



Llywodraeth Cymru
Welsh Government

Number: 46262

Welsh Government
Consultation – summary of response

A Fairer Council Tax

16 December 2022

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Overview

The Welsh Government undertook a consultation on an ambitious package of reforms to council tax in Wales, as the starting point on a journey to a fairer and more progressive system.

Action Required

This document is for information only.

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

Contact details

For further information:

Local Government Finance Reform
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Email: LocalGovernmentFinanceReform@gov.wales

Additional copies

This summary of responses and copies of all the consultation documentation are published in electronic form only and can be accessed on the Welsh Government's website.

The consultation documentation can be found [here](#).

Contents

Contents.....	3
Introduction	4
Question 1: 2025 Revaluation	6
Question 2: Add and refit bands.....	8
Question 3: Transitional Arrangements	9
Question 4: Revenue Support Grant	10
Question 5: Rolling Revaluations	12
Question 6: Property Improvements.....	13
Question 7: Appeals and Debt Management.....	15
Question 8: Modernisation and Transparency of Service.....	17
Question 9: Discounts & Exemptions	18
Question 10: Flexibility of Single Adult and Empty Property Discounts	19
Question 11: Disabled Adapted Properties	20
Question 12: Discounts Titles / Severely Mentally Impaired.....	21
Question 13: CTRS Design	22
Question 14: CTRS National Scheme	23
Question 15: CTRS Local Arrangements	24
Question 16 and 17: Welsh Language	25
Question 18: Any Further Comments.....	26

Introduction

This document provides an overview of the responses to the consultation on *A Fairer Council Tax* which ran from 12 July to 4 October 2022. The consultation covered three main areas: a potential 2025 revaluation and rebanding; a review of council tax discounts, disregards, exemptions and premiums; and a review of the Council Tax Reduction Scheme.

The Consultation

Views were invited as part of a 12-week consultation period which began on 12 July 2022 and ended on 4 October 2022. The consultation was published on the consultation pages of the Welsh Government's website. Respondents were able to submit their views and comments on paper, by email or online, and in Welsh or English. The link to the consultation was emailed to a range of stakeholders including local authorities, representative organisations, and professional bodies for the relevant sectors.

The consultation received **1,024 responses**, reflecting a wide spectrum of interests and views. The consultation contained eight questions relating to a proposed council tax revaluation and rebanding, four questions relating to a review of council tax discounts, disregards, exemptions and premiums, and three questions relating to a review of the Council Tax Reduction Scheme, alongside three more general questions.

This document aims to present the broad views and themes that were provided in responses to the consultation, rather than to summarise every individual response.

The consultation applied to Wales only.

Who responded to the consultation?

The consultation received a total of **1,024** responses including those received up to 14 days after the deadline. All these responses have been considered and analysed. The respondents represented a range of interest groups, as follows.

Category of Respondent	Number of Respondents
Members of the Public	949
Principal Local Authority	17
Community and Town Council	18
Practitioners within a Local Authority	3
Police Bodies	1
Representative Bodies	23
Professional / Academic Experts	6
Businesses	7

Where respondents have not provided the name of an organisation, it is assumed that they responded in a personal capacity and are categorised as a member of the public.

A list of respondents other than those who requested anonymity is at Annex A. Where respondents asked for their details to be withheld, they are identified as 'Anonymous' in order to comply with the General Data Protection Regulation.

Question 1: 2025 Revaluation

Do you agree there should be a council tax revaluation in 2025, with property values based on 1 April 2023, to maintain the credibility of the system and distribute the tax burden more fairly? The purpose would not be to raise additional revenue through this exercise.

Yes	439 respondents / 43%
No	562 respondents / 55%
No Answer	23 respondents / 2%
	Total: 1,024 respondents

810 responses (79% of total) provided a written response. Over a third of these responses (35%) expressed concerns that a revaluation would lead to higher council tax bills. There were also comments that a revaluation will lead to an unfair council tax system, due to a perception that everyone's bill will increase, and that middle earners and fixed income households such as pensioners will be particularly penalised. This theme was prevalent throughout responses to all consultation questions.

Other responses commented that a revaluation based on 2023 property values was inappropriate due to property price increases since 2003. These views did not take into consideration the relative nature of the council tax system, which would remain in place following any proposed revaluation i.e., there will still need to be homes in lower tax bands compared to others. As a result, there were suggestions that the 2025 revaluation should be postponed or not carried out at all. Some responses also noted that England has never revalued properties for council tax liability purposes intimating that a revaluation was not required in Wales.

