

Statistical Release

29 June 2011

COLLECTION RATES AND RECEIPTS OF COUNCIL TAX AND NON-DOMESTIC RATES IN ENGLAND 2010-11

- Local authorities in England collected £21.9 billion in council taxes by the end of March 2011 out of a total of £22.5 billion collectable. This gave a national average in-year collection rate for council tax in England of 97.3% in 2010-11, an increase of 0.2 percentage points over 2009-10.
- Local authorities in England collected £19.6 billion in non-domestic rates by the end of March 2011 out of a total of £20.0 billion collectable. This gave a national average in-year collection rate for non-domestic rates in England of 98.0% in 2010-11, an increase of 0.2 percentage points over 2009-10.
- Over the last four years, the national collection rate for council tax has increased by 0.4 of a percentage point. In the same period the national collection rate for national non-domestic rates in 2010-11 has fallen by 0.7 of a percentage point.
- The average collection rate of non-domestic rates fell in all regions in the period 2006-07 to 2010-11; the largest fall, 1.0 percentage points, occurred in the North West.

This release provides information on the collection rates and the receipts of council tax and non-domestic rates by local authorities for the financial year 1 April 2010 to 31 March 2011 and changes over previous years. This information is derived from the final Quarterly Return of Council Taxes and Non-Domestic Rates (QRC4) returns submitted for all 326 billing authorities in England

The release has been compiled by the Local Government Finance – Data Collection, Analysis and Accountancy division of the Department for Communities and Local Government.

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Collection rates for council tax and non-domestic rates in England 2010-11

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1. **Table 1** shows, by class of authority, the average in-year collection rates for council tax for the period 2006-07 to 2010-11. See the additional table, **Table 7**, for details of which authorities fall into which class of authority.
2. The in-year collection rate is the amount received by 31 March in respect of that financial year's council tax (or non-domestic rates) shown as a percentage of the net collectable debit in respect of that year's council tax (or non-domestic rates) - i.e. the income authorities would collect if everyone liable had paid. It includes prepayments made in 2009-10 in respect of 2010-11. All figures in this release exclude council tax benefit as this is paid directly to the local authority by the Department for Work and Pensions (DWP).
3. Collection of council taxes continues once the financial year to which they relate has ended. This means that the final collection rate achieved is somewhere between the figures shown here and 100%.

- Local authorities in England collected £21.9 billion in council taxes by the end of March 2010 out of a total of £22.5 billion collectable. This gave a national average in-year collection rate for council tax in England of 97.3% in 2010-11, an increase of 0.2 percentage points over 2009-10.
- Since 2006-07, the national collection rate for council tax has increased by 0.4 of a percentage point.

Table 1: Council tax - collection rates - England : 2006-07 to 2010-11

	2006-07	2007-08	2008-09	2009-10	%
					2010-11
All London boroughs	95.1	95.6	95.5	95.7	96.0
<i>of which:</i>					
<i>Inner London boroughs</i> <i>(including City of London)</i>	94.1	94.7	94.6	94.6	95.1
<i>Outer London boroughs</i>	95.5	96.0	96.0	96.2	96.4
Metropolitan districts	95.3	95.6	95.7	95.9	96.1
Unitary authorities	96.6	96.7	96.7	97.0	97.2
Shire districts	98.0	98.1	98.0	98.1	98.2
England	96.9	97.1	97.0	97.1	97.3

4. **Table 2** shows the average in-year collection rates for council tax by region for the period 2006-07 to 2010-11.

- The average council tax collection rate in London rose by 0.9 percentage points in the period 2006-07 to 2010-11. Both Inner and Outer London authorities contributed to this improved performance (See also **Table 1**).
- The average council tax collection rate in the South West region showed no change in the period 2006-07 to 2010-11, this was in spite of small year-on-year fluctuations, the only region not to report an improved performance.

