

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 19 SEPTEMBER 2006

STATISTICAL INFORMATION ON REVENUE COLLECTION

Report by the Executive Head of Finance

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Members with an update on the billing and collection performance of local taxes as at 20 August 2006 (Period 5).

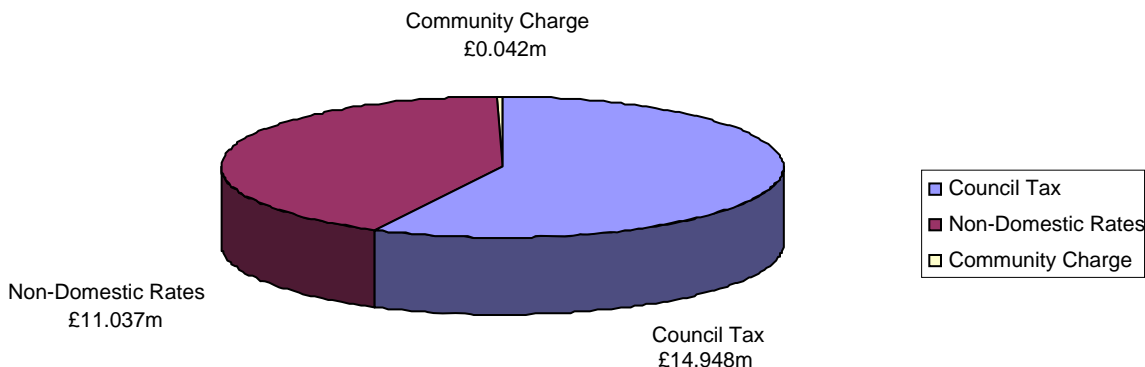
2. BACKGROUND

- 2.1 The Executive Head of Finance is responsible for the billing and collection of current year Council Tax and Non-Domestic rates and for the collection of any arrears. Responsibility for the collection of arrears of Community Charge (Poll Tax) outstanding from at 31 March 1996 also rests with the Executive Head of Finance.

3. GENERAL

- 3.1 Annual Council Tax and Non-Domestic Rates bills were issued in March and April 2006.
- 3.2 The total income collected from local taxes at 20 August 2006 is £26.027m, (£25.114m 2005/06) and is illustrated in the graph below.

Collection of Local Taxes 2006/07 up to 20 August 2006



4 COUNCIL TAX

- 4.1 39.5% of the Council Tax billed for 2006/07 was collected (39.8% 2005/06) Reasons for the slight decrease are being investigated but work within the Council Tax section is fully up to date and reminders and summary warrants have been issued in line with the previous year's timetable. The position is being closely monitored.

- 4.2 In cash terms, the income collected at Period 5 was higher than in the same period in 2005/06. Although this is partly due to the general increase in Council Tax, the number of new properties built within the Council area in the last year has also contributed to the increase. Details are shown in the following table.

Council Tax	2006/07 (Period 5) (£m)	2005/06 (Period 5) (£m)
Income Collected	14.948	14.044

- 4.3 The number of properties on the Council Tax database as at 1 April 2006 was 54,004 and this figure has increase in year to 54,230, the majority of the additional properties are Band D or above.
- 4.4 Previous years' outstanding balances have been reduced by £1.336m since 1 April 2006 as a result of recovery action taken during this period. The total balance outstanding at 1 April 2005 for previous years was £22.459m. Recovery action is continuing to reduce this debt.
- 4.5 The final 2005/06 in year collection figure for Council Tax was 92% (91.3% 2004/05).

5. NON-DOMESTIC RATES

- 5.1 As at 20 August 2006, 42.15% has been collected compared to 41.01% collected for the same period last year.
- 5.2 The number of properties on the Non-Domestic Rates database has increased from 3,880 at 1 April 2006 to 3,898 at 20 August 2006.

6. COMMUNITY CHARGE ARREARS

- 6.1 The total Community Charge arrears collected during 2006/07, to 20 August 2006, was £0.042m (£0.041m 2005/06). Although these debts are becoming increasingly more difficult to collect they continue to be pursued.

7. RECOMMENDATIONS

- 7.1 It is recommended that members note the contents of this report.

Alex McPhee
Executive Head of Finance

4 September 2006

LIST OF BACKGROUND PAPERS NIL

Any person wishing further information should contact Joe McLachlan, Corporate Accounting Manager, Tel: (01563) 576300.