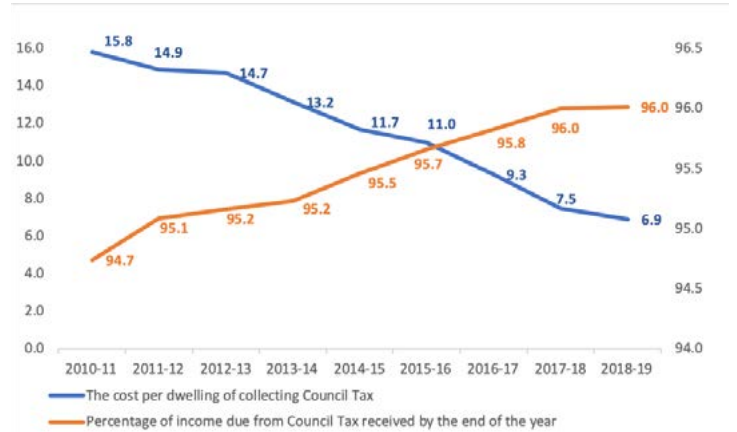
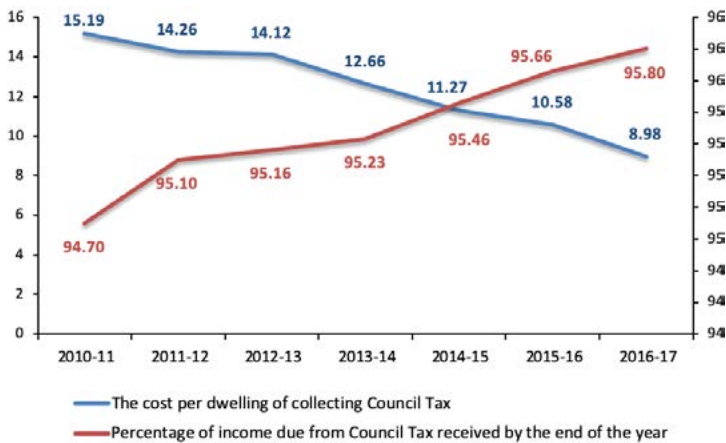
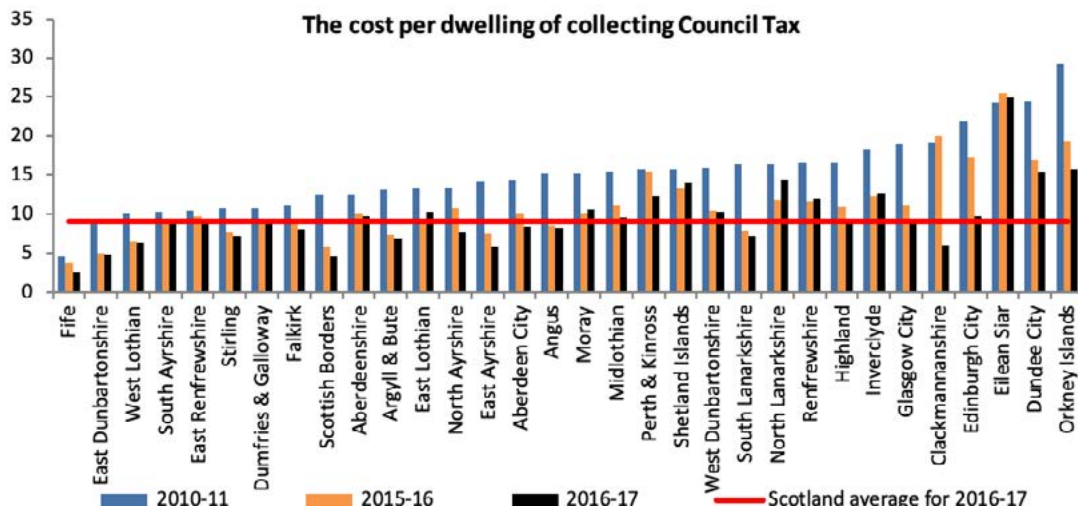


