



PUBLIC SERVICES AND GOVERNMENT

Council Tax Reduction in Scotland, 2017-18

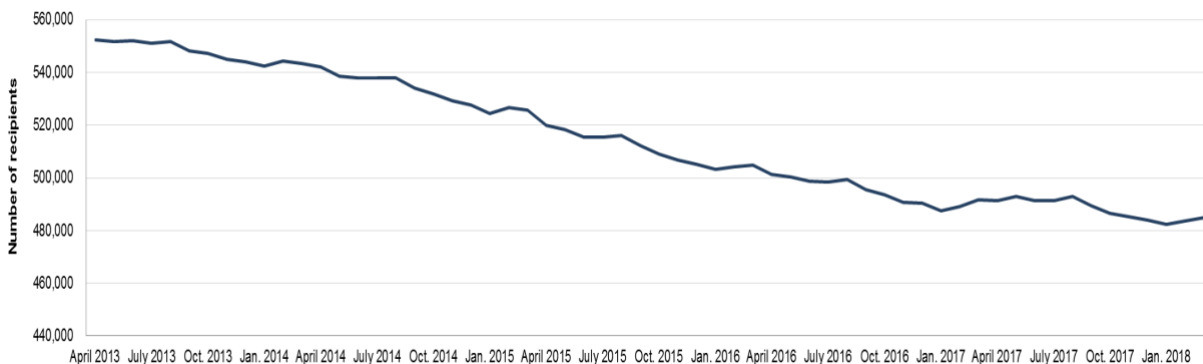
This publication provides statistics on the Council Tax Reduction (CTR) scheme, which reduces the Council Tax liability of low income households in Scotland. A CTR 'claimant' can be a single person or a couple, with or without children, as Council Tax is charged on a per-dwelling basis, rather than to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

The statistics are based on monthly data extracts from local authorities, and cover the time period April 2017 to March 2018.

Key Points

- There were 484,910 Council Tax Reduction claimants in Scotland in March 2018; that is around one-fifth of chargeable dwellings.
- The total number of Council Tax Reduction claimants in Scotland has gradually decreased by 12 per cent (67,470 claimants) between the beginning of the scheme in Scotland in April 2013, and March 2018.
- The weekly income foregone by local authorities on Council Tax Reduction in March 2018 was £6.4 million; the provisional income foregone on Council Tax Reduction in Scotland in 2017-18 was £329.4 million.
- Of all Council Tax Reduction claimants in March 2018:
 - 58 per cent (280,240 claimants) were in one of the 30 per cent most deprived areas in Scotland up from 50 per cent at the same time last year;
 - Just over 37 per cent (179,520 claimants) were aged 65 or over; and
 - 16 per cent (77,800 claimants) were lone parents.

Chart 1: CTR claimants in Scotland, April 2013 to March 2018



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Things you need to know about this release

Changes in Council Tax and the Reduction scheme since 1st April 2017 last year's Publication.

The following changes came into effect on 1st April 2017:

- The multipliers for dwellings in Council Tax Bands E to H were increased. These multipliers are applied to the Band D Council Tax rate set by each Council to produce the Council Tax rate for dwellings in Bands E to H.
- The Council Tax freeze in place between 2008-09 and 2016-17 ended and the 2017-18 Local Government Finance settlement included an agreement between the Scottish Government and local government for locally determined Council Tax increases to be capped at 3 per cent.
- The child element in the calculation of the Applicable Amount (see Figure 2 on page 6 below) was increased from £66.90 per child per week to £83.63.
- CTR claimants in receipt of below median income in CT Bands E to H were eligible for CTR to the value of the increase in CT due to the increase in multipliers to be paid by these dwellings relative to the Band D CT rate.

The figures reported in this publication should be interpreted in light of these changes.

Glossary of terms used in this publication

Passporting benefits – receipt of one of the following benefits has the practical effect of automatically qualifying the claimant for full CTR:

- **Income-based Jobseeker's Allowance** – paid to those who are unemployed and are on a low income.
- **Income-related Employment and Support Allowance** – paid to those on a low income whose ability to work is limited by illness or disability.
- **Income Support** – paid to those on a low income and under state pension age.
- **Pension Credit (Guarantee Credit)** – paid to those on a low income who are over the qualifying age.

Applicable Amount – The amount of money that the government says is required for a household to live on. This is a personal allowance – which varies depending on age and family status – with the potential for premiums to be added. For example, if the applicant is a carer, they would receive the relevant personal allowance **plus** the carer premium. Some examples of personal allowances and premiums for 2017-18 are given in Table 1 below.

Excess Income – The amount left after deducting the household's applicable amount from their total income. The household's total income is calculated as the total income from employment, pensions and benefits (although some benefit income may be disregarded).

Income Assessment – Undergone by applicants not in receipt of a passporting benefit, and who have less than £16,000 in savings, to determine their eligibility for CTR. The 'means-test' assessment compares the household's assessable income (as defined under CTR) and their applicable amount.

- If **total income < applicable amount** then full CTR will be awarded.

- If **total income > applicable amount** then the household is expected to contribute 20 per cent of their excess income to their Council Tax bill. This results in a tapering effect, where CTR awards decrease as income increases.

Full CTR – The amount of CTR awarded is equal to the full amount of Council Tax liability for the applicant. For example, if the applicant lived in a Band C house in Edinburgh, their weekly Council Tax liability was £20.53 in 2017-18. If they received full CTR, their CTR award would equal their liability (£20.53) and the household’s contribution would be zero.

Partial CTR – The household contributes 20 per cent of their excess income towards their Council Tax liability and the remainder of the liability is the CTR award. Figure 2 provides an illustrative example of a partial CTR calculation.

Table 1: Examples of CTR Applicable Amounts components, 2017-18 ^a

Personal Allowances	2017-18
Single claimant aged less than 25 years	£57.90
Single claimant aged not less than 25 years	£73.10
Single claimant aged 60 years to 64 years	£159.35
Single claimant aged 65 years or over	£172.55
Couple at least one aged 18 years	£114.85
Couple at least one aged 60 years to 64 years	£243.25
Couple at least one aged 65 years or over	£258.15
Child or young person (from birth to the day before their 20th birthday) ^b	£83.63
Premiums	2017-18
Disability Premium for single person	£32.55
Disability Premium for couple	£46.40
Enhanced Disability Premium for single person	£15.90
Enhanced Disability Premium for couple	£22.85
Enhanced Disability Premium for child	£24.78
Severe Disability Premium for single person	£62.45
Severe Disability Premium for couple where one qualifies	£62.45
Severe Disability Premium for couple where both qualify	£124.90
Carer Premium	£34.95
Disabled Child Premium	£60.90

a – This table lists some of the more common applicable amounts and is not comprehensive.

b – the child personal element rose by 25% on 1st April 2017.

1. Introduction

The Council Tax Reduction (CTR) scheme provides low income households with a reduction in their Council Tax liability. The reduction can be any proportion of the liability, up to and including 100 per cent (i.e. the household has their Council Tax liability reduced to £0).

CTR data is reported quarterly. This publication provides the most recent quarterly data for the number of CTR claimants and the weekly income foregone as well as providing more detailed analysis of additional characteristics and weekly awards for the March 2018 CTR data.

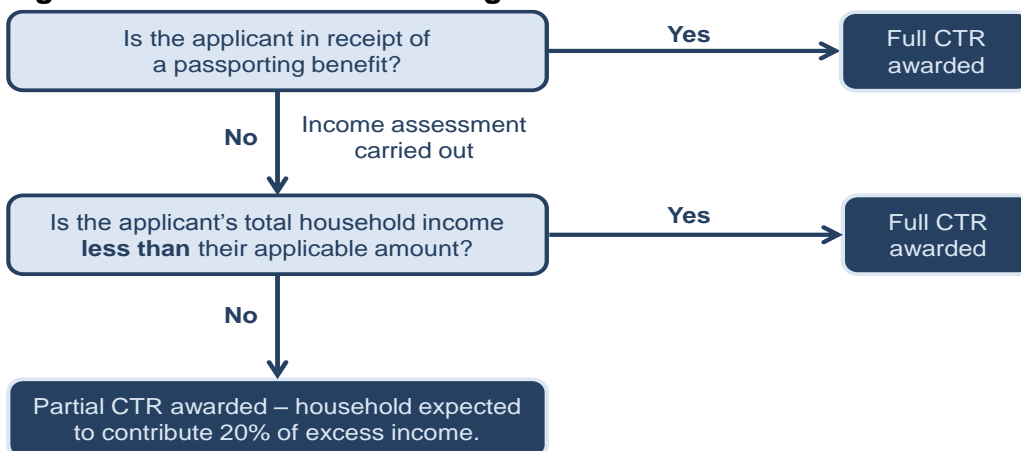
The Scottish Government introduced CTR on 1st April 2013 to replace Council Tax Benefit (CTB). CTB was implemented by the Department for Work and Pensions (DWP) and was abolished under the provisions of the UK Welfare Reform Act 2012. Until 1st April 2017 entitlement to CTR in Scotland replicated, as far as possible, previous entitlement to CTB.

