

Making Council Tax fairer

We want to know what you think



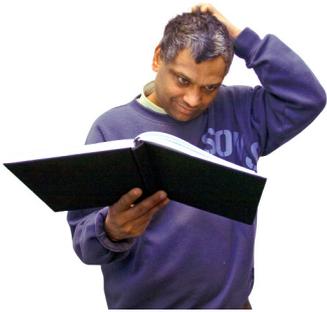
This document was written by the **Welsh Government**. It is an easy read version of 'A Fairer Council Tax'.

July 2022

How to use this document



This is an easy read document. But you may still need support to read it. Ask someone you know to help you.



Words in **bold blue writing** may be hard to understand. You can check what the words in blue mean on **page 26**.

Where the document says **we**, this means **Welsh Government**. For more information contact:



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This document was made into easy read by **Easy Read Wales** using **Photosymbols**. To tell us what you think about this easy read version, [click here](#).

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Introduction



We want to make council tax fairer.



We want to know what you think about our ideas for doing this.



We are going to ask some questions about this. This is called **Phase 1**.



We would like to know what you think by **Monday 4 October 2022**.



We will be asking more questions in the future. This will be called **Phase 2**.

We want:



- council tax to be fairer



- to make updates more often to keep council tax fair



- to use council tax to pay for services that we all need



- council tax to help people feel part of their communities.

What does council tax pay for?

Council tax helps to pay for:



- Schools



- Social care



- Transport and roads



- Housing



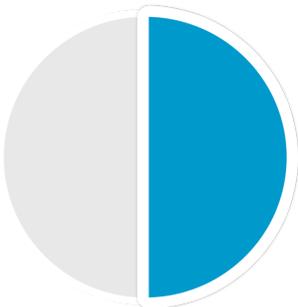
- Fire and rescue services



- Police



- And many other services.



Half of all households in Wales get some help paying for their council tax.

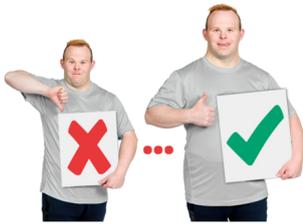
Why we want to make changes



At the moment, we don't think the amounts some people pay are fair.



For example, people with the least money pay more than their fair share of council tax.



We think we could make it better and fairer.



At the moment, we work out how much council tax people have to pay, based on 3 things:

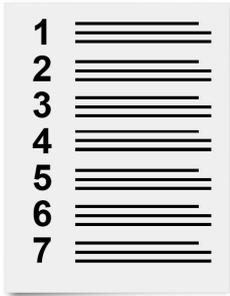
- The home they live in



- Who else they live with



- How much money they have



Council tax is split into groups, which are called **bands**.



The bands are based on how much a house or flat and the land it is on is worth.



There is support for people who live alone. And for those who do not have much money.



We think this support is important.

What do we want to change?



We are asking questions now, called Phase 1, about your ideas on whether we should:

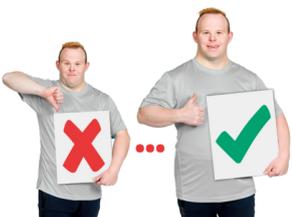
- Check house prices again to make sure the bands are fair. At the moment, they are out of date.



- Change the council tax bands and make new ones.
- Regularly check house prices to make sure council tax bills stay fair in the future.



- Make the council tax system easier to understand and follow.



- Improve the **Council Tax Reduction Scheme**. This gives help to households who do not have much money.



- Make sure people's rights are protected.

When we want to make changes



We are hoping to make the changes to council tax in **April 2025**.



We will be asking the next set of questions, called **Phase 2**, next year.

Changing the council tax bands

House prices



The information that council tax is based on is out of date by nearly twenty years.

It is based on what house prices were in 2003.



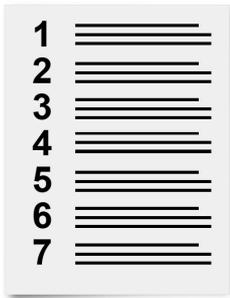
But a lot has changed since then.



This means some people are paying too much. And some people may not be paying enough.



We want to check house prices now, so that we can work out what is a fair price to charge people for council tax.



Adding more council tax bands will also help make things fairer.



When we make the changes, we will think about giving help to people who have to pay more, to start with.

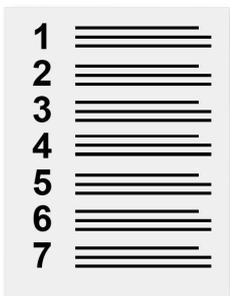
What will this mean for councils?



Welsh Government gives each council in Wales money from the **Revenue Support Grant**.



This is money that councils get to help them pay for services in their area.



If we change council tax bands, the amount of money councils get from the **Revenue Support Grant** might change.



We will look at this more closely in **Phase 2**.



We would like to know what you think about our ideas for changing the council tax bands.

You can find questions about this section on pages 2 to 5 of the response form.

Changes to homes



Sometimes people carry out big changes to their home which means it is worth a lot more.



At the moment, the council tax band does **not** change unless the house is sold to someone else.



