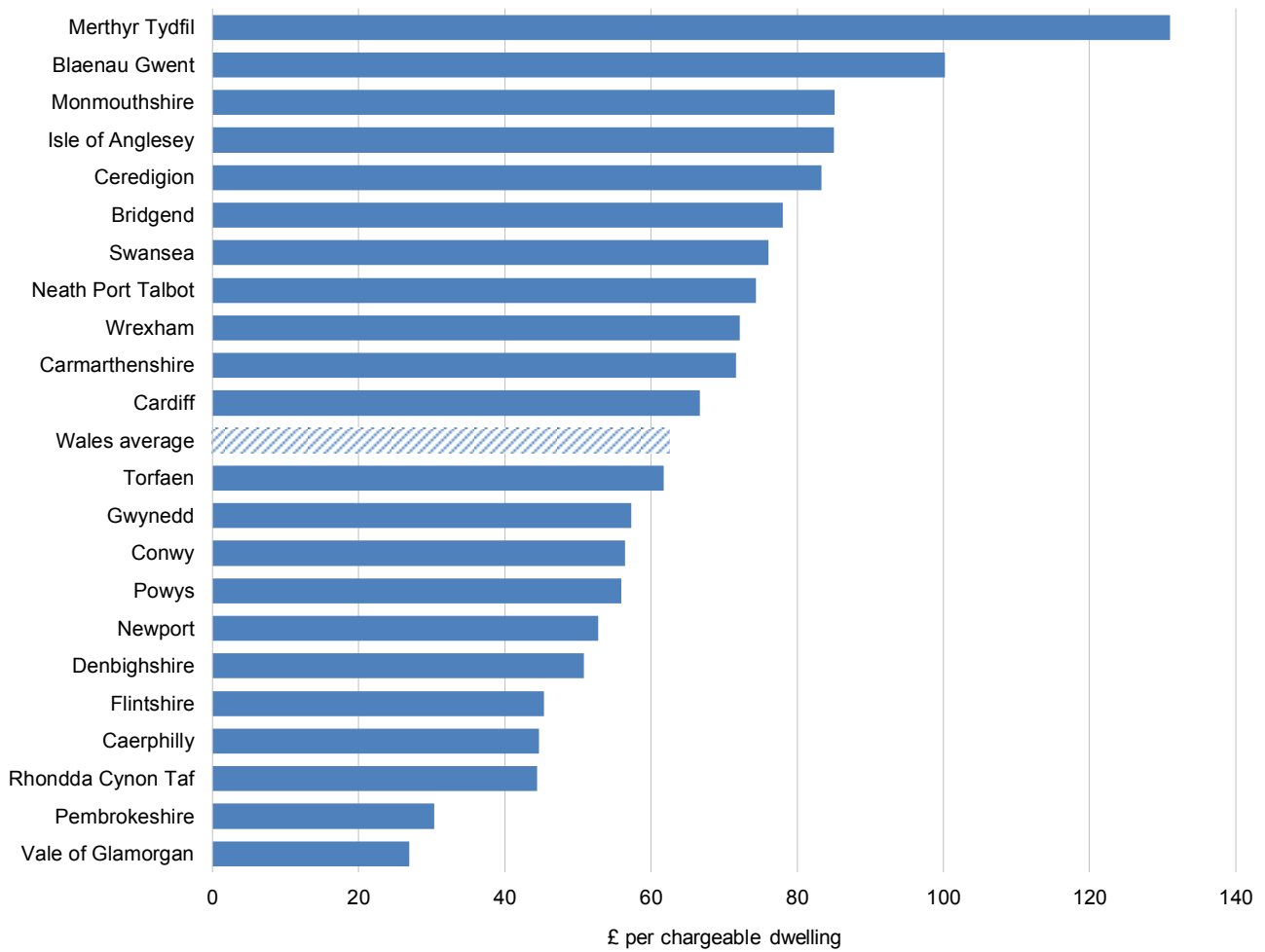
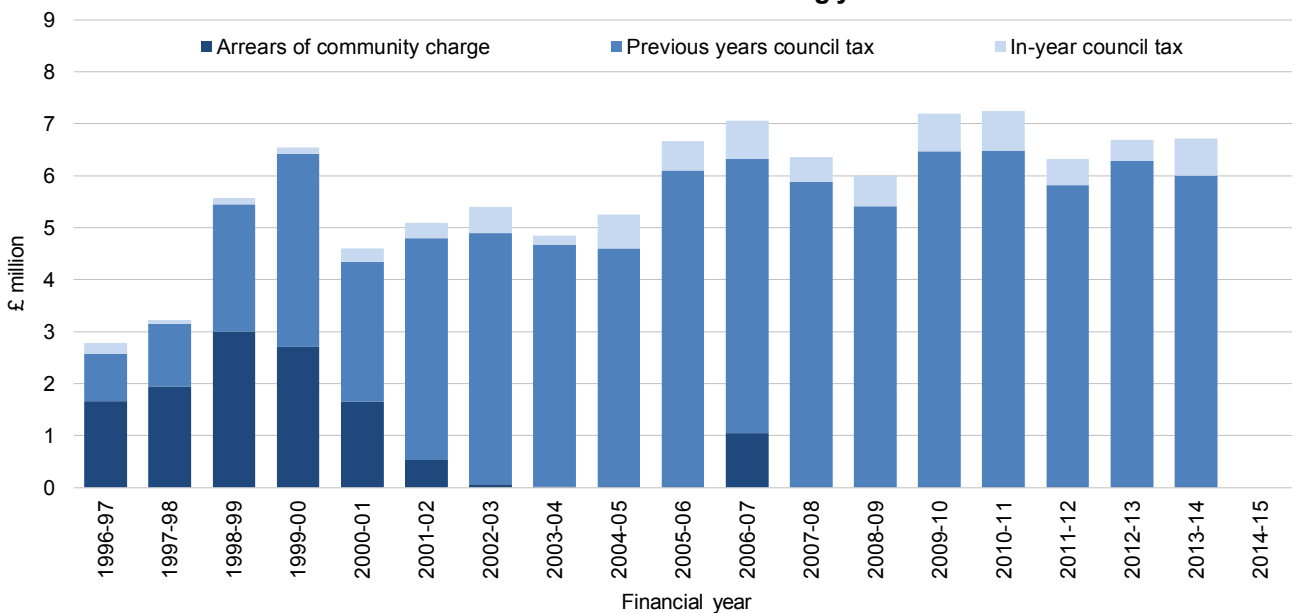