# Council Tax Briefing 2019

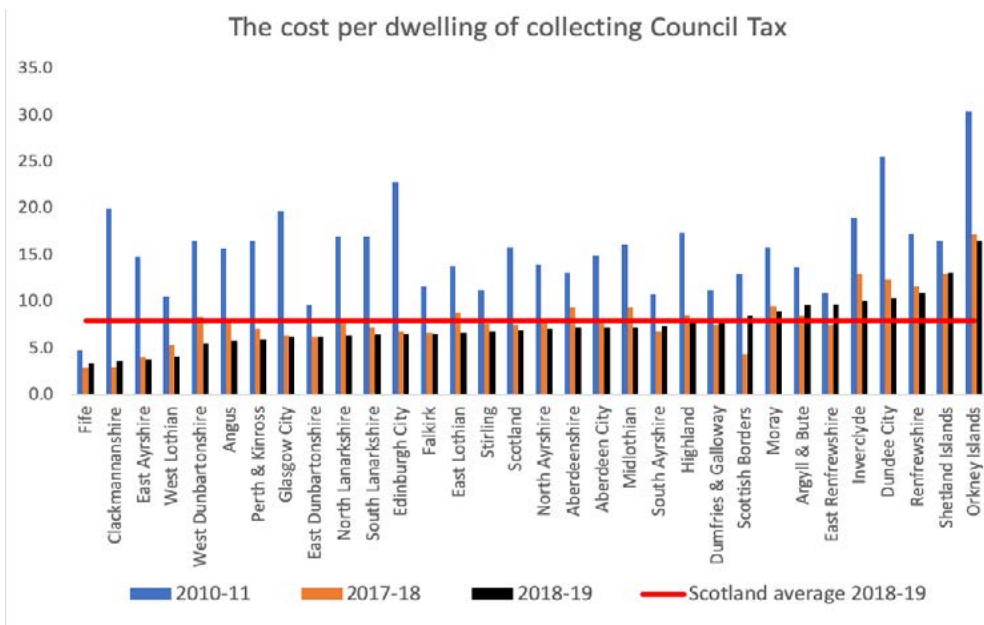
The cost of collecting council tax is measured on a per property basis to standardise the measure across councils. Over the nine-year period from 2010/11 to 2018/19 costs have reduced by 56.3%, from £15.83 to £6.92. There has been a year on year reduction in costs, with no slowdown in the rate over recent years. In the past 12 months, costs reduced by 7.6%.



