



PUBLIC SERVICES AND GOVERNMENT

Council Tax Reduction in Scotland, April to June 2019

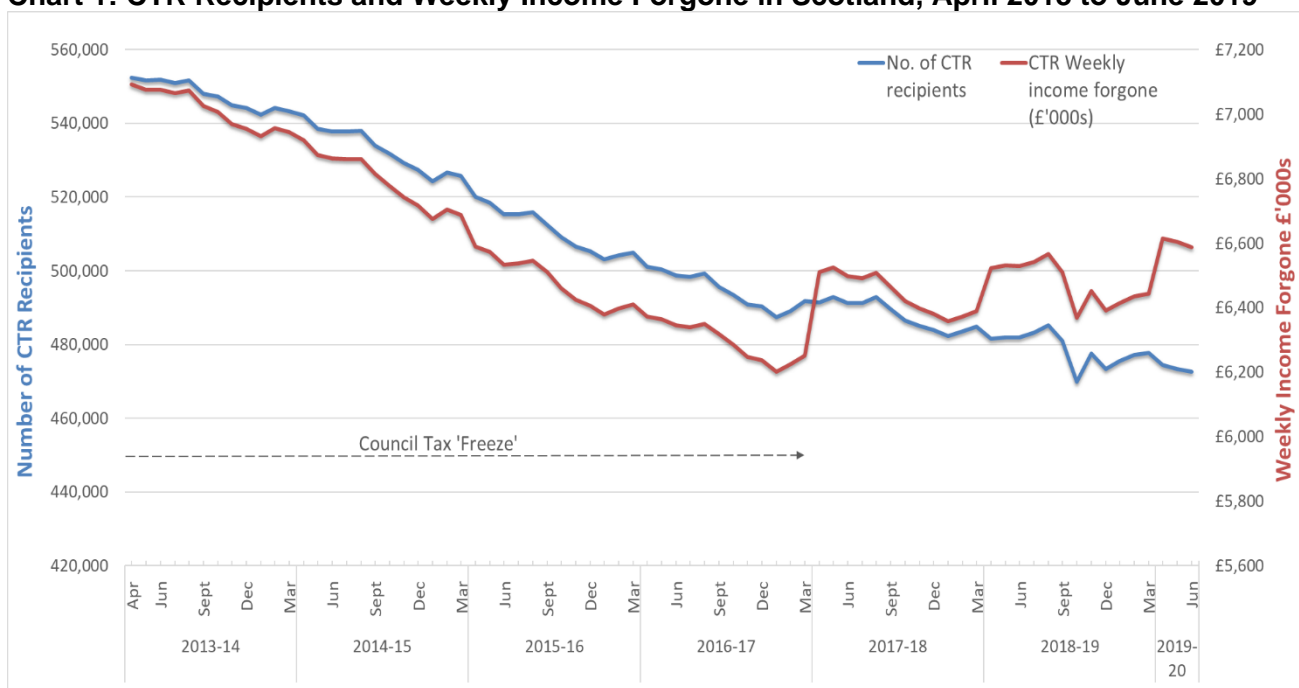
This publication provides statistics on the Council Tax Reduction (CTR) scheme, which reduces the Council Tax (CT) liability of lower income households in Scotland. A CTR 'recipient' can be a single person or a couple, with or without children, since CT is charged on a per-dwelling basis, rather than to individuals.

The statistics are based on data extracts from local authorities, and cover the time period April to June 2019.

Key Points

- There were 472,640 CTR recipients in Scotland in June 2019.
- The total weekly income forgone by local authorities on CTR in June 2019 was £6.6 million.
- There were 79,740 fewer CTR recipients in Scotland in June 2019 than at the beginning of the scheme in April 2013. This is a decline of 14.4 per cent. The fall in recipients is gradual, but CT and CTR reforms and increases in CT annually since April 2017 has resulted in increases in the total weekly CTR awarded (shown in Chart 1 below).

Chart 1: CTR Recipients and Weekly Income Forgone in Scotland, April 2013 to June 2019



1. CTR Recipients

Chart 1 (page 1) shows the CTR caseload in Scotland decreasing marginally between April and June 2019 in line with most years. Over this period, the CTR caseload in Scotland decreased by 0.4 per cent to 472,640 in June 2019. This is after the roll out of Universal Credit (UC) to several large local authorities including Glasgow City, City of Edinburgh and Aberdeen City from September 2018 which is likely to have caused the fluctuations seen in the number of CTR cases towards the end of 2018. As the Department for Work and Pensions begins to move people from their current benefits to UC, this may result in future fluctuations in the number of CTR recipients.

The number of CTR recipients for each local authority in April to June 2019 is shown in Table 1 below. Most local authorities recorded a decrease in CTR recipients (22 out of 32 local authorities), with the largest decrease seen in the Scottish Borders (-1.4 per cent, based on unrounded figures) over this period.