Chart 4 shows the amount of council tax written off during the year. Billing authorities wrote off £6.1 million of council tax arrears in 2014-15.

Chart 4: Amounts written off during year



Technical notes on Council Tax Collection

Data sources

The main source of information about council tax collection are the Council Tax Collection (CTC) returns from billing authorities. In Wales, the county and county borough councils are billing authorities. They collect council tax on behalf of themselves, local community councils and the relevant police authority within their area.

Definitions

The CTC returns cover information about actual council tax raised and received, together with information about the arrears of council tax and the former community charge. The figures are net of all deductions on bills, including those covered by the council tax reduction scheme. Data are currently available, for the current structure of Welsh local authorities, from 1996-97 onwards.

The assumed collection rate is the billing authority's estimate of the percentage the council tax for the year that will be ultimately paid. In arriving at a percentage collection rate, authorities take into account the likely sum to be collected, previous collection experience and any other relevant factors. They make an estimated allowance for sums from the council tax reduction scheme and write-offs/non-collection.

Quality

The main point to note in respect of council tax collection information is that billing authorities sometimes face difficulties in separating receipts of arrears of council tax from payments in respect of the current year. In these cases, the figures may have been estimated by billing authorities. The figures may differ, due to timing, from the final audited figures supplied to the Local Government Data Unit for the Welsh Government performance indicators.

We publish a detailed [quality report](#) on Welsh Local Government Finance statistics.

Further information

Data on council tax are also available for [England](#) and [Scotland](#).

Rounding

In tables where figures have been rounded to the nearest final digit there may be an apparent discrepancy between the sum of the constituent items and the total as shown.

Accessing the data

Much of the data behind the charts and tables shown in this release can be found on StatsWales (a free-to-use internet service that allows visitors to view, manipulate, create and download tables from the most up to date and detailed official data in Wales).

<https://statswales.wales.gov.uk/Catalogue/Local-Government/Finance/Council-Tax/Collection>

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Local Government Finance Statistics
Knowledge and Analytical Services
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Email: stats.finance@wales.gsi.gov.uk
Tel: 029 2082 5673



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