

Statistical Release

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COLLECTION RATES AND RECEIPTS OF COUNCIL TAX AND NON-DOMESTIC RATES IN ENGLAND 2011-12

- Local authorities in England collected £22.1 billion in council taxes by the end of March 2012 out of a total of £22.7 billion collectable. This gave a national average in-year collection rate for council tax in England of 97.3% in 2011-12, no change over 2010-11.
- Local authorities in England collected £20.8 billion in non-domestic rates by the end of March 2012 out of a total of £21.3 billion collectable. This gave a national average in-year collection rate for non-domestic rates in England of 97.8% in 2011-12, a decrease of 0.2 percentage points over 2010-11.
- Over the last four years, the national collection rate for council tax has increased by 0.2 of a percentage point. In the same period the national collection rate for national non-domestic rates has fallen by 1.0 percentage points.
- The average collection rate of non-domestic rates fell in all regions in the period 2007-08 to 2011-12; the largest fall, 1.9 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 2011 to 31 March 2012 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 2011-12

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Collection rates for council tax in England 2011-12

1. **Table 1** shows, by class of authority, the average in-year collection rates for council tax for the period 2007-08 to 2011-12. 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 2010-11 in respect of 2011-12. 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 £22.1 billion in council taxes by the end of March 2012 out of a total of £22.7 billion collectable. This gave a national average in-year collection rate for council tax in England of 97.3% in 2011-12, no change over 2010-11.
- Since 2007-08, the national collection rate for council tax has increased by 0.2 of a percentage point.

Table 1: Council tax - collection rates - England : 2007-08 to 2010-11

	2007-08	2008-09	2009-10	2010-11	2011-12
					%
All London boroughs	95.6	95.5	95.7	96.0	96.3
<i>of which:</i>					
<i>Inner London boroughs</i> <i>(including City of London)</i>	94.7	94.6	94.6	95.1	95.4
<i>Outer London boroughs</i>	96.0	96.0	96.2	96.4	96.6
Metropolitan districts	95.6	95.7	95.9	96.1	96.1
Unitary authorities	96.7	96.7	97.0	97.2	97.2
Shire districts	98.1	98.0	98.1	98.2	98.2
England	97.1	97.0	97.1	97.3	97.3
Source : QRC4 returns					

4. **Table 2** shows the average in-year collection rates for council tax by region for the period 2007-08 to 2011-12.

- The average council tax collection rate in London rose by 0.7 percentage points in the period 2007-08 to 2011-12. Both Inner and Outer London authorities contributed to this improved performance (See also **Table 1**). However in spite of this increase, at 96.3%, London still has the lowest collection rate in England.
- The average council tax collection rate in the North East in 2011-12 fell by 0.6 percentage points over the figure for 2010-11. However this fall in the collection rate is due to one authority replacing their revenue system during the year which affected their ability to undertake recovery work against non-payers.
- The average council tax collection rate in the North East fell by 0.3 percentage points in the period 2007-08 to 2011-12 whilst the collection rate in the East Midlands and the South West showed no change, this was in spite of small year-on-year fluctuations.

Table 2: Council tax - collection rates - England : by region 2007-08 to 2011-12

	2007-08	2008-09	2009-10	2010-11	2011-12	%
North East	96.7	96.6	96.9	97.0	96.4	
North West	96.3	96.3	96.5	96.6	96.6	
Yorkshire & the Humber	96.4	96.3	96.5	96.7	96.8	
East Midlands	97.6	97.4	97.5	97.6	97.6	
West Midlands	97.2	97.2	97.2	97.3	97.5	
East of England	97.9	97.8	97.8	97.9	97.9	
London	95.6	95.6	95.7	96.0	96.3	
South East	97.9	97.9	98.0	98.1	98.1	
South West	97.8	97.8	97.7	97.8	97.8	
England	97.1	97.0	97.1	97.3	97.3	

Source : QRC4 returns

Collection rates for non-domestic rates in England 2011-12

5. **Table 3** shows, by class of authority, the average in-year collection rates for non-domestic rates for the period 2007-08 to 2011-12.
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 £20.8 billion in non-domestic rates by the end of March 2011 out of a total of £21.3 billion collectable. This gave a national average in-year collection rate for non-domestic rates in England of 97.8% in 2011-12, a decrease of 0.2 percentage points over 2010-11.
- The national collection rate for national non-domestic rates in 2011-12 is one percentage point lower than four years ago.