Table 1: CTR Recipients by Local Authority, April to June 2019^{1, 2}

	Apr-19	May-19	Jun-19
SCOTLAND	474,420	473,450	472,640
Aberdeen City	13,760	13,690	13,630
Aberdeenshire	11,680	11,640	11,680
Angus	8,600	8,650	8,670
Argyll and Bute	6,760	6,730	6,710
City of Edinburgh	33,260	33,360	33,080
Clackmannanshire	5,110	5,090	5,040
Dumfries and Galloway	13,250	13,290	13,190
Dundee City	17,790	17,650	17,930
East Ayrshire	13,100	13,110	12,960
East Dunbartonshire	5,500	5,450	5,480
East Lothian	6,830	6,790	6,790
East Renfrewshire	4,300	4,280	4,260
Falkirk	12,840	12,850	12,830
Fife	30,950	30,730	30,560
Glasgow City	87,560	87,600	87,660
Highland	17,030	16,980	16,860
Inverclyde	9,720	9,750	9,680
Midlothian	6,270	6,250	6,220
Moray	5,530	5,530	5,550
Na h-Eileanan Siar	2,160	2,140	2,130
North Ayrshire	16,220	16,330	16,470
North Lanarkshire	36,200	35,930	35,720
Orkney Islands	1,220	1,210	1,210
Perth and Kinross	8,440	8,430	8,370
Renfrewshire	17,950	17,950	18,040
Scottish Borders	8,390	8,350	8,280
Shetland Islands	1,070	1,060	1,080
South Ayrshire	10,720	10,730	10,730
South Lanarkshire	30,230	30,070	30,000
Stirling	5,460	5,450	5,450
West Dunbartonshire	11,610	11,650	11,670
West Lothian	14,910	14,730	14,710

Notes:

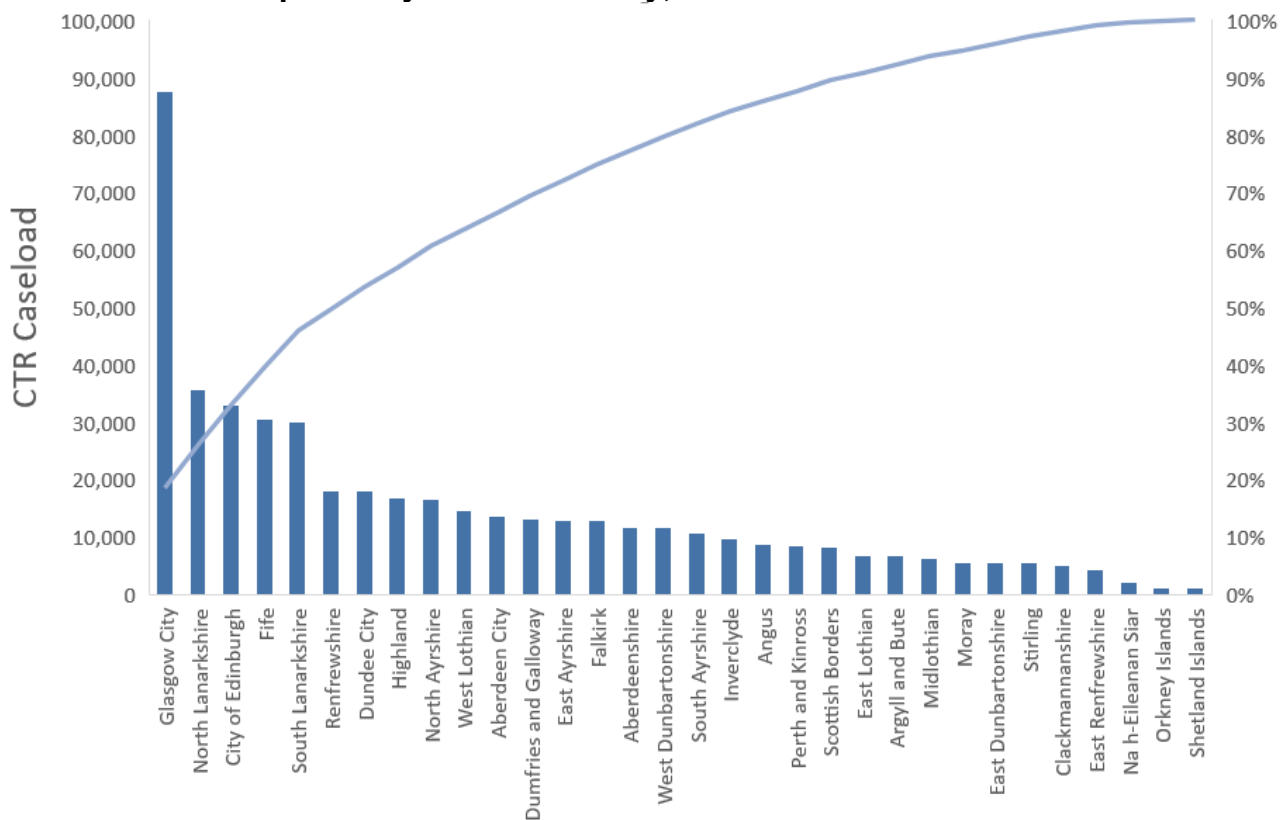
¹ Recipients are as at monthly count date. See Methodology Notes, Section 2 for more details. Available at <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/Methodology/Ctaxreductionmethod>

² Figures are rounded to the nearest 10. Components may not sum to total due to rounding.