Table 2: Council tax - collection rates - England : by region 2006-07 to 2010-11

	2006-07	2007-08	2008-09	2009-10	2010-11	%
North East	96.6	96.7	96.6	96.9	97.0	
North West	96.2	96.3	96.3	96.5	96.6	
Yorkshire & the Humber	96.3	96.4	96.3	96.5	96.7	
East Midlands	97.4	97.6	97.4	97.5	97.6	
West Midlands	96.9	97.2	97.2	97.2	97.3	
East of England	97.8	97.9	97.8	97.8	97.9	
London	95.1	95.6	95.6	95.7	96.0	
South East	97.7	97.9	97.9	98.0	98.1	
South West	97.8	97.8	97.8	97.7	97.8	
England	96.9	97.1	97.0	97.1	97.3	

Collection rates for non-domestic rates in England 2010-11

5. **Table 3** shows, by class of authority, the average in-year collection rates for non-domestic rates for the period 2006-07 to 2010-11.
6. Collection of non-domestic rates continues once the financial year to which they relate has ended. This means that the final collection rate achieved is somewhere between the figures shown here and 100%.

- Local authorities in England collected £19.6 billion in non-domestic rates by the end of March 2011 out of a total of £20.0 billion collectable. This gave a national average in-year collection rate for non-domestic rates in England of 98.0% in 2010-11, an increase of 0.2 percentage points over 2009-10.
- The national collection rate for national non-domestic rates in 2010-11 is 0.7 of a percentage point lower than four years ago.

Table 3: Non-domestic rates - collection rates - England : 2006-07 to 2010-11

	2006-07	2007-08	2008-09	2009-10	2010-11	%
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All London boroughs	98.6	98.9	98.0	98.0	98.1
<i>of which:</i>					
<i>Inner London boroughs</i> <i>(including City of London)</i>	98.5	98.9	98.1	98.1	98.2
<i>Outer London boroughs</i>	98.7	98.9	97.8	97.8	97.8
Metropolitan districts	98.3	98.5	97.2	97.5	97.3
Unitary authorities	98.8	98.6	97.5	97.4	97.7
Shire districts	98.9	99.0	98.2	98.2	98.4
England	98.7	98.8	97.8	97.8	98.0

7. **Table 4** shows the average in-year collection rates for non-domestic rates by region for the period 2006-07 to 2010-11.

- The South East reported the largest increase in the average collection rate of non-domestic rates in a region in 2010-11 with an increase of 0.5 percentage points. The West Midlands reported the largest decrease with a reduction of 0.3 percentage points.
- The average collection rate of non-domestic rates fell in all regions in the period 2006-07 to 2010-11; the largest fall, 1.0 percentage points, occurred in the North West.

Table 4: Non-domestic rates - collection rates - England : by region 2006-07 to 2010-11

	2006-07	2007-08	2008-09	2009-10	2010-11
					%
North East	98.7	99.0	98.1	98.2	98.1
North West	98.5	98.7	97.3	97.5	97.5
Yorkshire & the Humber	98.4	98.5	97.1	97.3	97.6
East Midlands	98.8	98.7	97.6	98.0	98.2
West Midlands	98.3	98.5	97.4	97.7	97.4
East of England	99.1	99.2	98.3	98.0	98.2
London	98.6	98.9	98.0	98.0	98.1
South East	98.8	98.9	98.1	97.8	98.3
South West	99.0	98.9	98.2	98.0	98.1
England	98.7	98.8	97.8	97.8	98.0

8. **Table 5** shows the net collectable debit (NCD) and the amount collected for both council tax and non-domestic rates in 2010-11 by class of authority.

Table 5: Council tax and non-domestic rates - amount collected - England : by class 2010-11

£ millions

	Council Tax			Non-domestic rates		
	NCD	Collected	%	NCD	Collected	%
All London boroughs	3,275	3,142	96.0	5,510	5,403	98.1
<i>of which:</i>						
<i>Inner London boroughs (including City of London)</i>	1,049	997	95.1	3,699	3,632	98.2
<i>Outer London boroughs</i>	2,226	2,145	96.4	1,812	1,771	97.8
Metropolitan districts	3,793	3,646	96.1	3,690	3,591	97.3
Unitary authorities	5,021	4,878	97.2	4,152	4,057	97.7
Shire districts	10,438	10,247	98.2	6,672	6,564	98.4
England	22,526	21,914	97.3	20,025	19,615	98.0

9. **Table 6** shows the net collectable debit and the amount collected for both council tax and non-domestic rates in 2010-11 by region.