Conversely, other responses commented that the Welsh Government's proposals would make, or be a positive step towards, a fairer council tax system. Without a revaluation, as quoted by the Welsh Local Government Association (WLGA), "*it weakens the credibility of the finance system. If the taxbase is not based on contemporaneous information, it weakens the social contract and the reputation of local government in respect of the communities that members represent*". This was a view reiterated by third sector organisations including the Bevan Foundation, Citizens Advice and Money Advice Trust, as well as individual local authorities.

Some written responses suggested council tax liability should be based on something other than property value. Options included:

- Based on income or means-testing (7% of the written responses);
- Based on a 'Continuous and Proportional System' as set out by the Institute for Fiscal Studies;

- Based on number of occupants in a property (4%);
- Based on service usage (3%);
- A local land value tax (1%), as discussed in research by Bangor University;
and
- Flat rate regardless of household size or composition (1%), similar to the Community Charge.

Question 2: Add and refit bands

Do you agree the Welsh Government should consider adding more council tax bands (for example at the top and bottom ends of the scale) and refit the bands to help make the system more progressive?

Yes	498 respondents / 49%
No	489 respondents / 48%
No Answer	37 respondents / 3%
	Total: 1,024 respondents

241 written responses (23% of the total) were provided. 17% of these responses called for no changes to be made to the current band structure, suggesting amending the valuation bands to reflect updated property values would be sufficient.

Nearly a quarter (24%) said any action taken regarding the amendment of bands should be fair and progressive, consider ability to pay, or any potential burden additional bands may place on households in Wales. 17% were less specific but stated that adjusting council tax bands could lead to an increase in the fairness and progressivity of the council tax system.

Other respondents commented a banded system was generally regressive as it did not allow for a household's financial situation to be considered when calculating liability. From a local authority perspective however, ease of administration of a banded system was seen as a key advantage.

A quarter of written responses agreed more bands should be added to the top of the current council tax band structure, to increase the relative share that owners of high value properties contribute to the council tax and local services.

A smaller number called for more bands to be added to the bottom, highlighting lower-valued properties make up a large portion of the tax-base, and redistribution of liability at the lower-end could make council tax fairer. Shelter Cymru suggest additional bands overall *"will [...] provide greater detail on the makeup of the housing stock"*.

Other comments suggested narrowing the width of bands (5%) or broadening the width of bands (1%).

Question 3: Transitional Arrangements

The Welsh Government is committed to considering transitional arrangements if needed to smooth the effects of reforms. What factors should we take into account when designing these arrangements?

610 responses (60% of total) provided a written response to this question. Just under half of these responses (44%) commented that the cost-of-living crisis and/or ability to pay following a revaluation should be considered when designing transitional arrangements. Typical responses in this vein expressed: *“Covid and the after affects need to be taken into consideration alongside the cost-of-living, with fuel, gas, electricity and food prices continuing to rise, but pensions and pay are not in line with these rises”*.

A fifth of written responses (21%) suggested staggering any increase to council tax bills over a period. Suggestions included increasing council tax bills by one band per financial year only (where households are impacted by a change of more than one band); increasing council tax bills by a proportional percentage per financial year for a set number of years until the household reaches the full bill amount; or support based on the number of people residing in a property.

13% of written responses asked that due consideration be given to fixed-income households, such as pensioners, whose income may not correlate with the value of their property: *“some pensioners have an attachment to the family home built up over many years but be forced to move by a new tax”*.

The Chartered Institute of Taxation (CIOT) and the Low-Income Tax Reform Group (LITRG), representing the views of their members, *“agree with the IFS that there is trade-off between the potential benefits of phasing in big uplifts in tax bills against the complexity of design, implementation and potentially revenue costs of any transitional arrangements”*, indicating pragmatism should be a key factor for consideration.

There were also calls for the administrative burden of transitional arrangements on local authorities to be taken into consideration.

Question 4: Revenue Support Grant (RSG)

Do you agree the Welsh Government’s Revenue Support Grant to councils should be adjusted to take account of changes to revenues raised in each local area as a result of council tax reforms?

Yes	560 respondents / 55%
No	358 respondents / 35%
No Answer	106 respondents / 10%
	Total: 1,024 respondents

277 responses (27% of the total) provided a written response to Question 4. In 26% of these responses, there were general comments in support of redistributing the Revenue Support Grant (RSG). All local authorities supported the principle of redistributing RSG as *“it is a long-standing feature of the RSG system that grant distribution should equalise for the local resource base (as well as need)”*. The WLGA agreed, and also noted that *“consideration should be given to councils who’s taxbase increases significantly but sets a council tax [...] below Council Tax at Standard Spending”*.