Wider changes occurred to Council Tax in Scotland in 2017. Council Tax was frozen between 2008-09 and 2016-17 in line with an agreement reached between the Scottish Government and COSLA. At the end of this period the 2017-18 Local Government Finance settlement included an agreement between the Scottish Government and local government for locally determined Council Tax increases to be capped at 3 per cent. Furthermore, the scheme increased the child element in the Applicable Amount by 25 per cent to £83.63. In addition, the multipliers for dwellings in Council Tax bands E to H were changed. These multipliers are applied to the Band D Council Tax rate to produce the Council Tax rates for dwellings in Band E-H. Also a new relief was established for low to middle-income households in properties affected by these changes.

1.1 How CTR awards are calculated

Entitlement to CTR and the amount awarded is based on the status and income of the applicant and their household. Figure 1 shows the process an application goes through to calculate whether CTR should be awarded and, if so, how much.

Figure 1: Process for calculating CTR awards ^a



^a This is a simplified version, not accounting for capital rules, non-dependant deductions and second adult rebate.

Figure 2: Illustration of CTR Income Assessment 2017-18

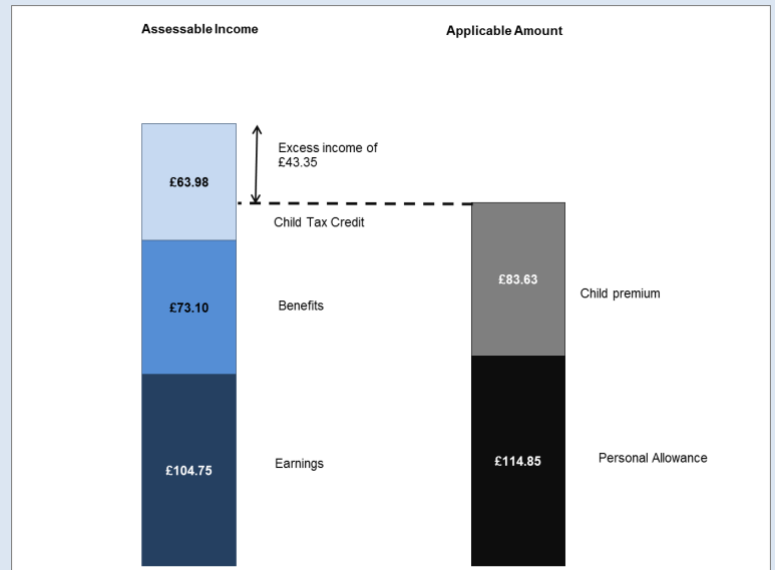
A couple, both aged 40, with one child, aged 7, live in a Band C property in Edinburgh. In 2017-18 their weekly Band C Council Tax was £20.53.

In 2017-18 they had a weekly assessable income made up of earned income (£114.75, £10 of which is disregarded), benefit payments (£73.10) and Child Tax Credits (£63.98).

Earnings less £10 disregard	£ 104.75
Benefits	+£ 73.10
Child Tax Credits	+£ 63.98
Weekly Assessable Income	= £241.83

To calculate this household's CTR award, we first calculate their applicable amount. This household would receive the couple's personal allowance, one child premium and the family premium. So:

Personal Allowance	£114.85
Child Element	+ £ 83.63
Applicable Amount	= £198.48



This household's excess income is then $= £241.83 - £198.48 = £43.35$

As the total income is greater than the applicable amount, partial CTR is awarded and the household is expected to contribute 20% of their excess income towards their Council Tax liability.

So:	Weekly Household Contribution	= 20% of £43.35 = £8.67
	Weekly CTR Award	= £20.53 - £8.67 = £11.86

Hence the household is in receipt of a weekly CTR award for £11.86 and contributes £8.67.

2. Number of CTR claimants

CTR data is reported quarterly and this section updates the previous publications. The number of claimants for each local authority in January, February and March 2018 is shown in Table 2. The total number of claimants in Scotland increased from 482,360 in January 2018 to 484,910 claimants in March 2018, in line with previous seasonal trends. Details of claimants and income foregone since the introduction of CTR are available in the Caseload and Income Foregone tables published at the same time.

Table 2: CTR Claimants by Local Authority, January to March 2018 ^{a, b}

	Jan-18	Feb-18	Mar-18
SCOTLAND	482,360	483,590	484,910
Aberdeen City	13,980	14,040	14,120
Aberdeenshire	11,700	11,710	11,690
Angus	8,770	8,780	8,810
Argyll and Bute	6,790	6,790	6,890
Clackmannanshire	5,200	5,120	5,120
Dumfries and Galloway	13,200	13,240	13,310
Dundee City	17,840	17,830	17,940
East Ayrshire	13,010	13,150	13,210
East Dunbartonshire	5,330	5,310	5,340
East Lothian	6,970	6,970	6,950
East Renfrewshire	4,540	4,530	4,520
Edinburgh, City of	34,190	34,390	34,310
Eilean Siar	2,280	2,260	2,250
Falkirk	13,380	13,410	13,450
Fife	31,060	31,370	31,690
Glasgow City	89,160	89,140	89,240
Highland	17,480	17,470	17,490
Inverclyde	9,800	9,860	9,930
Midlothian	6,530	6,500	6,560
Moray	5,830	5,840	5,890
North Ayrshire	17,190	17,200	16,930
North Lanarkshire	36,430	36,430	36,600
Orkney Islands	1,200	1,210	1,240
Perth and Kinross	8,760	8,860	8,850
Renfrewshire	18,120	18,200	18,330
Scottish Borders	8,410	8,460	8,500
Shetland Islands	1,030	1,030	1,040
South Ayrshire	11,200	11,330	11,300
South Lanarkshire	30,270	30,450	30,600
Stirling	5,610	5,610	5,600
West Dunbartonshire	12,360	12,280	12,340
West Lothian	14,760	14,860	14,900

Notes:

^a Claimants 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>

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

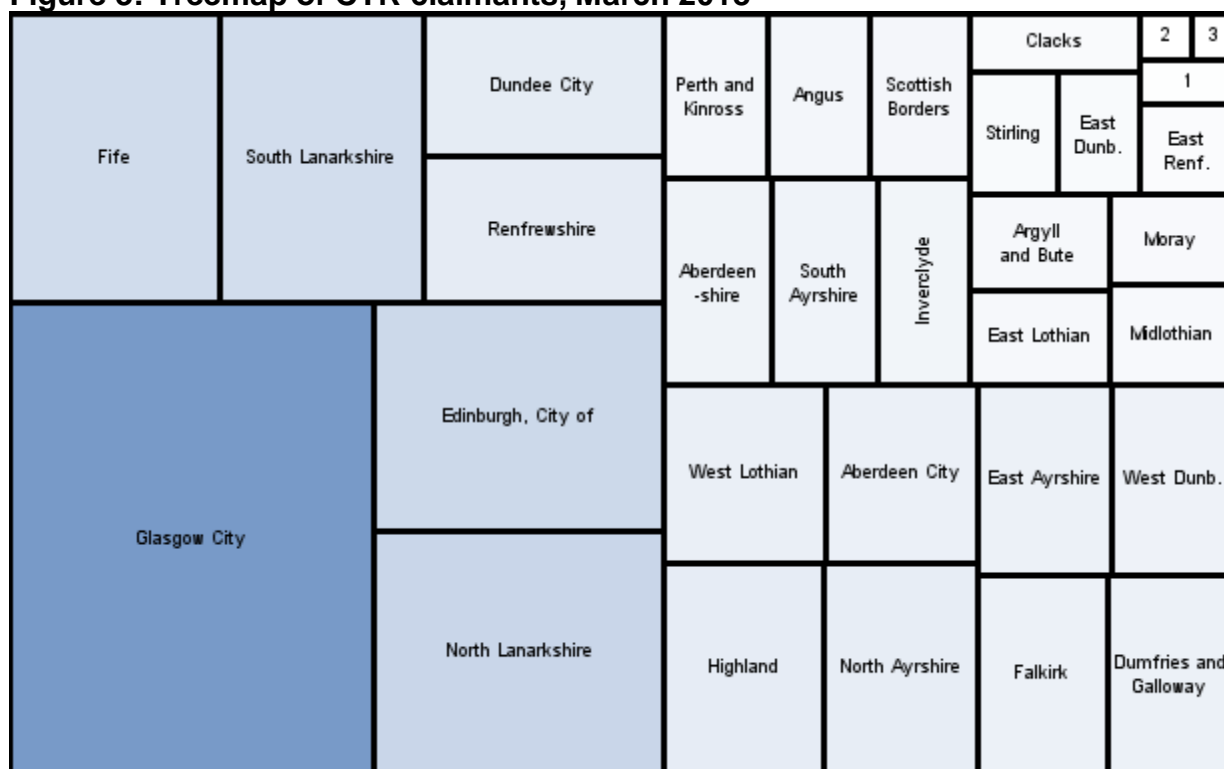
In March 2018, the five local authorities with the highest numbers of CTR claimants accounted for almost half (46 per cent) of the total for Scotland. Glasgow City accounted for the highest proportion, with 18 per cent (89,240 claimants) of the total; followed by North Lanarkshire, accounting for 8 per cent (36,600 claimants); City of Edinburgh and Fife, accounting for 7 per cent (34,310 and 31,690 claimants respectively); and South Lanarkshire, accounting for 6 per cent (30,600 claimants).