Table 6: Council tax and non-domestic rates - amount collected - England : by region 2010-11						
	£ millions					
	Council Tax			Non-domestic rates		
	NCD	Collected	%	NCD	Collected	%
North East	952	923	97.0	737	722	98.1
North West	2,720	2,628	96.6	2,294	2,236	97.5
Yorkshire & the Humber	1,946	1,883	96.7	1,648	1,609	97.6
East Midlands	1,848	1,804	97.6	1,324	1,300	98.2
West Midlands	2,108	2,052	97.3	1,781	1,735	97.4
East of England	2,759	2,702	97.9	1,988	1,953	98.2
London	3,275	3,142	96.0	5,510	5,403	98.1
South East	4,361	4,278	98.1	3,120	3,065	98.3
South West	2,558	2,503	97.8	1,623	1,592	98.1
England	22,526	21,914	97.3	20,025	19,615	98.0

Additional table

There is an additional table produced for all authorities that is not included in the printed version of this release owing to its size. It is available on the Department's website and can be found at:

<http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/counciltax/collectionrates/>

Below is a brief description of the data contained in the table:

- **Table 7** gives more detail, showing both the net collectable debit and the receipts of council tax and non-domestic rates, as well as in-year collection rates for each billing authority.

Receipt of council tax and non-domestic rates in England 2010-11

10. **Table 8** shows the amount of council tax collected in 2001-02 to 2010-11 irrespective of the year to which it relates.

- In 2010-11 local authorities collected £22.3 billion in council tax, irrespective of the year to which it related. This was an increase of nearly £0.5 billion over 2009-10.

Table 8: Receipts of council tax in England : 2001-02 to 2010-11				
	£ millions			
	Receipts of council taxes in respect of the billing year	Receipts of council taxes in respect of previous years'	Receipts of council taxes in respect of the subsequent billing year	Total receipts of council taxes collected during the financial year
2001-02	12,679	364	164	13,208
2002-03	13,931	368	212	14,511
2003-04	15,785	362	246	16,392
2004-05	16,764	368	240	17,372
2005-06	17,750	379	289	18,419
2006-07	18,654	382	279	19,315
2007-08	19,737	356	280	20,374
2008-09	20,648	338	332	21,319
2009-10	21,114	365	349	21,826
2010-11	21,574	391	341	22,306

11. **Table 9** shows the amount of non-domestic rates collected in 2001-02 to 2010-11 irrespective of the year to which it relates.

- In 2010-11 local authorities collected £19.2 billion in non-domestic rates, irrespective of the year to which it related, an increase of £0.1 billion over 2009-10.

Table 9: Receipts of non-domestic rates in England : 2001-02 to 2010-11

	Receipts of non-domestic rates in respect of the billing year	Receipts of non-domestic rates in respect of previous years' ^(a)	Receipts of non-domestic rates in respect of the subsequent billing year	£ millions Total receipts of non-domestic rates collected during the financial year
2001-02	14,274	-43	152	14,382
2002-03	14,762	-210	198	14,751
2003-04	14,917	-527	225	14,615
2004-05	15,209	-550	183	14,842
2005-06	16,099	-459	252	15,892
2006-07	16,993	-298	310	17,004
2007-08	17,457	-482	301	17,276
2008-09	18,822	-452	321	18,691
2009-10	19,259	-419	248	19,084
2010-11	19,382	-493	302	19,192

(a) A negative figure indicates that local authorities repaid more than they collected in respect of previous years. This is usually down to revaluations which often stretch back over a number of years.

National Statistics

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Terminology used in this release

A list of terms relating to local government finance is given in the glossary at Annex A to *Local Government Financial Statistics England*. The latest edition is accessible at <http://www.communities.gov.uk/publications/corporate/statistics/financialstatistics212011>

The most relevant terms for this release are defined below.

Billing authority – are the 326 (354 prior to 1 April 2009) local authorities empowered to set and collect council taxes, and manage the Collection Fund, on behalf of itself and local authorities in its area. They are also empowered to collect non-domestic rates. In England, shire and metropolitan districts, the Council of the Isles of Scilly, unitary authorities, London Boroughs and the City of London are billing authorities.

Collection fund – the fund administered by a billing authority into which council taxes are paid, and from which payments are made to the general fund of billing and major precepting authorities. NNDR collected by a billing authority is also paid into the fund before being passed on to central government for distribution to local authorities.