7% of written responses contained general comments against redistribution of the RSG. These responses included: *“each council should be (almost) totally responsible for its own revenue and expenditure. Local accountability. Good for democracy.”* Other responses outlined opposition to the proposed council tax reforms in general.

Some respondents felt different regions of Wales had differing service level requirements or challenges to overcome. Therefore, the level of funding required to sustain them should also differ. For example, some felt more funding should be directed to *“rural areas with lower, geographically spread populations over large areas which may have age and income imbalances”*. Others suggested more funding should be directed to North Wales councils.

There were other general perceptions that *“additional revenue needed to be allocated to the poorest councils where possible”* to improve local services and performance, whilst other respondents highlighted local authorities urgently require more funding in general. In its response, UNISON states: *“authorities need more core funding from Welsh Government and in turn, Welsh Government must tackle Westminster for this additional funding”*. This theme was echoed by others.

15% of written responses to Question 4 included some indication that the respondent did not understand the question. The need for clearer information about this complex area is recognised.

There were also a small number of calls for a review of the local government funding formula.

Question 5: Rolling Revaluations

Do you agree there should be frequent council tax revaluations at least every five years in the future, to ensure the tax burden is shared fairly amongst taxpayers on a regular basis?

Yes	378 respondents / 37%
No	612 respondents / 60%
No Answer	34 respondents / 3%
	Total: 1,024 respondents

341 responses (33% of the total) provided additional comments. In 28% of these written responses, there were suggestions about the length of time between revaluations. Of those who provided suggestions on specific timings, respondents advocated for the following.

More than 20 years	2 respondents / 1%
Every 20 years	2 respondents / 1%
Every 10 years	42 respondents / 12%
Every 5 years	28 respondents / 8%

15% of written responses noted that the cost of rolling revaluations should be minimal or cost effective, with some expressing discontent at the projected cost of the 2025 revaluation and likely costs beyond. One local authority stated that *“the VOA will need to be adequately resourced to undertake this work...”* on a recurring basis.

In 16% of comments, there were suggestions that the ability of residents to pay, or the basis on which a person is liable for council tax (property value), would mean that taxpayers could find any increases unaffordable regardless of cycle. Members of the public stated that under more frequent cycles, taxpayers could be *“permanently worried about the bills being raised to unaffordable levels”* or felt rolling revaluations *“give no certainty to people on what their bills will be when they sign up for a 20-25 year mortgage”*.

One common suggestion, as an alternative to frequent cycles, was *“to administer a scheme where a house is only revalued [when] a property is sold”* to ensure certainty for households during the lifetime of their ownership of a property.

Question 6: Property Improvements

When properties are significantly improved, properties are only reviewed and potentially rebanded in certain circumstances, for example when the property is sold to a new owner. The Welsh Government is seeking views on whether this policy should change in the future.

Yes	368 respondents / 36%
No	602 respondents / 59%
No Answer	54 respondents / 5%
	Total: 1,024 respondents

546 responses (54% of the total) provided additional comments to this question. In 38% of these written responses, the argument was made that rebanding properties at the point significant improvements are made would disincentivise property improvements: *“this will mean people will not spend money on the housing stock in Wales and the economy will suffer as will quality of housing available...”*. Other respondents suggested that such a change could damage local communities and impact on the building industry in Wales: *“builders wouldn’t have enough work”*.

In addition, as VAT is often paid on the construction of property improvements, arguments were put forward that changing the current approach could risk taxing households twice, where they are faced with higher council tax *and* VAT bills immediately following significant property improvements.

14% of written responses contained general comments in support of retaining the current approach, with one representative body (Wales Tourism Alliance) noting that there *“is an argument for transitional exemption for an owner to recover / enjoy the benefit of an enhanced dwelling”*.

A further 9% of responses suggested only certain improvements should be included or considered as a ‘significant improvement’, such as double storey extensions, whilst other improvements such as driveways or adaptations to homes that support elderly or infirm family members should always be specifically excluded.

Another key theme related to the prospect of rolling revaluations. In its response, the WLGA argues: *“With more frequent revaluations there would be no need for these provisions. Existing owners who have invested in the property see no increase in their council tax, yet it can come as a shock to any new owners. Maybe the best option is for property improvements to take effect at each revaluation provided that happens every 5 years.”* This was a view echoed by others.