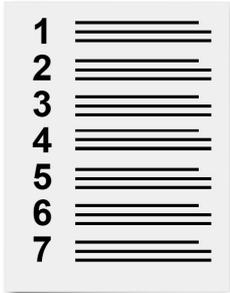
We would like to know if you think the council tax band needs to change when work is carried out.

To tell us what you think, please go to page 7 of the response form and answer question 6.

Appeals



At the moment, people who pay council tax can **appeal** if they are not happy with something.



For example, if they think they are not in the right council tax band.



An **appeal** is a formal way of asking for something to be checked and changed.



If we check house prices and council tax bands more often, we will need to look at how these **appeals** are managed.

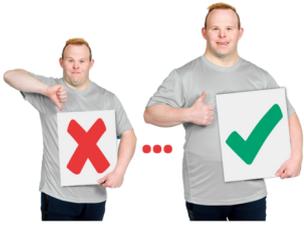


This is to make sure the system still runs well.



We also think being able to **appeal** helps create a fair system.

Information about council tax



We want to improve the whole council tax system and make it clearer to use.



We want to make sure people can get more information online.



We want to work with other organisations to share important information. For example, the **Valuation Office Agency**.

Please go to page 8 - 10 of the Response Form and answer question 7 and 8.

Discounts and other rules for paying less council tax



There are a lot of rules around lowering the amount of council tax some people need to pay.



For example, people who live alone and families with one parent often pay less.



There are rules about not including certain people towards having to pay council tax.

For example:

- Students
- Disabled people
- Some carers
- People in care homes
- Children under 18 years old.





We think a lot of the rules are hard to understand.
And hard to apply.



It is also hard for Welsh Government to make changes to some of the laws that set these rules.

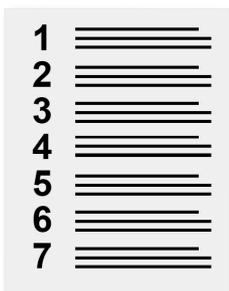


We would like to have new laws that make it easier to make changes to council tax discounts.



This could make it easier in the future when there are changes in the **economy** or to society.

The **economy** is how much money a country has.



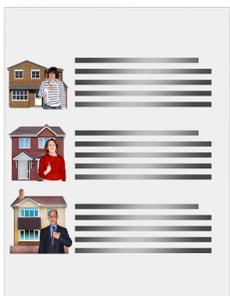
It would also make it easier to add new groups who could get council tax discounts.



We want to make it easier for people to get the right help with their council tax.



Different council tax rates could be set for different situations.



We would look at the list of people who do not have to pay council tax and check it is up to date.



This would include checking the words we use to describe people. And making sure they are up to date.

To tell us what you think about the changes we want to make to council tax discounts, go to pages 11 - 13 of the response form and answer questions 9, 10, 11 and 12.

The Council Tax Reduction Scheme



This is a scheme that helps people who do not have very much money.



Through the **Council Tax Reduction Scheme** people pay less in council tax, depending on their situation.



We would like to know what is important to you about supporting households that do not have much money.



Around 280 thousand houses are part of the **Council Tax Reduction Scheme**.



But there may be more households that could get support from this scheme, that do not.



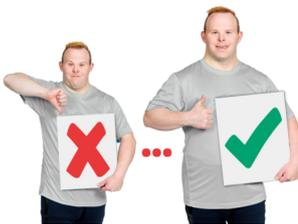
We want to make sure everyone who can get this support gets it.



We want the scheme to be run better, and work better for people.



A lot of people that are part of the scheme get **Universal Credit**. These 2 systems do not work very well together at the moment.



There are lots of options for improving the **Council Tax Reduction Scheme**.



At the moment, we use a system called **means-testing** to see if people should get help with their council tax.



This looks at lots of information about a household and the money they have.



It can be quite hard to run a **means-testing** system. But it does help us make sure the people who really need help, get it.



We need to look at the best ways to run things in the future, and think about:



- Protecting groups of people who need the most support.



- Making sure people are better off in paid work.



- How advice providers can help.



- Making it easier to run the system.

Please go to page 14 of the response form and answer question 13.

Making changes when we need to



We want to be able to make changes to council tax to support people better, when something big happens. For example, coronavirus and the big rises in the cost of living.



At the moment councils must set out their plan for helping people with council tax for the upcoming year.



They must do this by **31 January** each year. They cannot make big changes after this.



We want there to be a national scheme set by Welsh Ministers. Which local councils run.



This will give Welsh Government the power to make changes when something happens, and people need more support.



At the moment there are some areas of support that councils can choose to give or not. Most councils choose to offer this support in the same way.



We think these areas should be included in the national scheme to make things easier.



There is a law that allows councils to support some households with their council tax. This has helped during coronavirus and the cost of living crisis.



We do not plan on changing this. We think it is good that councils can do this.

Please go to pages 15 and 16 of the response form and answer question 14 and 15.



Please also answer the questions about the Welsh language on page 17 of the response form. And there is a box for anything else you would like to add.

Hard words

Appeal

An appeal is a formal way of asking for something to be checked and changed.

Economy

The economy is how much money a country has.