Table 3: Non-domestic rates - collection rates - England : 2007-08 to 2011-12					
	2007-08	2008-09	2009-10	2010-11	2011-12
					%
All London boroughs	98.9	98.0	98.0	98.1	98.2
<i>of which:</i>					
<i>Inner London boroughs</i> <i>(including City of London)</i>	98.9	98.1	98.1	98.2	98.3
<i>Outer London boroughs</i>	98.9	97.8	97.8	97.8	97.7
Metropolitan districts	98.5	97.2	97.5	97.3	96.8
Unitary authorities	98.6	97.5		97.4	97.7
Shire districts	99.0	98.2		98.2	98.4
England	98.8	97.8	97.8	98.0	97.8

Source : QRC4 returns

7. **Table 4** shows the average in-year collection rates for non-domestic rates by region for the period 2007-08 to 2011-12.

- Apart from London, whose non-domestic rates collection rate rose by 0.1 percentage points, all regions' collection rates either remained static or fell between 2010-11 and 2011-12. The biggest fall was in the North West where the decrease in collection rate was 0.7 percentage points.
- The average collection rate of non-domestic rates fell in all regions in the period 2007-08 to 2011-12; the largest fall, 1.9 percentage points, occurred in the North West.

Table 4: Non-domestic rates - collection rates - England : by region 2007-08 to 2011-12					
	2007-08	2008-09	2009-10	2010-11	2011-12
					%
North East	99.0	98.1	98.2	98.1	97.7
North West	98.7	97.3	97.5	97.5	96.8
Yorkshire & the Humber	98.5	97.1	97.3	97.6	97.5
East Midlands	98.7	97.6	98.0	98.2	98.2
West Midlands	98.5	97.4	97.7	97.4	97.1
East of England	99.2	98.3	98.0	98.2	98.0
London	98.9	98.0	98.0	98.1	98.2
South East	98.9	98.1	97.8	98.3	98.3
South West	98.9	98.2	98.0	98.1	97.7
England	98.8	97.8	97.8	98.0	97.8

Source : QRC4 returns

8. **Table 5** shows the net collectable debit (NCD) and the amount collected for both council tax and non-domestic rates in 2011-12 by class of authority.

Table 5: Council tax and non-domestic rates - amount collected - England : by class 2011-12						
	£ millions					
	Council Tax			Non-domestic rates		
	NCD	Collected	%	NCD	Collected	%
All London boroughs	3,310	3,186	96.3	6,071	5,959	98.2
<i>of which:</i>						
<i>Inner London boroughs</i> <i>(including City of London)</i>	1,065	1,017	95.4	4,175	4,106	98.3
<i>Outer London boroughs</i>	2,245	2,169	96.6	1,897	1,854	97.7
Metropolitan districts	3,814	3,666	96.1	3,891	3,768	96.8
Unitary authorities	5,052	4,911	97.2	4,356	4,247	97.5
Shire districts	10,512	10,320	98.2	6,971	6,849	98.3
England	22,688	22,083	97.3	21,290	20,824	97.8

Source: QRC4 returns

9. **Table 6** shows the net collectable debit and the amount collected for both council tax and non-domestic rates in 2011-12 by region.

Table 6: Council tax and non-domestic rates - amount collected - England : by region 2011-12						
	£ millions					
	Council Tax			Non-domestic rates		
	NCD	Collected	%	NCD	Collected	%
North East	958	923	96.4	786	768	97.7
North West	2,726	2,634	96.6	2,428	2,349	96.8
Yorkshire & the Humber	1,956	1,894	96.8	1,747	1,702	97.5
East Midlands	1,860	1,816	97.6	1,358	1,333	98.2
West Midlands	2,122	2,069	97.5	1,853	1,799	97.1
East of England	2,783	2,725	97.9	2,080	2,039	98.0
London	3,310	3,186	96.3	6,071	5,959	98.2
South East	4,392	4,310	98.1	3,245	3,190	98.3
South West	2,581	2,525	97.8	1,722	1,683	97.7
England	22,688	22,083	97.3	21,290	20,824	97.8

Source: QRC4 returns

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 2011-12

10. **Table 8** shows the amount of council tax collected in 2002-03 to 2011-12 irrespective of the year to which it relates.