The three island councils had the smallest share of the caseload with only 0.5 per cent in Eilean Siar (2,250 claimants), 0.3 per cent in Orkney (1,240 claimants) and 0.2 per cent (1,040 claimants) in Shetland.

The Council Tax Band E-H relief was introduced through the CTR scheme, protecting certain below-median income households from the increase. In March 2018, the number of recipients of this new relief was just over 1,000. This new data is classed as ‘experimental – data under development’ at the moment, to allow time for its quality to be evaluated. The number of recipients of the new relief is likely to take some time to stabilise, as citizens become aware of its availability.

Figure 3 shows CTR claimants by local authority for March 2018 in a treemap. This allows a visual comparison of the number of claimants in each local authority.

Figure 3: Treemap of CTR claimants, March 2018



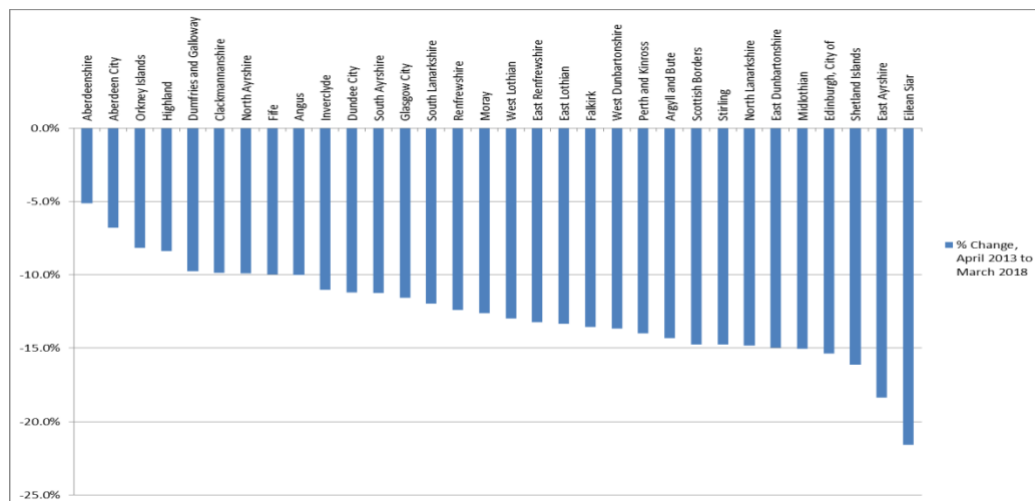
- Key:**
- 1 = Eilean Siar
 - 2 = Orkney Islands
 - 3 = Shetland Islands
 - Clacks = Clackmannanshire
 - East Dunb. = East Dunbartonshire
 - East Renf. = East Renfrewshire
 - West Dunb. = West Dunbartonshire

2.1 CTR claimants over time

The number of households receiving CTR in Scotland fell from 552,380 in April 2013 to 484,910 in March 2018, a decrease of 12 per cent (67,470 claimants). Chart 1 (on page 1 above) shows the downward trend in the number of claimants over this period.

All local authorities in Scotland have seen a decrease in the number of CTR claimants since the scheme was introduced in April 2013. Chart 2 shows the percentage change between April 2013 and March 2018 for all local authorities in Scotland.

Chart 2: Percentage decrease in CTR claimants by local authority, April 2013 to March 2018



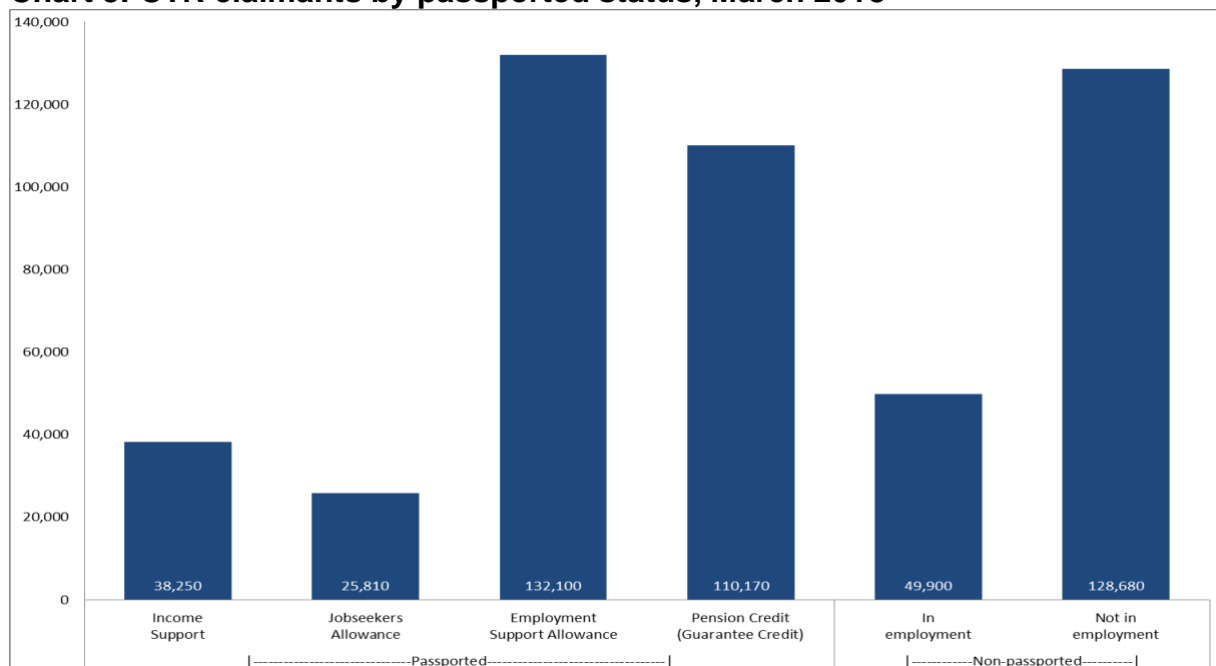
The largest percentage decreases in number of claimants were seen in Eilean Siar (21.6 per cent), East Ayrshire (18.4 per cent) and Shetland Isles (16.1 per cent). Whilst Eilean Siar and Shetland had relatively a large percentage decrease, this represents a relatively small number of claimants. The smallest percentage decreases were seen in Aberdeenshire (5.1 per cent), Aberdeen City (6.8 per cent) and Orkney (8.1 per cent).

The number of claimants for each local authority for each month between April 2017 and March 2018 are provided in the supplementary tables.

2.2 CTR claimants by passported status

In March 2018, passported claimants accounted for 63 per cent of all CTR claimants. The most common passporting benefits were income-related Employment and Support Allowance and Pension Credit (Guarantee Credit) which made just over half of all CTR claimants. The majority of non-passported claimants were not in employment.

Chart 3: CTR claimants by passported status, March 2018



Note: Some 7,245 claimants receive partial CTR yet are recorded as being passported. These have been assumed to be standard cases.