Council tax – a local charge (or charges) set by the billing authority in order to collect sufficient revenue to meet their demand on the collection fund and the precepts issued by the precepting authorities. It replaced the community charge on 1 April 1993 and is calculated based on the council tax band assigned to the dwelling.

Council tax benefit – an income related social security benefit designed to help people on low income pay their council tax. Council tax benefit is paid directly to the local authority by the Department for Work and Pensions (DWP) and not to the householder.

National non-domestic rates (NNDR) - are a means by which local businesses or organisations contribute to the cost of local authority services. Liable properties include public buildings, pipelines and advertising hoardings, as well as businesses. Some non-domestic properties, such as agricultural land and associated buildings, and churches, are exempt however. On 1 April 1990 the rating of non-domestic (mainly commercial and

industrial) properties was substantially reformed. Before 1990-91, rates were set individually by local authorities and varied from authority to authority. Since 1 April 1990, the national multiplier has been set by the Government.

Net collectable debit (NCD) - the income authorities would collect in the year if everyone liable for either council tax or non-domestic rates had paid. This includes not only those who are liable to pay for the whole year but also those who are liable to pay for part of the year. It also reflects the amount payable after discounts (council tax) and reliefs (non-domestic rates) are applied.

Data quality

The information in this release is based on data returned to Communities and Local Government for all the billing authorities in England (354 up until 2008-09 and 326 in 2009-10 and 2010-11). The data are returned on Quarterly Return of Council Taxes and Non-Domestic Rates (QRC4) forms which have to be signed by the Chief Finance Officer of the authority.

Figures are subjected to rigorous pre-defined validation tests both within the form itself, while the form is being completed by the authority and also in the Department for Communities and Local Government as the data are received and stored.

Finally, the release document, once prepared, is also subject to intensive peer review before being cleared as fit for the purposes of publication.

Uses made of the data

The data in this statistical release are essential for a number of different purposes. A central and immediate purpose is to provide Ministers and the Office for National Statistics (ONS) with the most up to date information available. The data are also used by local authorities, their associations and regional bodies.

In addition, the data are important sources for evidence based policy, financial decisions, answering parliamentary questions and contributing towards producing a profile of payments for formula grant.

The data are collected quarterly during the year and estimates for England as a whole are provided to ONS for use in the compilation of National Accounts and public sector finances. These data are published on a quarterly basis and can be found at the following link:

<http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/livetables/>

The live tables also provide a local authority breakdown, using the same format as tables 8 and 9, looking at figures relating to the specific billing year but also looking at the collection of finance regardless of the year to which it relates.

Background Notes

1. The figures exclude Council Tax Benefit and all other discounts, are before any amounts written off for bad or doubtful debt, and reflect any correction to liabilities made after billing.
2. The information in this statistical release is derived from the final Quarterly Return of Council Taxes and Non-Domestic Rates for 2010-11 (QRC4). The data shown in this release may have been updated from previous statistical releases. In 2010-11 QRC4 forms were received from all 326 billing authorities in England.
3. For press enquiries about this Statistical Release please contact the Local Government press desk on 0303 444 0444 or email press.office@communities.gsi.gov.uk. For other enquiries please telephone John Farrar on 0303 444 2116 or email grc.statistics@communities.gsi.gov.uk.
4. Further information is also available on the department's website at : www.communities.gov.uk
5. For a fuller picture of recent trends in local government finance readers are directed to the latest edition of *Local Government Financial Statistics England No21 2011* which is available in hard copy from Cambertown Limited at product@communities.gsi.gov.uk (Tel: 0300 123 1124)

and electronically in PDF format via the Department's web site:

<http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/>

6. Both the Scottish Government and the Welsh Assembly Government also publish collection rate statistics. Their information can be found at the following websites:

Scotland:

www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance

Wales:

In English:

www.wales.gov.uk/topics/statistics/theme/loc-gov/?lang=en

In Welsh:

www.wales.gov.uk/topics/statistics/theme/loc-gov/?lang=cy

9. We welcome any comments you may have on this release. Please send them to grc.statistics@communities.gsi.gov.uk .

Symbols and convention used in this release

...	=	not available
–	=	not relevant
-	=	negative
0	=	zero or negligible
	=	Discontinuity in data

Rounding

Where figures have been rounded, there may be a slight discrepancy between the total and the sum of constituent items