

## REPORT

To: POLICY & RESOURCES (FINANCE) SUB COMMITTEE	Subject: COUNCIL TAX PROGRESS REPORT
From: DIRECTOR OF FINANCE	
Date: 15 October 2002	Ref: TC/CC/RCNL TAX PROGRESS

**1 Introduction**

- 1.1 A comparison in Council Tax collection for 2002/03 as at 30<sup>th</sup> September 2002 with the same point last year is shown in Appendix A.

**2 Performance**

- 2.1 Early billing and an increase in the frequency of follow up recovery runs has consistently proven effective in improving cash collection. Comparison with the same point last year shows a 0.8 % increase.
- 2.2 Progress continues in prior years collections. The year 2001/02 shows an increase of 1.5% from the year end position of 90.8% to 93% this is a 3% increase on last year's figures at this point. Approximately £2.5M has been collected against prior year's arrears for the period 1<sup>st</sup> April 2002 to 30<sup>th</sup> September 2002.
- 2.3 The value of cases passed to the Sheriff Officer during 2002 has decreased by £ 758,893 compared to last year's figure at this point. This a reduction of 9.2%.
- 2.4 Direct Debit payers continue to increase with the total of 41,863 being 7,936 greater than in March 2001.

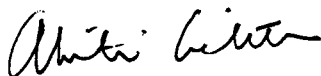
**3 Debt Recovery**

- 3.1 The Debt Recovery Team have now been established for one year and during that time have introduced a number of new initiatives which include:
- 3.2 Targeting 1,027 taxpayers who had made no payments in the past year and offering them the opportunity to enter into a payment arrangement or assistance with Debt Counselling and advice. This was followed by a home visit by a member of the Debt Recovery Team and one of our agents.
- 3.3 Identifying taxpayers whose accounts were shortly going to proceed to Summary Warrant, contacting them by telephone to prompt payment.

- 3.4 Owner occupied properties with high balances have been notified to contact the Debt Recovery Team or sequestration proceedings will be initiated. One such case has been passed to Legal Services and the action commenced.
- 3.5 In line with the recent changes to the Housing Scotland Act, tenants wishing to purchase their Council house must first clear any Council Tax arrears. The Debt Recovery Team are working with Legal Services and external agents to provide such information.

4 **Recommendation**

The Committee is asked to note to note the improvement in Council Tax recovery.