The number of claimants by passported status and local authority in March 2018 is available in the supplementary tables. Some key variations across local authorities are:

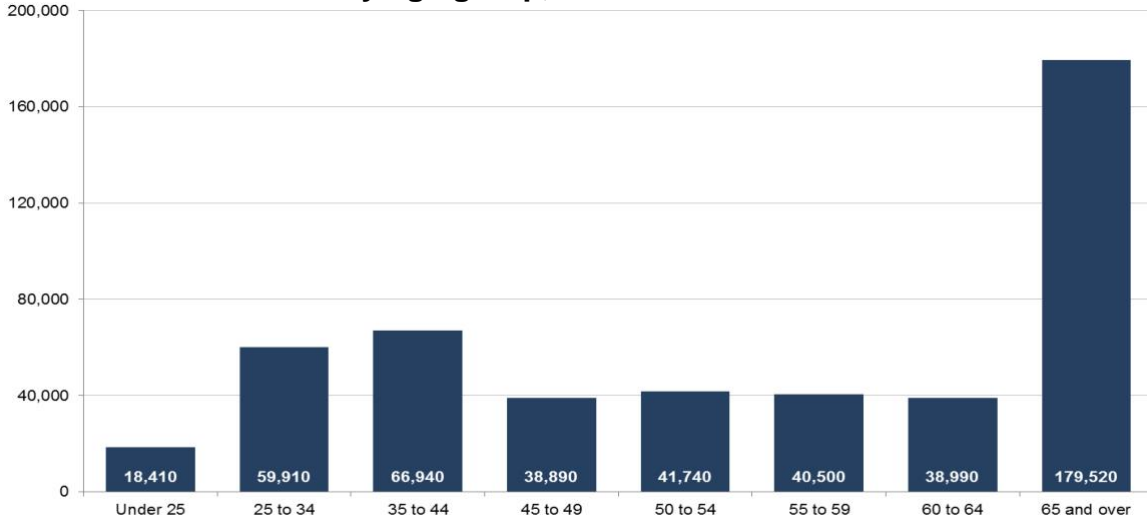
- Glasgow and North Lanarkshire had the highest proportion of passported CTR claimants (69 per cent).
- East Lothian and Highland had the lowest proportion of passported CTR claimants (at 46 per cent and 51 per cent respectively). These Local Authorities were among the first in Scotland to have Universal Credit (UC) 'Full Service' rolled out in their areas. UC will replace passported benefits, so the award of UC will have to be considered as being assessable income for the calculation of CTR.

The number of claimants by passported status for April 2017 to March 2018 is available in the supplementary tables published with this publication. The figures show that the number of passported CTR claimants has decreased whereas the number of standard claimants increased. As the roll-out of UC continues, the proportion of CTR cases classed as passported will decrease.

2.3 CTR claimants by age and family type

Chart 4 shows the number of CTR claimants by age group in March 2018. The age group with the highest proportion of CTR claimants was 65 or over, at 37 per cent (179,520 claimants). The age group with the lowest proportion were those under 25 at four per cent (18,410 claimants).

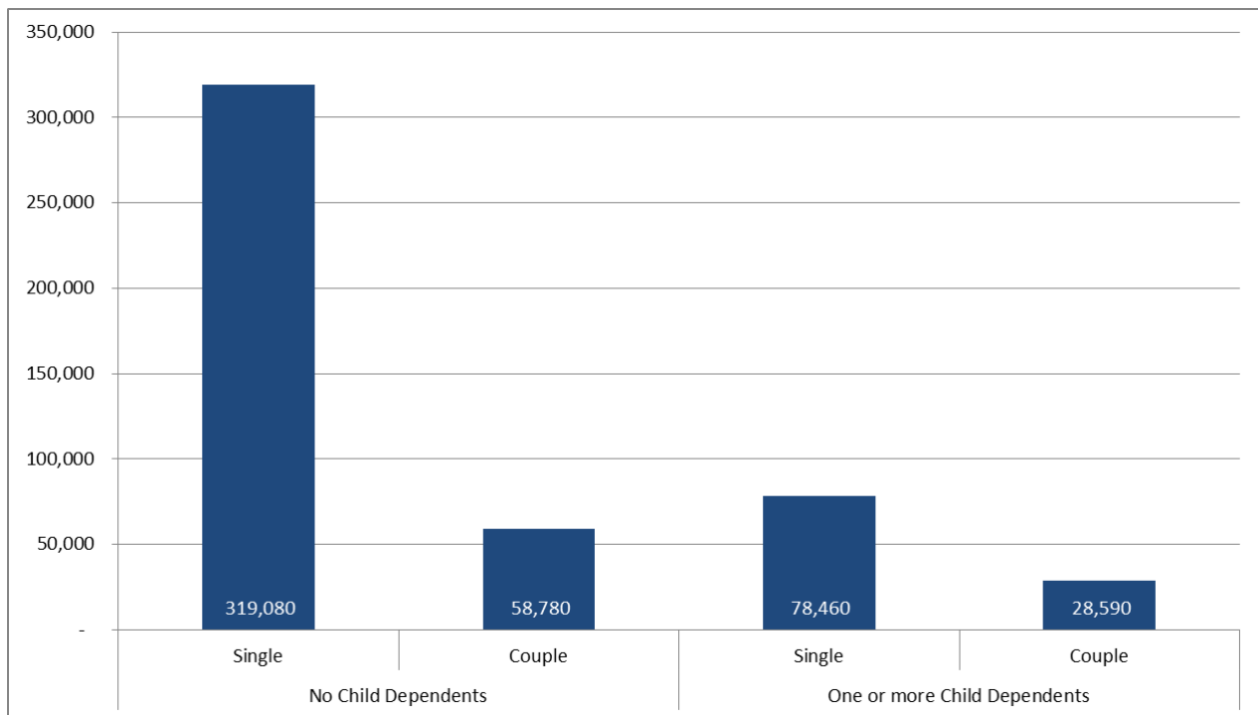
Chart 4: CTR claimants by age group, March 2018^a



a – figures are rounded to the nearest 10.

Chart 5 shows the number of CTR claimants by family type in March 2018. The majority of CTR claimants (66 per cent) were single with no child dependent. Lone parents made up 16 per cent, and 18 per cent were couples.

Chart 5: CTR claimants by family type, March 2018



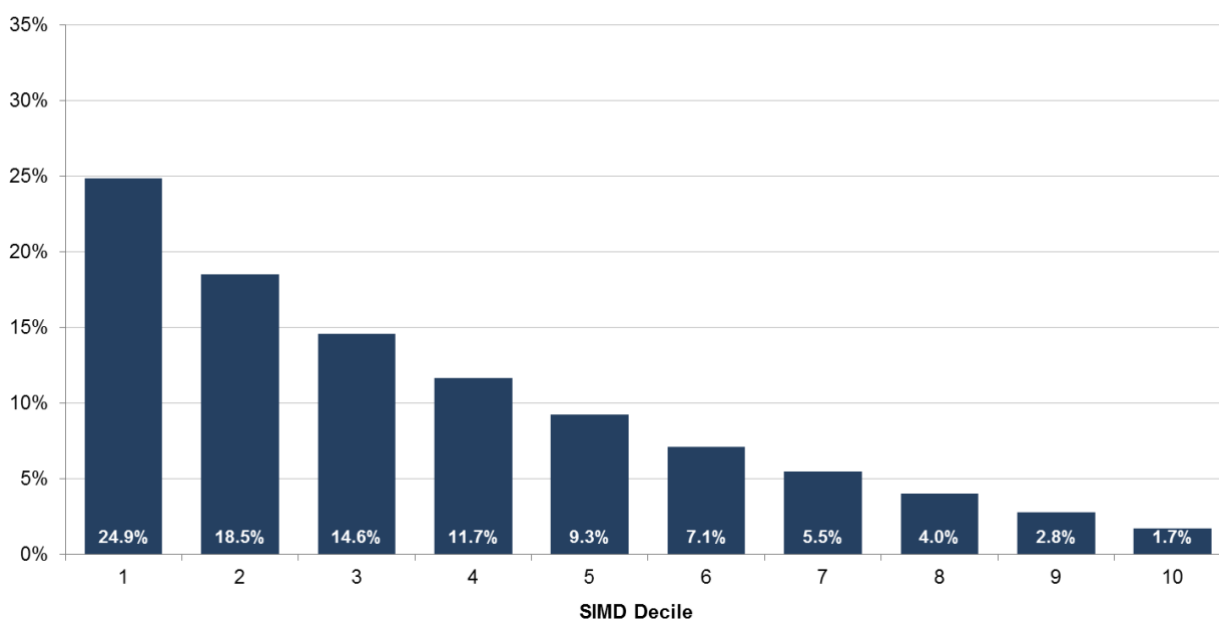
2.4 CTR claimants by deprivation

The Scottish Index of Multiple Deprivation (SIMD)¹ is the Scottish Government’s official tool for identifying area of multiple deprivation. It divides Scotland into 6,976 datazones, each containing around 350 households or an average of 760 people. Each datazone has a calculated ‘deprivation score’ and these scores are then used to rank the datazones. Decile 1 contains the ten per cent most deprived datazones, Decile 2 the next ten per cent most deprived, and so on.