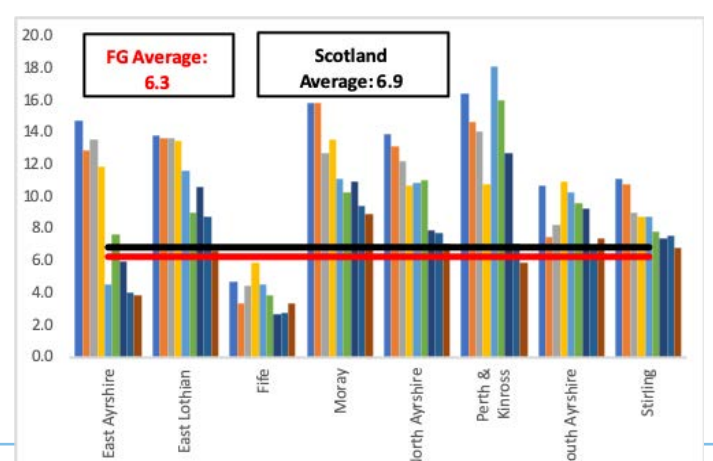
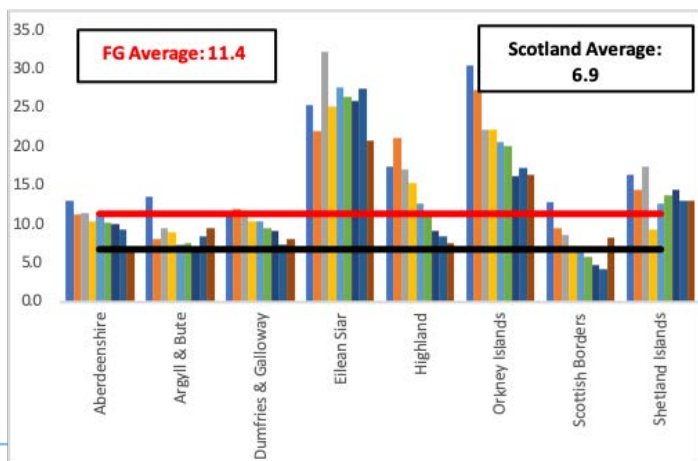
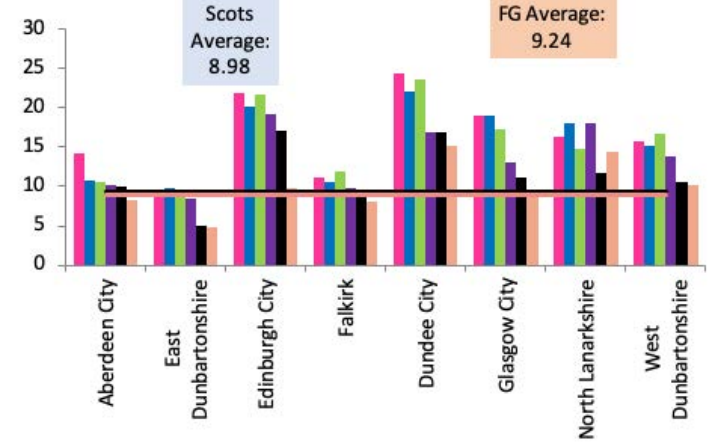
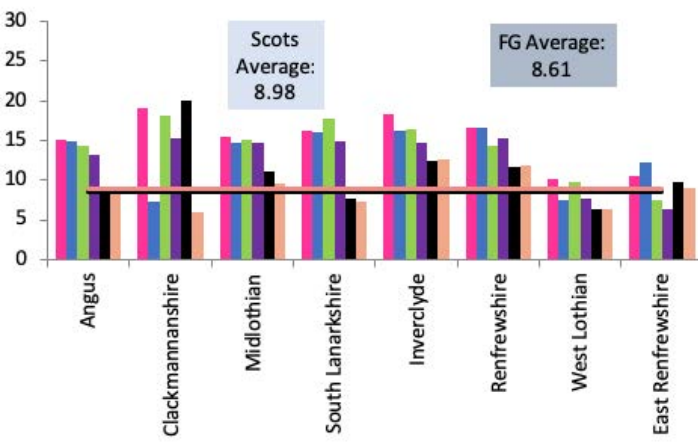
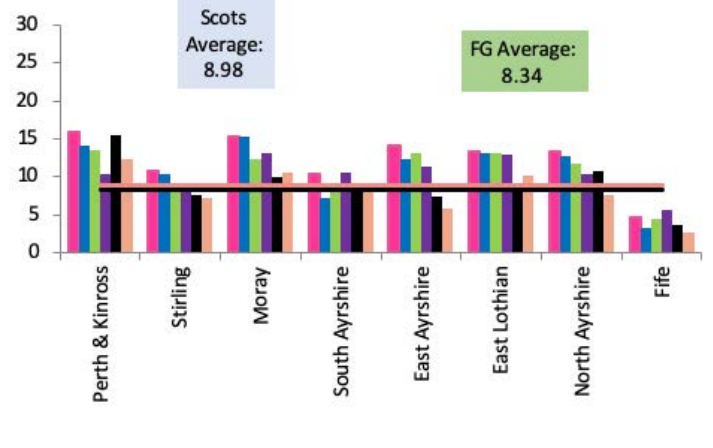
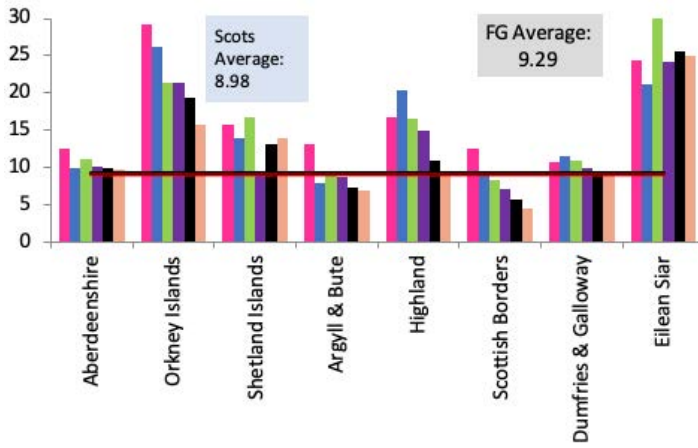
Although narrowing, the range varies significantly from £3.43 to £20.78, with smaller sized and island councils reporting significantly higher costs. A key factor driving the reduction in costs is the continued digital transformation and shift to embrace new technology and automation.