- In 2011-12 local authorities collected £22.5 billion in council tax, irrespective of the year to which it related. This was an increase of nearly £0.2 billion over 2010-11.

Table 8: Receipts of council tax in England : 2002-03 to 2011-12				£ millions
	Receipts of council taxes in respect of the billing year	Receipts of council taxes in respect of previous years ^(a)	Receipts of council taxes in respect of the subsequent billing year	Total receipts of council taxes collected during the financial year
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
2011-12	21,761	393	342	22,496

Source: QRC4 returns
(a) Net of council taxes received in respect of previous years

11. Details of these receipts of council tax at local authority level can be found on the DCLG website at www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/livetables/
12. **Table 9** shows the amount of non-domestic rates collected in 2002-03 to 2011-12 irrespective of the year to which it relates.

- In 2011-12 local authorities collected £20.7 billion in non-domestic rates, irrespective of the year to which it related, an increase of £1.5 billion over 2010-11.

Table 9: Receipts of non-domestic rates in England : 2002-03 to 2011-12

	£ millions			
	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	Total receipts of non-domestic rates collected during the financial year
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	19,088
2010-11	19,382	-493	302	19,192
2011-12	20,568	-131	309	20,746

Source: QRC4 returns

(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.

13. Details of these receipts of non-domestic rates at local authority level can be found on the DCLG website at www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/livetables/

Arrears of council tax in England

14. **Table 10** shows the level of arrears of council tax in the period 2007-08 to 2011-12 as well as the amounts of council tax that were written off in the same period.

- In 2011-12 local authorities collected £471 million of outstanding council tax, irrespective of the year to which it related. This represents more than 2% of the Net Collectable Debit for 2011-12.
- In 2011-12 local authorities wrote off £171 million of uncollectable council tax, irrespective of the year to which it related. This represented 0.8% of the Net Collectable Debit for 2011-12.

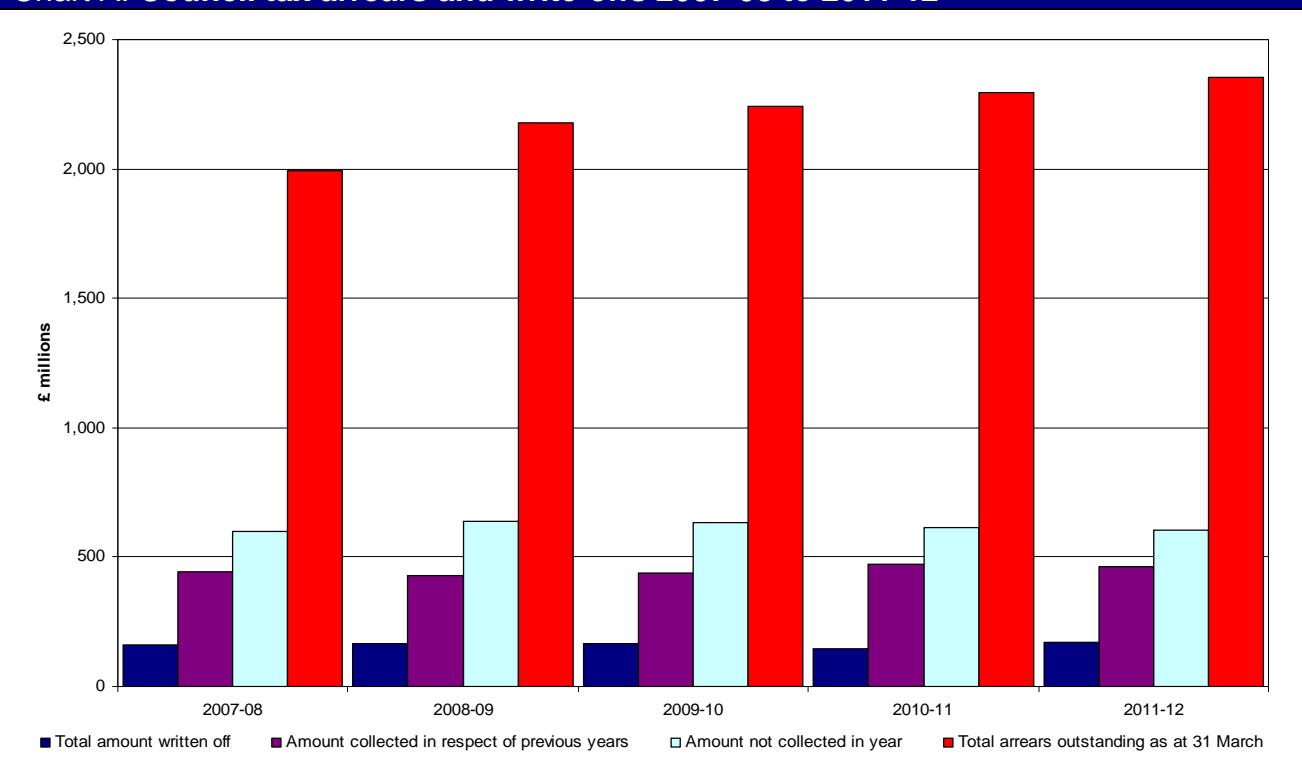
Table 10: Council tax arrears and write-offs : 2007-08 to 2011-12