It should be noted that the overall SIMD score is a relative measure and assesses deprivation across seven domains – income, employment, health, education, housing, geographic access to services and crime. The CTR scheme is principally concerned with income and family circumstances as a basis for making awards (see Table 1 above).

Chart 6 shows the spread of CTR claimants across areas of deprivation using SIMD deciles as described. It can be observed that CTR claimants are heavily concentrated in areas of highest deprivation, with 58 per cent of claimants (280,240) in the lowest three deciles in March 2018. This compares to 50 per cent in March 2017.

Chart 6: CTR claimants by SIMD Decile, March 2018^{a, b}



Note

a This chart is generated by matching of postcodes to datazones. Some 1,293 postcode records in the CTR Extract for March 2018 cannot be matched with those in the SIMD.

b Further details on SIMD are available at [The Scottish Index of Multiple Deprivation](#)

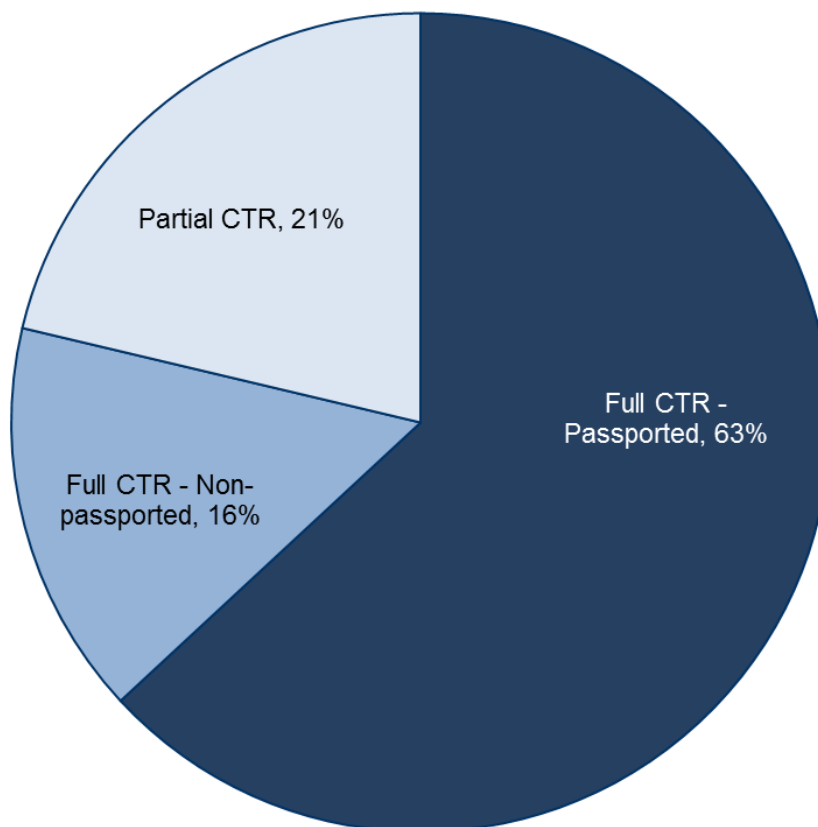
2.5 Full and partial CTR

Full CTR refers to claimants whose Council Tax liability is reduced to zero. Partial CTR refers to claimants whose Council Tax liability is reduced, but they are still liable to pay part of the total. Further details on these terms and how CTR is calculated are given in Section 1.1.

In March 2018, just under two-thirds of CTR claimants (305,920) had been awarded full CTR as they were also in receipt of a passporting benefit. The other third of claimants underwent an income assessment. Following this a further 16 per cent of claimants (75,740) were awarded full CTR with the remaining 21 per cent (103,260 claimants) awarded partial CTR.

Of all CTR claimants, just under four-fifths (381,660) were in receipt of full CTR in March 2018.

Chart 7: CTR claimants by full or partial award, March 2018



3. Weekly Income Foregone Estimates

CTR caseload and Income forgone are reported quarterly and the following section provides the most recent quarterly update to the previous publication. The weekly income foregone estimates are based on the number of CTR claimants multiplied by the average weekly CTR reduction for each local authority and benefit type for the given month. When a local authority reduces a household's Council Tax liability under the CTR scheme, it reduces the amount of Council Tax income it would otherwise be able to collect. Any reduction in Council Tax income therefore represents a reduction in the funding available to local authorities for providing services. The CTR scheme, like CTB, therefore represents a cost which is publicly funded. The total CTR weekly income foregone for Scotland was £6.4 million in March 2018. Local authority figures for January to March 2018 are given in Table 3.

Table 3: CTR weekly estimate of income foregone (£000's) by Local Authority, January to March 2018 ^{a, b, c}

	Jan-18	Feb-18	Mar-18
SCOTLAND	6,357.0	6,372.7	6,390.0
Aberdeen City	186.9	187.5	189.1
Aberdeenshire	154.0	154.1	154.1
Angus	102.7	102.7	103.1
Argyll and Bute	100.0	100.9	102.4
Clackmannanshire	65.8	65.0	64.9
Dumfries and Galloway	162.8	163.5	164.4
Dundee City	229.5	229.7	230.8
East Ayrshire	167.3	168.7	169.5
East Dunbartonshire	83.3	82.8	83.2
East Lothian	94.3	94.3	94.2
East Renfrewshire	70.1	69.9	69.9
Edinburgh, City of	478.2	480.6	479.4
Eilean Siar	26.2	25.9	25.7
Falkirk	155.2	155.7	156.3
Fife	387.3	390.6	393.9
Glasgow City	1,285.1	1,285.2	1,286.7
Highland	235.5	235.5	235.7
Inverclyde	121.8	123.0	124.0
Midlothian	95.1	94.8	95.4
Moray	72.9	73.2	73.8
North Ayrshire	220.2	220.2	217.0
North Lanarkshire	431.7	431.6	433.8
Orkney Islands	14.3	14.5	14.8
Perth and Kinross	119.7	121.2	121.2
Renfrewshire	236.0	236.8	238.7
Scottish Borders	100.8	101.2	101.7
Shetland Islands	12.2	12.3	12.3
South Ayrshire	157.2	159.1	158.3
South Lanarkshire	368.9	370.6	372.4
Stirling	76.9	77.0	76.7
West Dunbartonshire	165.4	164.3	165.3
West Lothian	179.6	180.7	181.2

Notes:

^a Claimants 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>

^b Weekly income foregone estimates are based on 'number of claimants multiplied by average weekly reduction' for each local authority and benefit type for the given month.

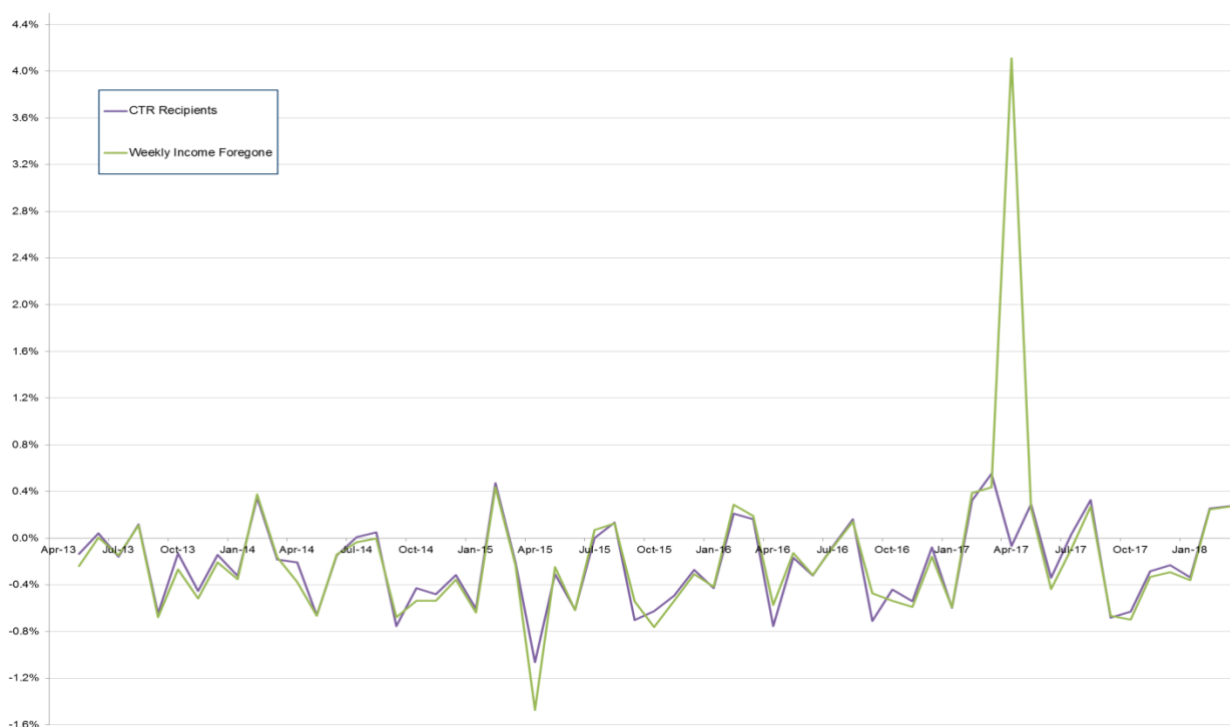
^c Figures are rounded to the nearest £100. Components may not sum to total due to rounding.