Just over a fifth of written responses (22%) contained general comments in support of rebanding properties after significant improvements have been made, with one

respondent stating that it is “*not fair if a house is extended and still paying the same [amount of council tax]*”.

Other responses also felt that band changes to significantly altered properties should be considered at the time when the improvements are made, as many taxpayers are not aware that a property they have purchased could be moved to a higher band. This argument was reflected in the comments from the Valuation Tribunal for Wales and one of the councils.

To make the system more equitable this policy should be changed and if substantial alterations are undertaken at a property the banding should be reviewed at this time. If an increase is necessary then the banding change should be effective from the following April. To ensure consistency the term “substantial alterations” would need to be clearly defined. (Council)

A property’s band should be reviewed as soon as significant improvements are made and these improvements should be relatively easy to monitor if information is exchanged between local authority planning/building control departments and the Valuation Office Agency. The current system of reflecting changes following a relevant transaction or at revaluation introduces an element of confusion for those taxpayers comparing property bands in a particular area where significantly improved properties remain in the same band as properties that are considerably smaller and less valuable. It can also be a surprise to new owners of improved property that is re-banded following purchase... (Valuation Tribunal for Wales)

Question 7: Appeals and Debt Management

Do you have any views on rights of appeal for taxpayers or how council tax debt is managed? Please include any suggested improvements for either of these elements.

There were **514** written responses (50% of the total) to this question.

Appeals

In around a sixth of these responses (17%), there were calls to simplify the appeals process, which should aim to be quick, streamlined and cost-effective. There was identification from some respondents that more frequent revaluations could lead to fewer appeals as there is less likely to be significant shifts in house prices between revaluations, potentially reducing excess appeals over the longer-term.

The same proportion of responses (17%) called for retention of the current appeals process, with one member of the public noting *"everyone should have the right to appeal"*. However, 4% of responses suggested that banding appeals should be removed completely.

Other views expressed included calls for local authorities to fund the cost of appeals, as well as reducing the length of time taxpayers can appeal the implementation of a new valuation list. Further suggestions under this theme included establishing a body to deal with all council tax appeals rather than the initial stages of this function sitting with the local authority.

Debt Management

In 18% of responses, there were calls for a range of debt management approaches, such as not demanding full payment of the council tax bill when an instalment is missed; offering flexible, structured payment options; and refraining from sending final demands over holiday periods. Some respondents were of the view that *"legislation already sets out how debt can be managed"*.

Beyond direct action, one member of the public suggested local authorities should look to generate revenue from other means to offset the 'unsustainable council tax bills', such as investing in *"community investment income like green energy schemes with a community dividend to reduce the cost of public services"*.

Some suggested the creation of a dedicated service that provides support, information and practical solutions to households who are struggling with low incomes, in order to help them avoid getting into council tax arrears in the first place.

There was some support from local authorities and members of the public that local authorities should be able to use all their current powers to collect as much unpaid council tax as possible, including court proceedings. As one member of the public responded: *"Anyone who doesn't pay should be taken to court, why should the*

taxpayers fund their debt". One local authority also stated that "*it is important that councils are able to collect the charges due within the financial year concerned*".

There was also some support for local authorities to take a more sensitive approach to those in council tax debt, especially during times of wider economic pressures: '*Councils should always take the person's personal circumstances as to why they are in arrears and take action to agree terms to reduce their debt, rather than instantly take them to court*'.

Question 8: Modernisation and Transparency of Service

What are your views on how the Welsh Government, the Valuation Office Agency, councils, or other organisations can modernise the service provided to taxpayers and improve transparency of the council tax system?

419 respondents (41% of the total) provided written comments to this question. A fifth of these responses (20%) contained references to the modernisation of council tax, including basing liability on something other than property value. Suggestions offered included basing liability on household income / means testing, a fixed fee per household, or by primary residency (rather than second homes). One suggestion was to *“create a formula so instead of bands, it is based on a mix of income, service use, property size, property value, local area economy and how many occupants there are. You can adjust this formula from time to time.”*

Just under a third of written responses (29%) suggested there should be more information provided to taxpayers about what their taxes are spent on by the local authority to improve transparency. Respondents thought this could help to reconnect council tax to local services. Others suggested local authorities should provide the opportunity for residents to have more say in how their money is spent within their local areas.