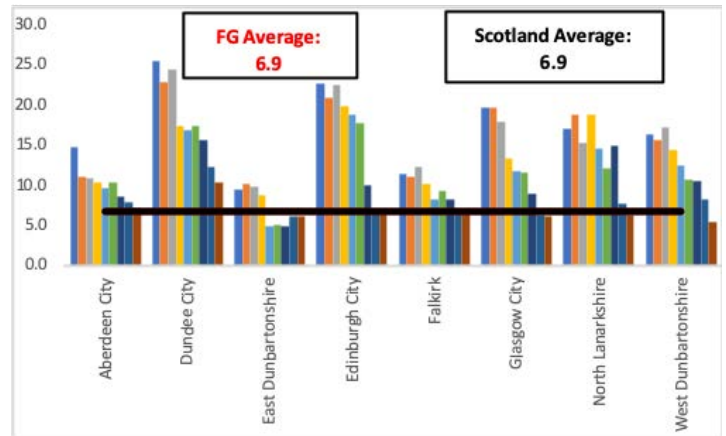
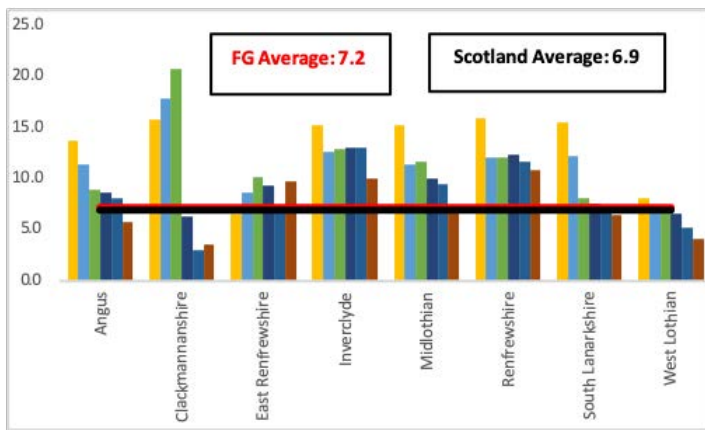