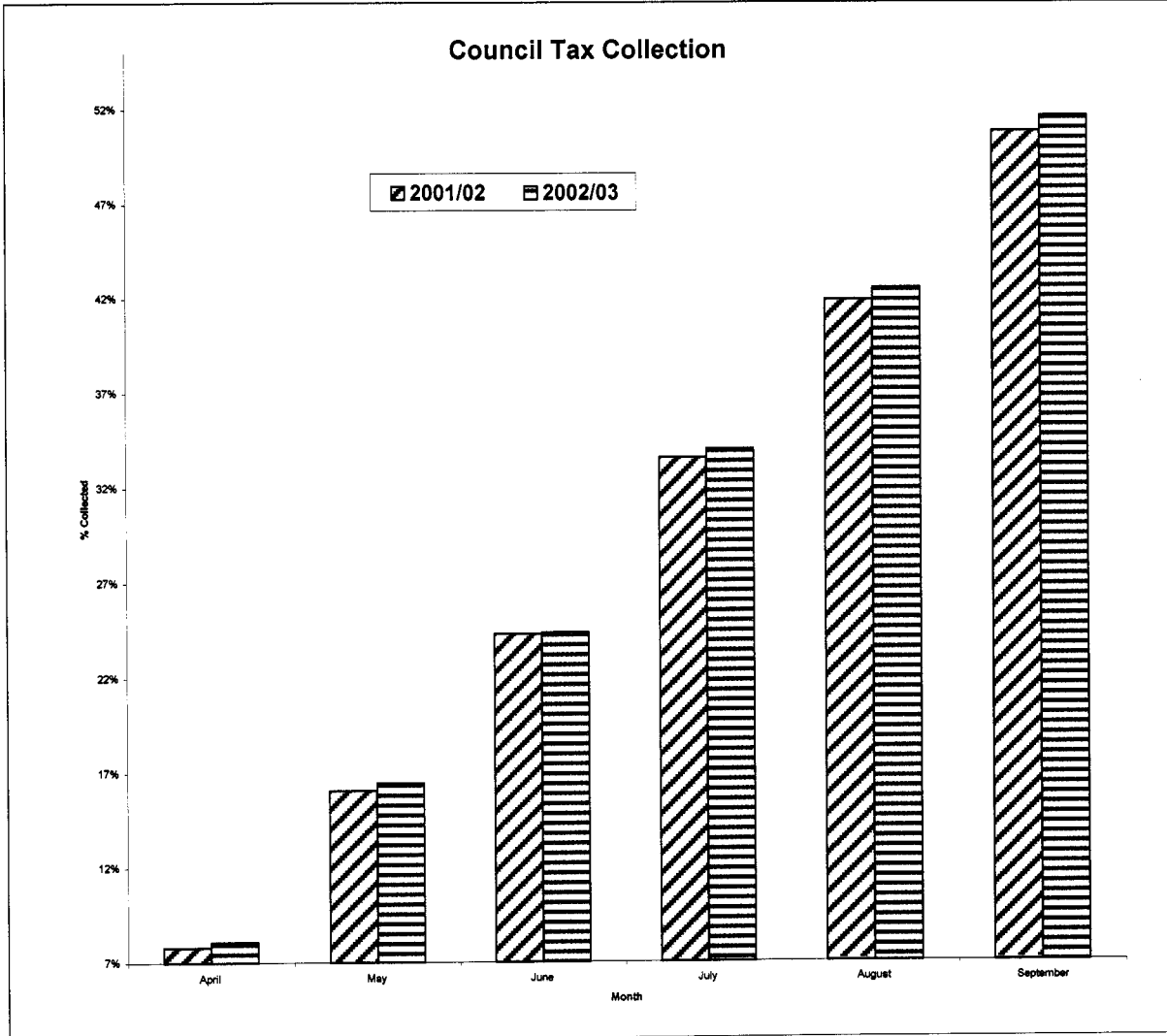


**Director of Finance**

## Council Tax Collection Report

	April	May	June	July	August	September	October	November	December	January	February	March
<b>Council Tax 2002/03</b>												
Gross Amount Billed 01/02	97,855	98,129	98,213	98,356	98,427	98,394						
Rebates Granted 01/02	21,384	21,466	21,446	21,585	21,572	21,566						
Cumulative Amount Rec'd	6,180	12,628	18,734	26,127	32,698	39,660						
% Collected	8.08%	16.47%	24.40%	34.03%	42.55%	51.62%						

<b>Council Tax 2001/02</b>												
Gross Amount Billed 01/02	93,021	93,112	93,106	93,188	93,293	93309	93301	93,407	93,425	93,405	93,388	93,294
Rebates Granted 01/02	20,175	19,859	20,172	20,355	20,653	20758	20945	21,043	21,104	21,201	21,277	21,359
Cumulative Amount Rec'd	5,688	11,780	17,741	24,463	30,455	36874	43511	49,766	56,764	62,958	64,334	65,325
% Collected	7.81%	16.08%	24.32%	33.59%	41.93%	50.82%	60.13%	68.77%	78.49%	87.19%	89.22%	90.81%



**Previous Years Collection**

	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/1	2001/02
Gross Council Tax & Water Charges (COUNCIL TAX ONLY FROM 1993/97)	62,885,090	68,946,084	77,176,969	89,083,756	96,978,715	88,316,034	93,820,653	98,757,018	103,712,454
Reliefs Granted Council Tax & Water Charges	18,688,237	20,671,357	22,480,033	27,011,888	29,093,067	28,897,020	30,788,353	31,228,679	32,063,217
Net Council Tax & Water Charges	44,196,853	48,274,727	54,696,936	62,071,867	67,885,648	59,419,015	63,032,299	67,528,339	71,649,237
Cash Collected Council Tax & Water Charges	42,200,384	45,689,841	51,501,911	58,482,764	63,701,330	56,099,517	59,008,270	62,455,206	66,609,227
Balance Outstanding	1,996,469	2,584,886	3,195,025	3,589,103	4,184,318	3,319,497	4,024,029	5,073,133	5,040,010
% Collected Council Tax & Water Charges	95.48%	94.65%	94.16%	94.22%	93.84%	94.41%	93.62%	92.49%	92.97%

Note : From 1996/97 Water Charges are billed and collected on behalf of the East and West of Scotland Water Authorities.