9% of respondents were concerned with better communication and education about council tax, and tax in general. Some respondents suggested that providing clearer information on how local authorities utilise their funding could be useful, as one Foodbank identified: *“People don't like paying for something that they don't use/need but a better understanding of how community helps each other makes people feel better about what they are contributing.”*

In 4% of responses, there were calls for a single, pan-Wales council tax information service to provide general advice or information about council tax. The role of this service varied by response, from making information available offline to improving consistency across local authority areas. One charity noted that without sufficient access to information on council tax, this *“is putting vulnerable people into financial hardship”*.

Other views expressed included better use of online or electronic tools to provide information. However, some cautioned against excluding taxpayers who are not 'digitally literate'.

Question 9: Discounts & Exemptions

What is your view on the existing discounts, disregarded persons, exemptions or premiums? For example, do you think the current rules are appropriate and fit-for-purpose? Are there particular aspects of the rules which you think need to change or new rules created?

742 written responses (72% of the total) were provided to this question. Over half of these responses considered that the current range of discounts, disregards, exemptions and premiums is not fit for purpose, not suitable, and/or need of review. By contrast, a fifth of these responses (19%) expressed views that the current range of discounts, disregards, exemptions and premiums was fit for purpose, and did not require review.

Around a fifth of responses called for eligibility for discounts, disregards, exemptions and premiums to be based on proportion of occupants and household income. Calls for more help for working households on low incomes were made by a number of respondents including: *“Many people work or are on pensions and have just over the minimum wage yet have to struggle to pay FULL council tax”*.

304 respondents referred to the following existing, or proposed new, discounts, disregards, exemptions and premiums.

Type of Existing or Proposed Discount etc	Number of Responses
Single Chargeable Adult Discount	
Increase or retain	82
Remove or review	13
Disabilities	25
Working Households / Families Not in Receipt of Benefits	34
Second Homes	
Support the premium	17
Against the premium	59
Pensioners	41
Carers	14
Long-term Empty Properties	
Support the premium	6
Against the premium	5
Students	
Review discount	3
Remove discount	5

Question 10: Flexibility of Single Adult and Empty Property Discounts

What is your view on whether the Welsh Government should have more flexibility in future to set the rules for the statutory ‘single adult’ and ‘empty property’ discounts?

606 written responses (59% of the total) were provided to this question. When providing views on whether there should be flexibility afforded to the Welsh Government regarding the single adult discount or ‘double discount’, responses were as follows.

Agree with more flexibility or changing the current approach to the rules.	208 responses / 34%
Disagree with more flexibility or are content with the current approach to the rules.	169 responses / 28%

Of those local authorities that responded, the majority were in favour of the Welsh Government having more flexibility over the discounts, particularly the single (chargeable) adult discount.

One council suggested reviewing the relationship between those eligible for single adult discount and CTRS. The authority also proposed abolishing single adult discount, transferring the funding allocated to the discount and absorbing the eligible households within the Council Tax Reduction Scheme only.

Some other general views were provided, such as calls for an increase in the percentage discount applied to single adult households (7%). Some suggested up to a 50% discount should be provided. 2% of written responses called for the abolition of the discount altogether.

There were calls for empty properties to pay no council tax at all in 3% of responses: some provided accounts of those who have inherited properties but are subject to liability for council tax as a result. In 7% of responses, there were calls for the abolition of the empty property discount.

Question 11: Disabled Adapted Properties

What is your view on how reductions in council tax for properties adapted for use by people living with a disability could be amended, simplified or improved?

Of the 334 responses (33% of the total) to this question, themes included the following.

Increase Disabled Adapted Properties Reduction	63 responses / 19%
Abolish Disabled Adapted Properties Reduction	62 responses / 19%
Retain Current Disabled Adapted Properties Reduction	40 responses / 12%

A fifth of responses (20%) suggested that the reduction should be subject to a means-test or based on household income. Some respondents felt it was unfair that those in receipt of this reduction could be working or receiving a significant income: *“if you have the money to pay, you should pay more”*. Respondents who expressed this view felt there were other measures and schemes provided by local authorities and the Welsh Government to support low-income households.

In 12% of responses, there were calls for the reduction to be as accessible and as simple as possible in terms of application, the criteria and eligibility. Many of these responses included personal accounts of application difficulties faced by individuals, or relatives of the individual. Therefore, many respondents called for changes to the application process to be made, or the way in which the reduction is applied, with one respondent stating: *“any process actually designed to empower people, rather than restrict people and access will work”*. One local authority also noted that *“the requirement for an application may mean that some [...] are discouraged from applying or may not in fact be aware that such a reduction exists”*.