### The cost per dwelling of collecting Council Tax

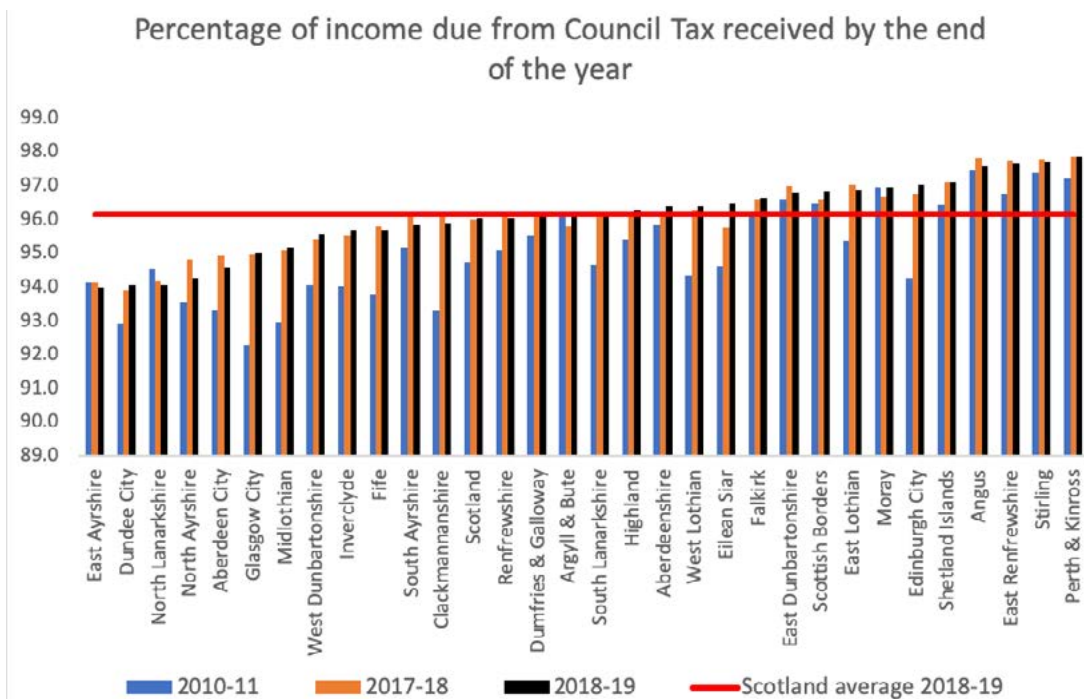
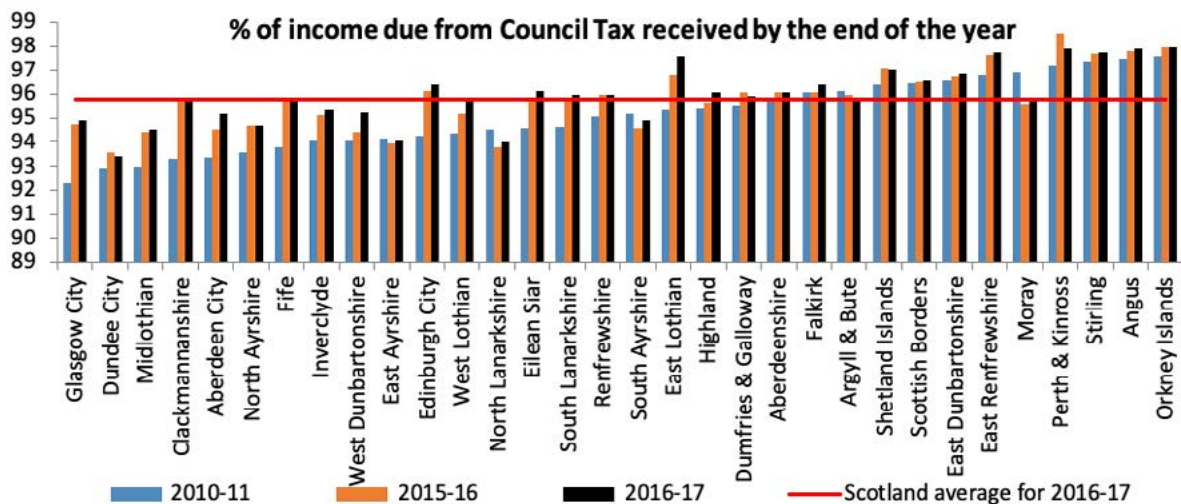


