

**EMBARGO: not for use before 0001hrs on WEDNESDAY 15 JANUARY 2003**

### **OVER 90% OF COUNCIL TAX COLLECTED - BUT £133 MILLION OUTSTANDING**

**An Accounts Commission report, published today shows that Scottish councils collected over 90% of the council tax that was due last year (2001/02), more than ever before. Of the £1.42 billion due £133 million was still to be collected at the year-end. Although councils continued to perform better, the Commission says there is still room for improvement.**

Today's figures reveal wide variation among similar councils in the amount of council tax collected. To allow like-for-like comparison, the Commission puts councils into three groups. Within the groups council tax collection levels for 2001/02 ranged from:

- 88.9% in Eilean Siar to 97.3% in the Orkney Islands
- 86.4% in East Ayrshire to 95% in Stirling
- 81.5% in Glasgow City to 93.2% in South Lanarkshire.

The figures also reveal that only Aberdeen City and Dundee City failed to improve on the previous year and are no better than six years ago.

Alastair MacNish, Chairman of the Accounts Commission says:

“While there is no room for complacency, the continued overall increase in the amount of tax collected on time is welcomed. Last year councils were able to issue bills earlier and this will have helped. However, there is still wide variation between councils and those that are not performing so well need to see what lessons they can learn from similar councils that are doing better. Councils must keep trying to make it easier for people to pay their bills or receive their benefits promptly.”

“Councils rely on people paying their council tax but last year £133 million was not paid on time. The longer it remains outstanding the harder councils have to work to collect it.”

### **Payment of council tax and housing benefits**

The average time taken to process new housing and council tax benefit claims was 52 days, ranging from 17 days in the Orkney Islands to 106 days in West Dunbartonshire.

For the first time information has also been gathered on how effectively councils are recovering housing benefits overpayments. Of the £37 million of overpayments identified since April 2000 by the 25 councils who reported, £17 million (46%) was recovered by March 2002. Seven councils were not able to provide reliable information on how much they had overpaid to benefit claimants (see note 6).

Benefit overpayments can occur for a range of reasons including fraudulent claims or error on the part of the council, claimant or Department for Work and Pensions.

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**Notes to editors:**

1. The Accounts Commission is responsible for securing the audit of 32 Scottish councils and 34 joint boards, including police and fire services. The Commission investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Accounts Commission is independent and is not subject to the control of the Scottish Executive or the Scottish Parliament.
2. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Accounts Commission and the Auditor General for Scotland.
3. Since 1993/94 councils have been required by law to provide information on how well they are carrying out their activities. Under the Local Government Act 1992 the Accounts Commission has to decide what information councils provide. The information for 2001/2002 is the ninth annual comparison of council performance. It provides important benchmarks against which performance will continue to be measured in future years.
4. The information on council tax collection levels excludes tax paid directly to councils through Council Tax Benefit. During the year councils were able to issue tax bills one month earlier ie beginning of April. This gave councils an extra month in which to collect the tax.
5. This year, for the first time, information considered by an authority's appointed auditor to be unreliable has been excluded from the Scotland figures.
6. East Lothian and Glasgow City failed to provide reliable information on the percentage of overpayments recovered. Aberdeenshire, Dundee City, Fife, Moray and Scottish Borders did not report this information.
7. Councils will continue to collect tax after the year-end and expect ultimately to collect between 90% and 98%.
8. The pamphlet published today relates to Benefits, Finance and Corporate issues in Scottish councils and will be available from our website [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) from 15 January 2003
9. Information relating to education, housing and social work will be published on 29 January. Finally, information relating to leisure & library services, and environmental & regulatory services will be published on 5 February. Once published, this information will be available on the Commission's web site on [www.audit-scotland.gov.uk/performance](http://www.audit-scotland.gov.uk/performance)