	2007-08	2008-09	2009-10	2010-11	£ million 2011-12
Arrears for earlier years brought forward on 1 April ^(a)	1,952	2,026	2,157	2,244	2,310
<i>add</i>					
Net adjustments made in year to arrears included in the Net Collectable Debit for earlier years	-40	-37	-32	-31	-9
Arrears relating to earlier years before write-offs in current year	1,912	1,989	2,125	2,213	2,301
<i>less</i>					
Amount collected in year relating to arrears for earlier years	442	427	440	472	471
Amounts written-off in year relating to earlier years	149	154	155	140	164
<i>equals</i>					
Arrears in respect of earlier years as at 31 March	1,321	1,407	1,531	1,601	1,666
Amounts not collected in current year	682	781	724	701	696
Amount written off in year relating to current year	9	9	13	7	7
Total arrears in respect of current year outstanding as at 31 March	673	772	711	694	689
Total Arrears outstanding as at 31 March ^(a)	1,994	2,179	2,242	2,295	2,355
Court and administration costs included Total Arrears above	150	159	163	195	199
Total amount written off each year irrespective of the year to which it relates	159	164	168	148	171

Source : QRC4 returns

(a) The figures for 31 March & 1 April of the same year are not identical as the figures for 31 March are best estimates provided by local authorities in May/June following the year in question and the 1 April figures are provided 14 months afterwards.

Chart A: Council tax arrears and write-offs 2007-08 to 2011-12



Source: QRC4 returns

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.

Arrears – unpaid council tax or non-domestic rates that, in the opinion of the billing authority, can still be collected.

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.

Council Tax Freeze Grant – a scheme introduced in 2011-12 to reward local authorities that froze or reduced their council tax in that year. A grant payment will be made in each year of the 2010 Spending Review. All authorities took part in the scheme in 2011-12. As a

result the small growth in the Net Collectable Debit for council tax in 2011-12 was down to growth in the housing market.

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.

Write-offs - the amounts of council tax or non-domestic rates that local authorities no longer considered recoverable - this does not include any provision for bad debts. In this release the figures for council tax write-offs should include court costs or administration costs that have also been written off.

Data quality

The information in this release is based on data returned to the Department for Communities and Local Government for all the billing authorities in England (there were 354 until 2008-09 and 326 since 2009-10). 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:

www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/livatables/

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 2011-12 (QRC4). The data shown in this release may have been updated from previous statistical releases. In 2011-12 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 1201 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 No22 2012* 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