3.1 Weekly income foregone over time

The total weekly income foregone estimates for Scotland have decreased from £7.1 million in April 2013 to £6.4 million in March 2018. Income foregone estimates follow the same general pattern as the number of claimants, with the exception of April 2017 where there was a large increase in the income foregone when compared to March 2017 as the changes listed at the top of page 3 came into effect. With these changes established, subsequent month-on-month comparisons follow the previously observed pattern.

All local authorities have seen a decrease in their weekly estimates since April 2013. Furthermore, the number of CTR claimants and weekly income foregone have been closely linked, with most of the change in income foregone being driven by changes in the number of claimants. Chart 8 shows the month-on-month percentage changes in the number of claimants and the weekly income foregone for April 2013 to March 2018. The notable exception is in April 2017, as discussed above.

Chart 8: Month-on-month percentage change in CTR claimants and weekly estimates of income foregone in Scotland, April 2013 to March 2018



This chart shows month on month changes. So rather than a sustained increase in income foregone the chart spikes in April 2017. The Council and Monthly tables also published at the same time as this publication show a clear increase in the on-going costs of the scheme.

Other factors can affect the value of income foregone include Council Tax rates, age, structure of the population and household income. Chart 8 also shows small peaks in number of claimants and weekly income foregone at the beginning and middle of each calendar year, indicating a possible seasonal effect.

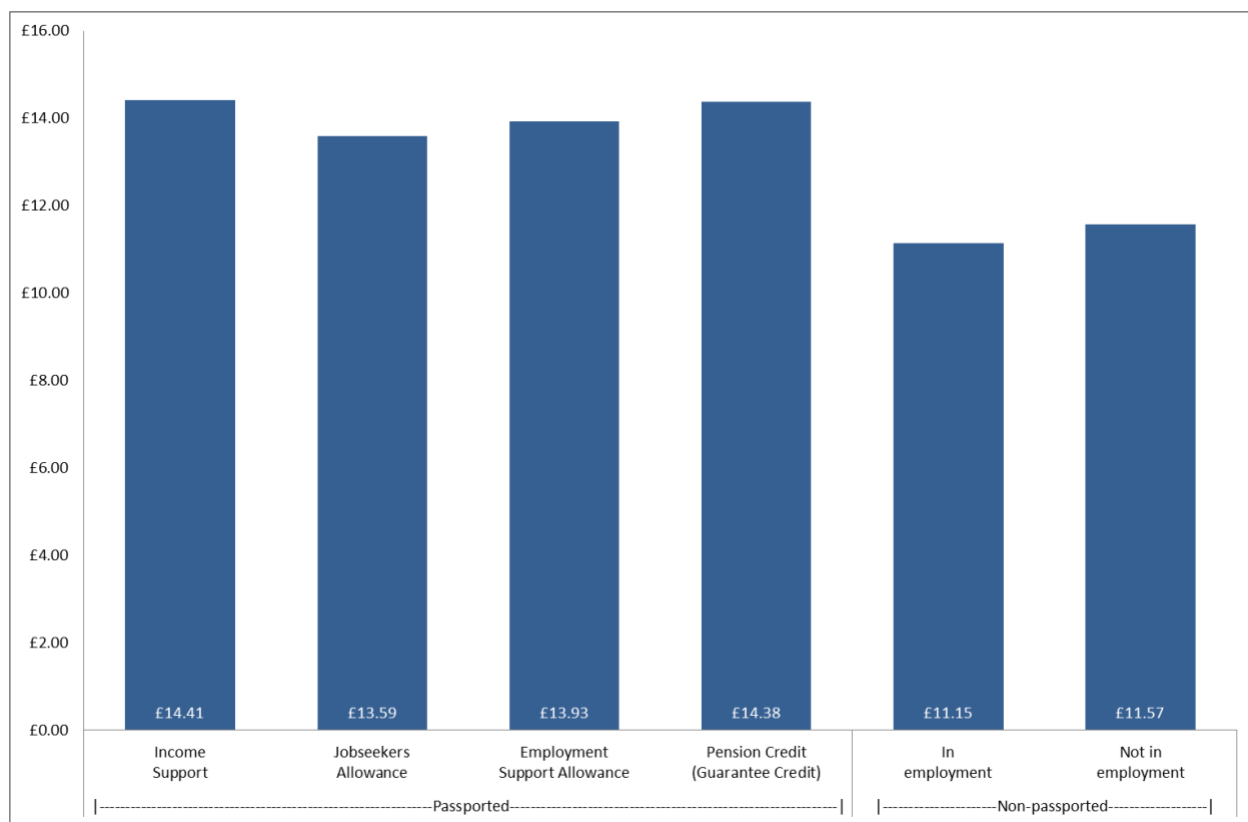
The weekly income foregone estimate for each local authority for each month between April 2017 and March 2018 are provided in the supplementary tables.

3.2 Average weekly awards by passported status

In March 2018, the average weekly award per CTR claimant was £13.19 per week. Average weekly award per claimant varied by both local authority and passported status; these figures are included in the supplementary tables.

Non-passported claimants who were in employment received the least on average per week at £11.15, compared to those on Income Support who received the most at £14.41. Passported income foregone will generally be higher as, by virtue of their income, these claimants will all be in receipt of full CTR. Chart 9 shows the average weekly award per claimant by passported status.

Chart 9: Average weekly award per claimants by passported status, March 2018



3.3 Average weekly awards by age and family type

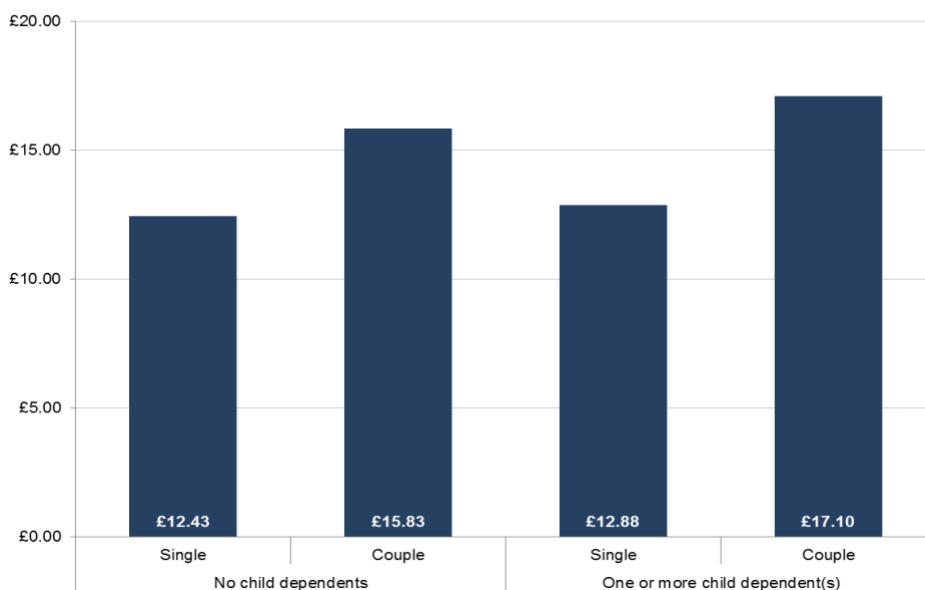
Chart 10 shows the average weekly income foregone estimates by age group in March 2018. The under 25 age category had the lowest average weekly award at £12.05 followed by the over 65 age group at £12.89.

Chart 10: Average weekly award by age group, March 2018



Chart 11 shows the average weekly award by family type in March 2018. Single adults with no child dependents received the lowest average weekly award at £12.43 compared to couples with dependent children who had the highest average weekly award at £17.10.