### Family Groups: Cost per Dwelling

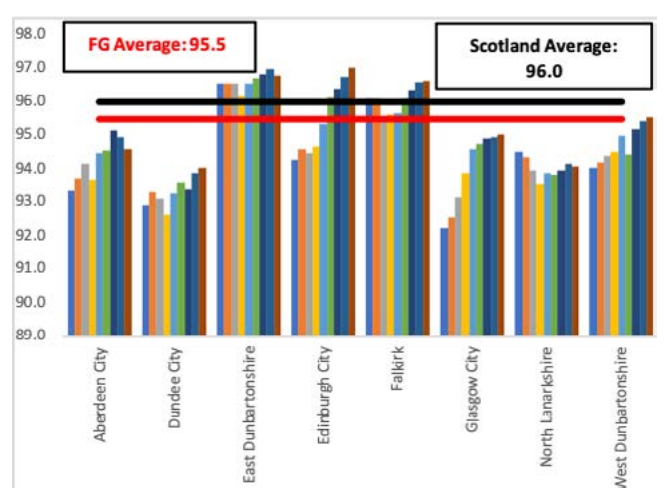
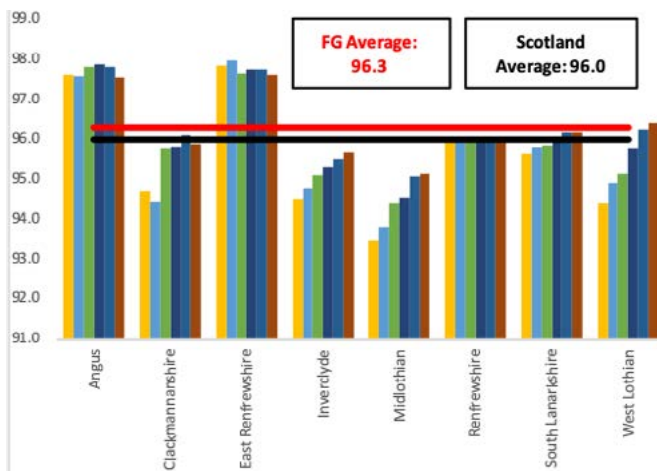
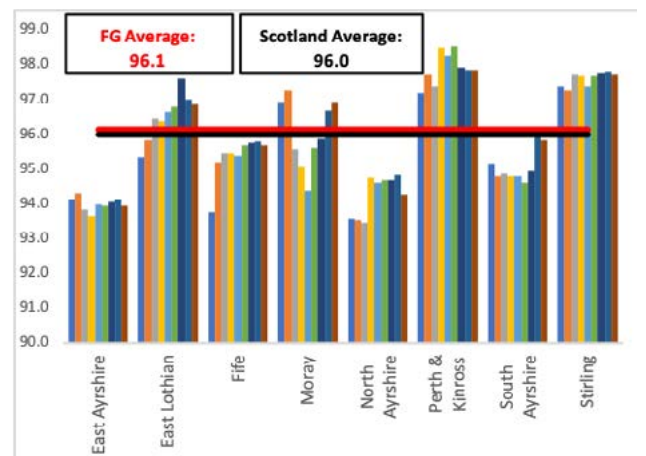
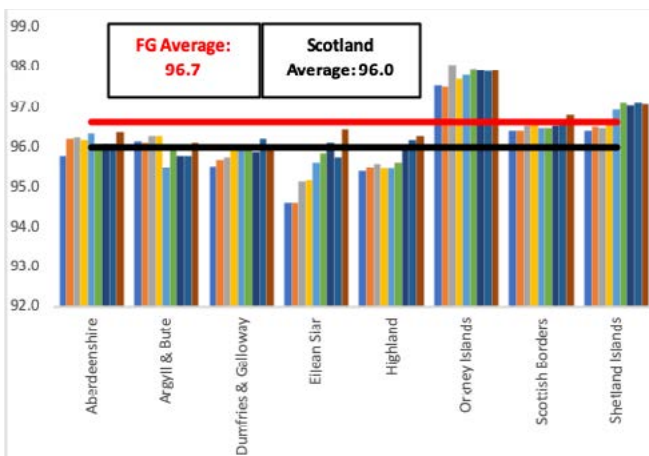