Chart 2 below shows the number of CTR recipients by local authority for June 2019 in descending order, with the cumulative total recipients represented by the line. It can be seen that Glasgow City accounted for almost one fifth of all recipients in Scotland compared to the Shetland Islands (accounting for 0.2 per cent). The five local authorities with the highest numbers of CTR recipients accounted for almost half (46 per cent) of the total number of CTR recipients in Scotland in June 2019. These five local authorities are:

- Glasgow City accounting for 19 per cent (87,660 recipients);
- North Lanarkshire accounting for 8 per cent (35,720 recipients);
- City of Edinburgh accounting for 7 per cent (33,080 recipients);
- Fife accounting for 6 per cent (30,560 recipients); and
- South Lanarkshire accounting for 6 per cent (30,000 recipients).

Chart 2: CTR Recipients by Local Authority, June 2019



2. Weekly Income Forgone

The total weekly income forgone for Scotland was £6.588 million in June 2019, a marginal decrease of 0.4 per cent compared to April 2019. A breakdown of the total weekly income forgone by each local authority in April, May and June 2019 is shown in Table 2 below.

The weekly income forgone shows a fluctuation in April 2019 (£6.615 million) compared to £6.443 million reported in March 2019 – a rise of approximately 3 per cent overall. This is a result of the increase in CT applied by all local authorities at the start of the current financial year (capped at 4.79 per cent for each local authority in 2019-20). Although all local authorities raised their CT in 2019-20, not all local authorities raised it by the maximum amount.

The rise in weekly income forgone in April 2019 is similar to the upward trends seen in April 2017 and April 2018. As the figures are monthly, there is usually a rise in April of each year in comparison to the previous month (March) when council tax increases

(decided by local authorities) take effect, with a corresponding impact on the levels of weekly income forgone. Prior to April 2017, there was a 9 year CT 'freeze' between 2008-09 and 2016-17.

It can be seen that Glasgow City accounted for one fifth (20 per cent) of the total weekly income forgone for Scotland followed by City of Edinburgh (7 per cent) and North Lanarkshire (7 per cent) in June 2019.

Table 2: Weekly Income Forgone (£'000s) by Local Authority, April to June 2019^{1,2,3}

	Apr-19	May-19	Jun-19
SCOTLAND	6,614.7	6,604.3	6,587.7
Aberdeen City	197.9	197.0	195.7
Aberdeenshire	161.4	160.4	160.5
Angus	105.3	105.7	106.1
Argyll and Bute	106.3	105.8	104.7
City of Edinburgh	491.5	493.1	488.8
Clackmannanshire	68.1	67.9	67.4
Dumfries and Galloway	173.9	174.6	173.3
Dundee City	236.4	235.0	238.0
East Ayrshire	178.0	177.8	175.3
East Dunbartonshire	90.8	90.0	90.3
East Lothian	100.1	99.2	98.8
East Renfrewshire	70.1	70.0	69.6
Falkirk	156.9	157.1	156.9
Fife	404.8	401.8	399.5
Glasgow City	1,336.2	1,338.4	1,337.9
Highland	240.8	239.9	238.2
Inverclyde	130.5	130.7	129.8
Midlothian	97.0	96.5	96.0
Moray	74.2	74.2	74.2
Na h-Eileanan an Iar	26.7	26.4	26.3
North Ayrshire	223.6	224.4	226.2
North Lanarkshire	448.6	446.0	444.1
Orkney Islands	15.6	15.5	15.3
Perth and Kinross	122.8	122.9	122.1
Renfrewshire	252.1	251.9	252.7
Scottish Borders	106.0	105.7	104.6
Shetland Islands	13.4	13.3	13.4
South Ayrshire	160.6	160.9	161.0
South Lanarkshire	384.1	382.4	381.2
Stirling	80.3	80.4	80.1
West Dunbartonshire	166.0	166.7	167.1
West Lothian	194.8	192.7	192.5

Notes:

¹ Recipients are as at monthly count date. See Methodology Notes, Section 2 for more details. Available at <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/Methodology/Ctaxreductionmethod>

² Weekly income forgone estimates are based on 'number of recipients multiplied by average weekly reduction' for each local authority and benefit type for the given month.

³ Figures are rounded to the nearest £100. Components may not sum to total due to rounding.

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Correspondence and Enquiries

For enquiries about this publication, please contact:

Eddie Chan
Council Tax Analysis
Local Government and Analytical Services Division
Telephone: (0131) 244 7192
E-mail: eddie.chan@gov.scot

For general enquiries about Scottish Government statistics, please contact:

Office of the Chief Statistician
Telephone: (0131) 244 0442
E-mail: statistics.enquiries@gov.scot

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The Chief Statistician
GR, St. Andrew's House
Edinburgh
EH1 3DG
Telephone: (0131) 244 0302
Email: statistics.enquiries@gov.scot

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