Chart 11: Average weekly award by family type, March 2018

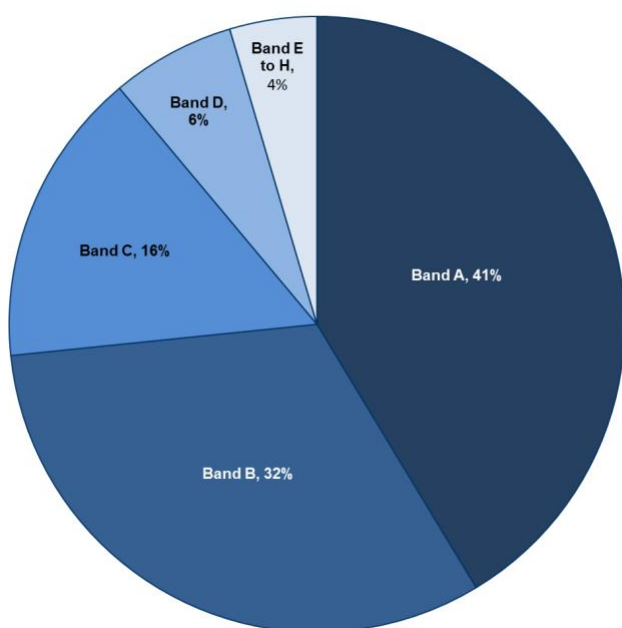


4. Chargeable dwellings and Council Tax Bands

Each chargeable dwelling in Scotland is placed in a Council Tax Band between A and H, depending on the market value of the property as at 1st April 1991. Band A properties are liable for the lowest rates of Council Tax and Band H attract the highest rates.

Chart 12 shows the proportion of CTR claimants by Council Tax Band in March 2018, local authority level figures are provided in the supplementary tables. There are more CTR claimants in the lower bands, with just over two-fifths in Band A and only four per cent in Bands E to H. This will, in part, be attributable to the spread of dwellings across Council Tax Bands – around three-quarters of chargeable dwellings are in Bands A to D.

Chart 12: CTR claimants by Council Tax Band, March 2018^a



^a Rounding of percentages account for the above pie chart adding to 99 per cent.

Chart 13: Proportion of CTR claimants by Council Tax Band, March 2018

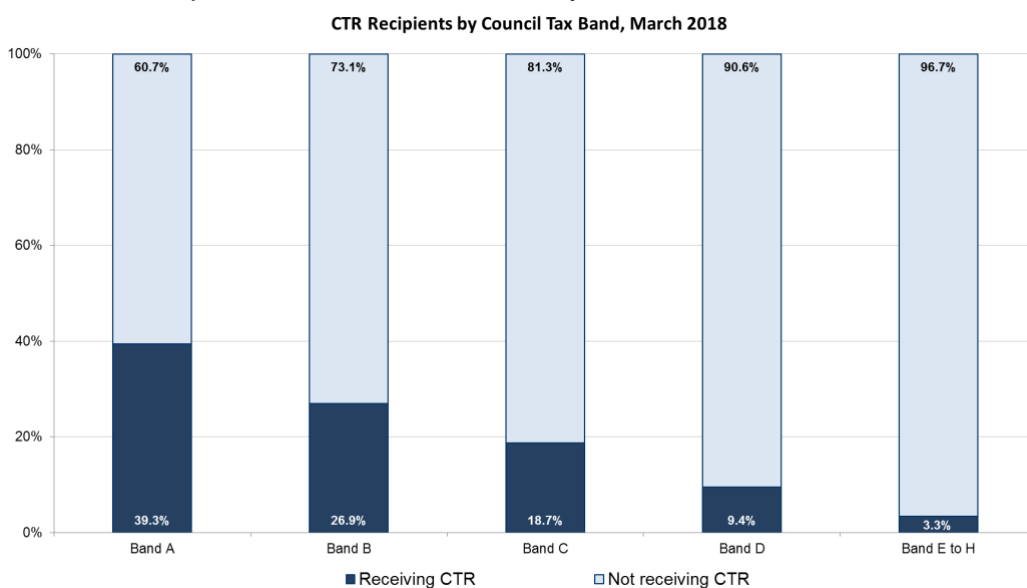
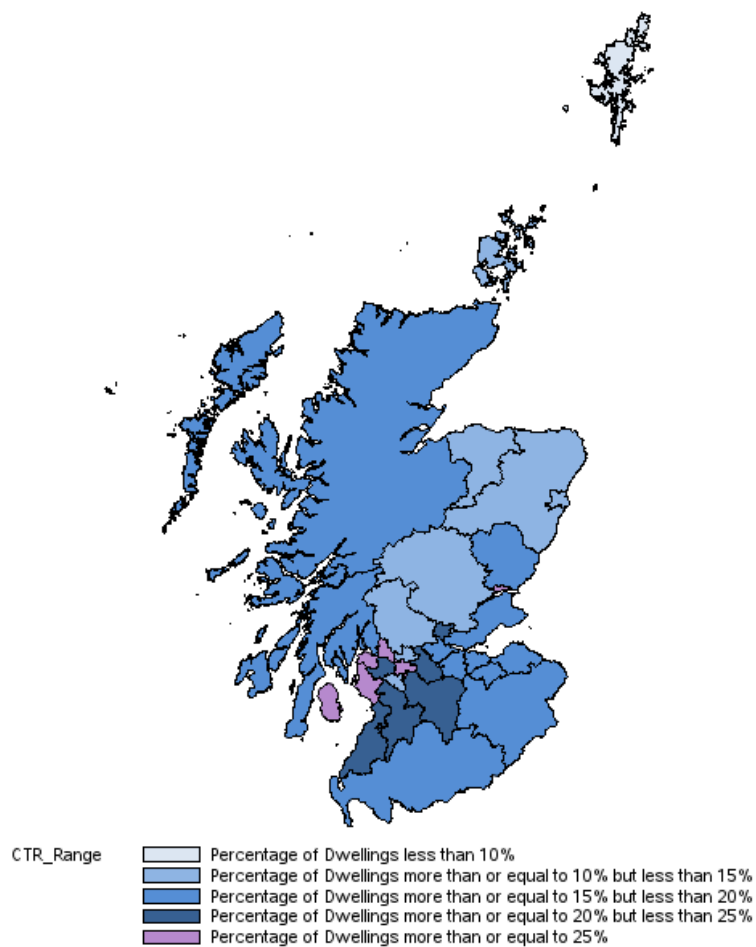


Chart 13 shows the proportion of chargeable dwellings in receipt of CTR by Council Tax Band. Band A has the highest proportion of dwellings in receipt of CTR at 39.3 per cent. The proportion decreases as Council Tax Band increases to only 3.3 per cent for Bands E to H.

In March 2018, just under one-fifth (19 per cent) of chargeable dwellings in Scotland were in receipt of CTR. This figure varied between local authorities, reflecting differences in the age structure of the population, council tax levels and household incomes. Glasgow had the highest proportion of CTR claimants (32 per cent) and Shetland the lowest (10 per cent) The map in Figure 4 illustrates the proportion of dwellings in each local authority in receipt of CTR, the relevant data can be found in the supplementary tables.

Figure 4: Proportion of chargeable dwellings in receipt of CTR by local authority, March 2018



5. CTR impact on Council Tax income

When a local authority reduces a household's Council Tax liability under the CTR scheme, it reduces the amount of Council Tax income it would otherwise be able to collect. Any reduction in Council Tax income, therefore represents a reduction in the funding available to local authorities for providing services^a. The CTR scheme, like CTB, therefore represents a cost which is publicly funded.

In Scotland in 2017-18, the total gross Council Tax billed, before CTR, was £2.66 billion and the provisional income foregone on CTR was £329.4 million. This means that total reductions through CTR accounted for over 12 per cent of total Council Tax billing. This is notably lower than the one-fifth of chargeable dwellings in receipt of CTR quoted in Section 4 due to two main factors. Firstly, just over a fifth of households are only eligible for partial CTR as discussed in Section 2.5. Secondly, as described in Section 4, the distribution of CTR claimants is heavily skewed towards the lower Council Tax bands with lower annual liability, and so lower CTR awards.

Information on the total value of all reductions under the CTR scheme is collected via two Scottish Government data collections:

- **Council Tax Receipts Return (CTRR)**
Issued before local authorities' accounts' are audited and so collects provisional, unaudited values for the total reductions under CTR.
- **Local Financial Returns (LFR)**
Issued after local authorities accounts' are audited and so collects final, audited values for the total reductions under CTR.

Table 4 shows the total value of reductions for each year between 2013-14 and 2017-18 by local authority. The 2013-14 to 2016-17 figures have been the subject of audit. The 2017-18 figures are provisional. These figures represent a decrease of over 8 per cent in the total value of reductions in Scotland between 2013-14 and 2017-18.