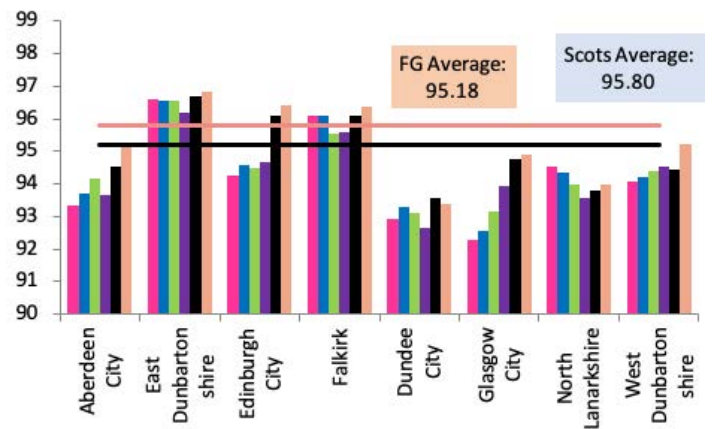
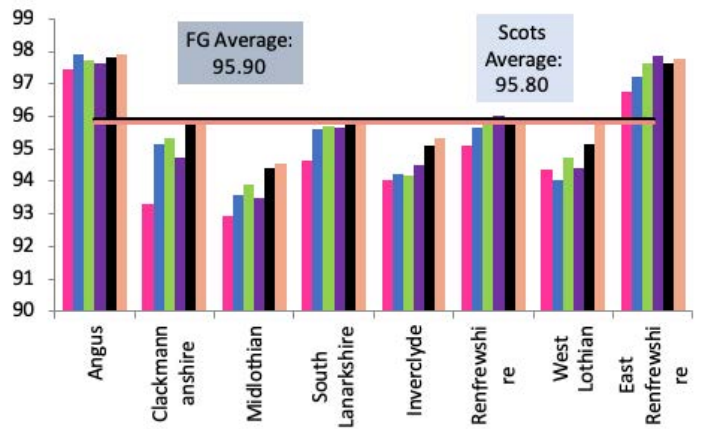
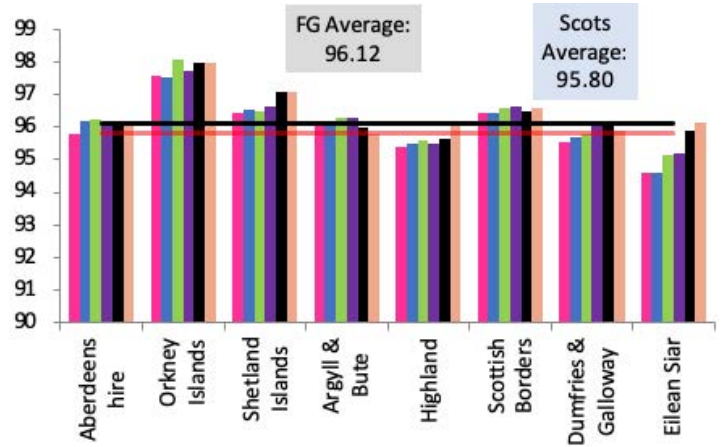
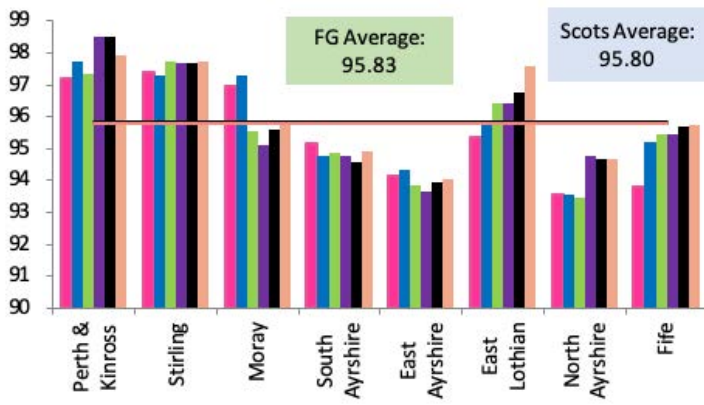




At the same time as the reduction in unit costs, the overall rate of in-year collection for council tax has remained high and shown steady improvement from 94.7% in 2010/11 to 96.1% in 2018/19. While council tax collections have improved as a direct result of the council tax freeze from 2008/09 to 2016/17, this has continued despite the challenges created by a difficult economic climate and significant welfare reform. Some areas have reported reducing average payments in the current year, and an emerging trend around debt taking longer to pay in full. It will be important to monitor what impact this may have on collection levels in future years. The variation across councils is narrowing over time, with rates in 2018/19 ranging from 94.0% to 98.0%. Council tax collection rate shows a significant pattern in relation to level of deprivation, with those councils with higher levels of deprivation reporting significantly lower rates paid on time. The roll-out of Universal Credit is likely to further exacerbate this over the coming period.



# Family Groups: Collection Rate



## Automation and Digitisation

Automation and digitisation are major issues, with some councils no longer taking physical cash payments. Many processes are now carried out online, for example if a customer applies for a discount this is all done online, and only in a case where the customer has received a rejection would staff then get involved.

Some councils have had direct debit campaigns to encourage customers to pay for their bill online, automatically each month with some of them now having an uptake of about 70%. In some local authorities, direct debits are managed monthly whereas in others they are managed weekly, fortnightly and monthly. Local authorities commented on the fact that if a direct debit fails the customer is no longer informed of this by letter as postage is too expensive. They are instead expected to be aware of their own outgoings via their bank. Councils usually have a payment hotline however in most cases this is automated. Staff normally only take payment when there is an overdue payment letter. Many of the attendees noted that they are not a 'call line' and are often busy with other work.

In **Glasgow City**, the way that students can apply for council tax discount is changing. Full time students are entitled to a discount or exemption of their Council Tax. To receive this discount students usually acquire proof of their student status from the further education institution they are attending. Glasgow City Council has undertaken a new approach to this, where students are no longer required to submit documentary proof of their status. The council works with colleges and universities so they provide the data of who students are/ what their course duration is and then based on this, discounts are applied. Students would only be required to provide physical evidence in cases where the data provided by the university or college doesn't match.

The council carried out an audit to find out whether this approach works effectively. The results show that less than 5% of cases led to challenges, and they were mainly due to confusion with college/university start and finish dates, for example. In the run-up to the festive period the council only had about 2,000 outstanding pieces of work in comparison to previous occasions when the number of outstanding piece of work was as high as 9,000. The council will be adopting the same approach next year.

**West Dunbartonshire** rolled out an online account function for users to access their bill. However, the uptake is not very high. Many of users log into the system once, and then do not go back on it again. Other local authorities have had similar experiences with their online account. **North Lanarkshire** council do not have e-billing but will soon be testing and implementing this. Digitisation often brings frustration with current I.T. set up. It is important that staff buy-in is achieved.

Some local authorities now do a 'change of address' online only; while others like North Lanarkshire council are not doing this at present. **West Dunbartonshire** carry out a change of address both online and over the phone.

In terms of adopting a robotic process for the administration of new housing benefit and council tax, both **North Lanarkshire** and **City of Edinburgh** commented on the fact that there aren't many repetitive processes in council tax that could benefit from this and that adopting this would be challenging for council tax.

**West Dunbartonshire** agreed with the above statement, a lot of time needs to be invested to programme the robot to be able to do various things and a scenario for each process would need to be mapped out. However, they think that such a process would be helpful for school clothing grants, for instance. It is believed that the uptake of such technology may be low due to a lack of staff buy in.

## Customer Service Centres

At **West Dunbartonshire**, the council tax team don't take any calls. The calls are redirected to the customer service centre. Some council tax staff have been moved to the customer service centre to deal with the number of calls identified. Not all staff are supportive of this change and this has created challenges in terms of staff motivation.

While this shows that the customer service centre in West Dunbartonshire has grown with staff redirected to it, for **Glasgow City** and **North Lanarkshire** this is not the case. In both councils, customer service capacity has been reduced over the years.

In terms of recruitment, **West Dunbartonshire** prefer to seek candidates who have first-hand experience of benefits to take on customer service roles. However, this necessarily limits the pool of available candidates and so when a member of staff leaves it is not always possible to replace them with someone who has similar first-hand experience.

## Savings

Attendees also had a discussion about savings and how to find them, as more and more cuts are being made. All local authorities at the table have stopped sending a large proportion of physical letters. For example, if someone is in arrears they would get one reminder and then the next time they would receive a physical letter, would be from the sheriff court.

## Staffing Profile

**City of Edinburgh** believes that if it invests in its services collection rates will be maintained. The council is investing in the quality of its revenues and benefits staff and has adopted a skills matrix approach as a way to capture feelings/ competence of staff. This is in line with legislation changes. City of Edinburgh are focused on investing in staff within the organisation rather than bringing in external people.