All local authorities have seen a decrease in the total value of reductions due to CTR between 2013-14 and 2017-18 although there has been, in most local authorities, an increase between 2016-17 and 2017-18 due to the changes listed in section 2.1. The largest percentage decreases since 2013-14 were seen in Eilean Siar (16 per cent) and West Dunbartonshire (14 per cent), with Stirling and North Lanarkshire at over 12 per cent.

a - Further information on funding for local authority services is available in the Scottish Local Government Finance Statistics. The publication is available at <http://www.gov.scot/Publications/2018/02/1225>.

Table 4: Total reductions in Council Tax income through CTR scheme (£ millions) by local authority, 2013-14 to 2017-18

	2013-14 ^a	2014-15 ^a	2015-16 ^a	2016-17 ^a	2017-18 ^b
Scotland	359.7	343.8	329.9	319.6	329.4
Aberdeen City	9.8	9.2	9.1	9.3	9.6
Aberdeenshire	7.6	7.2	7.1	7.2	7.7
Angus	5.5	5.3	5.2	5.1	5.3
Argyll and Bute	5.8	5.6	5.3	5.1	5.2
Clackmannanshire	3.7	3.5	3.4	3.3	3.4
Dumfries and Galloway	8.9	8.6	8.3	8.1	8.4
Dundee City	12.8	12.2	11.9	11.7	11.9
East Ayrshire	10.0	9.4	9.0	8.6	8.9
East Dunbartonshire	4.8	4.6	4.4	4.2	4.3
East Lothian	5.6	5.4	5.2	4.8	4.9
East Renfrewshire	3.9	3.8	3.6	3.5	3.7
Edinburgh, City of	27.7	26.5	24.9	23.8	24.7
Eilean Siar	1.6	1.5	1.4	1.3	1.4
Falkirk	8.7	8.2	7.9	7.6	8.0
Fife	21.7	20.8	20.0	19.5	20.2
Glasgow City	71.8	68.6	66.2	64.0	66.8
Highland	12.7	12.0	11.7	11.4	12.0
Inverclyde	7.1	6.7	6.5	6.2	6.2
Midlothian	5.3	5.1	4.9	4.7	4.9
Moray	3.9	3.7	3.6	3.6	3.7
North Ayrshire	11.9	11.5	11.3	10.9	11.3
North Lanarkshire	25.5	24.4	23.1	22.0	22.5
Orkney Islands	0.8	0.8	0.7	0.7	0.7
Perth and Kinross	6.9	6.5	6.3	6.2	6.2
Renfrewshire	13.8	13.2	12.6	12.1	12.2
Scottish Borders	5.8	5.5	5.2	5.0	5.2
Shetland Islands	0.7	0.6	0.6	0.6	0.6
South Ayrshire	8.8	8.6	8.1	7.8	8.1
South Lanarkshire	21.8	21.1	20.1	19.3	19.3
Stirling	4.6	4.4	4.2	4.0	4.0
West Dunbartonshire	9.8	9.4	8.9	8.7	8.4
West Lothian	10.4	9.8	9.4	9.3	9.3

Notes:

^a Final audited figures, published in Scottish Local Government Financial Statistics and available at: <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/PubScottishLGFStats>

^b These are provisional figures which are derived from information supplied by local authorities to Scottish Government on the statistical return Council Tax Collection Return, Quarter 4 2017-18 (CTRR).

6. Background Notes

6.1 Data sources and validation

The main data source for this report is the Scottish Government CTR data extract (some other data sources have been used to provide contextual data, such as the number of chargeable dwellings. Where this is the case the relevant source has been provided.) Since the CTR scheme was introduced on 1st April 2013, the Scottish Government have asked all local authorities to provide individual record level extracts on a monthly basis to enable monitoring of the number of claimants and weekly income foregone estimates. Local authorities' continued cooperation in providing this data is gratefully acknowledged.

Local authorities are asked to extract their data on a specified date (the count date) although local authorities can provide data up to a week after that date. This means the extract provides a snapshot for each month, and so may include CTR applications that are subsequently revised by local authorities. The CTR extract count dates for April 2017 to March 2018 were:

Month	Count Date	Month	Count Date
April 2017	13/04/2017	Oct. 2017	12/10/2017
May 2017	11/05/2017	Nov. 2017	09/11/2017
June 2017	15/06/2017	Dec. 2017	07/12/2017
July 2017	13/07/2017	Jan. 2018	18/01/2018
Aug. 2017	10/08/2017	Feb. 2018	15/02/2018
Sept. 2017	14/09/2017	March 2018	15/03/2018

There are two types of records contained within the CTR data extract which might feed into the statistics:

1. **'D' records:** those that were 'live' on the count date; and
2. **'C' records:** those that have been closed since the previous count date. They are used to identify short term claims (i.e. those that were live on the count date for a specific month but not on the count date for the months on either side) and 'D' records that haven't actually closed before the count date.

These records do not contain information on total weekly award amount and so, to enable total weekly figures to be estimated, it is assumed that the weekly award was the same as the average weekly award for each local authority and benefit type for the given month (based on the 'D' records).

As part of the quality assurance procedure, the Scottish Government carries out validation checks on incoming data to identify possible errors. Potential problems are identified in a number of ways, including comparing the data received to other known sources; data from previous months and years; and data from other local authorities. Where appropriate, views are also sought from policy colleagues – for example, where a change in the data may be attributable to a policy change. To ensure the data are of a high quality, the Scottish Government then works with the relevant local authorities to resolve any data issues identified. Nevertheless, the CTR data extract is administrative data and as such is not always complete. Where data is missing, the publication and supplementary tables details the number and nature of the missing data. This is particularly true in the Annual Publication where we report on the characteristics of claimants and the weekly amounts they receive. In order to minimise the impact of missing data, at times assumptions are made to amend identified anomalies in the data provided such as assuming that CTR

recipients whose weekly CTR is less than their Council Tax weekly liability cannot be on passported benefits.

A full methodology guide is available at:

<http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/Methodology/Ctaxreductionmethod>.

For information on total CTR income foregone for the year (as in Table 4 of this publication), CTRR and LFRs have been used. These are aggregate returns which collect data from local authorities on the total amounts of Council Tax billed, including the amounts of CTR applied. CTRR and LFRs give better overall estimates of total reductions in liabilities than the monthly extracts as they represent the billing and award position for the year as a whole.

6.2 Supplementary tables

This report seeks to highlight the key messages on CTR statistics. Detailed tables are published as supporting tables alongside this publication. The following list of tables will be available at <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/CTR>.

1. Number of CTR claimants

- 1.1 CTR claimants, April 2013 to March 2018
- 1.2 CTR claimants by local authority, April 2016 to March 2018
- 1.3 CTR claimants by local authority and passported status, March 2018
- 1.4 CTR claimants by passported status, April 2017 to March 2018
- 1.5 CTR claimants by age group and family type, March 2018
- 1.6 CTR claimants by SIMD decile, March 2018
- 1.7 CTR claimants by full or partial award, March 2018

2. Weekly income foregone estimates

- 2.1 Percentage changes since previous month for CTR claimants and weekly income foregone, April 2013 to March 2018
- 2.2 Weekly income foregone estimates (£'000s) by local authority, April 2016 to March 2018
- 2.3 Average weekly award by local authority and passported status, March 2018
- 2.4 Average weekly award by age group and family type, March 2018

3. Chargeable dwellings and Council Tax Bands

- 3.1 CTR claimants by local authority and Council Tax Band, March 2018
- 3.2 Proportion of chargeable dwellings in receipt of CTR by Council Tax Band, March 2018

4. CTR impact on Council Tax income

- 4.1 Total reduction in Council Tax income (£ millions) through CTR by local authority, 2013-14 to 2017-18

6.3 Revisions and further information

Any revisions and corrections to this publication, and previous editions of it, will be carried out in line with the Scottish Government's corrections and revisions policy. This can be viewed at: <http://www.gov.scot/Topics/Statistics/About/compliance>.

Further information on CTR Statistics, including the supplementary tables, previous publications and local authority charts and tables, is available from <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/CTR>.

Further information on Local Government Finance statistics is available at:
<http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance>.

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How to access background or source data

The data collected for this statistical bulletin:

- are available in more detail through Scottish Neighbourhood Statistics
- are available via an alternative route
- may be made available on request, subject to consideration of legal and ethical factors. Please contact robin.bennie@gov.scot for further information.
- cannot be made available by Scottish Government for further analysis as Scottish Government is not the data controller

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