8% of responses called for a reduction in council tax for all individuals or households who have a disability in general: *“disabled people should be exempt from paying council tax”*. Shelter Cymru recommended the Welsh Government *“explore additional measures such as exempting disabled people from council tax rather than discounts, especially in the ongoing cost-of-living crisis”*.

Question 12: Discounts Titles / Severely Mentally Impaired

Should the Welsh Government be able to amend titles and descriptions of any discount, disregarded person or exemption? Do you think any of the current titles should be changed? What would you consider to be a more appropriate term to replace ‘severely mentally impaired’?

Agree that the Welsh Government should be able to amend titles and descriptions	178 responses / 51%
Disagree that the Welsh Government should be able to amend titles and descriptions	107 responses / 31%
Unsure / Don't Know	65 responses / 19%

350 written responses (34% of the total) were provided to this question. In 19% of these responses there was uncertainty as to how to answer the question.

Of those who suggested alternative appropriate terminology to replace the term ‘severely mentally impaired’, the consultation received 86 proposed new titles. Responses noted that caution needed to be exercised when seeking an alternative term to ‘severely mentally impaired’ to ensure it clearly defines who is and who is not eligible for the discount.

Money Saving Expert (MSE) provided anecdotal evidence in its response evidencing examples setting out the need to change the title ‘severely mentally impaired’, stating some individuals “*did not identify with the language ‘severely mentally impaired’, feeling upset by this term and subsequently choosing not to enter into the application process. Another user described how their friend, whose mental health condition was likely to fit the criteria for a ‘severely mentally impaired’ diagnosis, felt burdened and shamed as a result of this language, leading to existing health issues being compounded.*”

One local authority suggestions to simplify and streamline the application process by “*replacing the current system with a statutory reduction when an occupier is in receipt of a specific disability benefit(s) at an appropriate rate would have that effect*”. Furthermore, this would “*avoid LAs having to make judgements in less clear-cut cases*” and automatically capture those who may be eligible but do not want to, or may not know how to, apply.

Multiple responses said that Wales could lead the way in ensuring titles, and council tax discounts and reductions, are more accessible and progressive.

Question 13: CTRS Design

The Welsh Government expects there to be a continued need to support low-income households in paying their council tax bills. Do you have any views about the design of the current scheme, including whether it should continue to be means-tested? Do you have any general views about the scheme?

Yes	347 respondents / 34%
No	550 respondents / 54%
No Answer	127 respondents / 12%
	Total: 1,024 respondents

401 written responses (38% of the total) were provided

Some respondents provided mixed responses to this question, by answering 'No' to the question but commenting that they wished for means-testing to continue.

Analysing the written responses helps to provide a clearer picture. In 61% of these responses, there was support for the continuation of means-testing as part of the eligibility for the CTRS, although 4% of responses contained calls for the means-testing of CTRS to exclude any savings households may have access to.

Around a fifth of responses (19%) were of the view that the current scheme does not go far enough to help struggling households, including pensioners or low-income households, and therefore the criteria should be extended. One member of the public captured other views of respondents by calling for help: *"not just for the lowest income households but also the 'squeezed middle' whose incomes do not qualify them for benefits but leave them unable to afford higher council tax bills when the cost of living has risen faster than wage increases"*.

In 10% of written responses, there was also the view that the current scheme is too generous, particularly for people *"who are already on other benefits"*. These responses implied working households are excluded or disadvantaged when it comes to receiving additional support.

Other responses (3%) called for the scheme to be changed if it would make the scheme simpler to understand and easier to access.

Question 14: CTRS National Scheme

Should Welsh Ministers have a duty to set a national scheme to be administered locally by councils, which allows the Welsh Government to make in-year changes if required?

Yes	493 respondents / 48%
No	360 respondents / 36%
No Answer	171 respondents / 17%
	Total: 1,024 respondents

413 written responses (40% of the total) were provided. Of those who provided written comments, local authorities agreed with the principle of a national scheme which allowed for in-year changes, particularly to “*address unforeseen events such as changes in our economy or society, such as the coronavirus pandemic, Ukrainian refugees and the cost-of-living crisis.*”

Some respondents noted that a national scheme helps to ensure consistency across all 22 local authority areas. One local authority noted such an approach removes “*the ‘postcode lottery’ which exists in England due to its deregulated approach.*”

Other respondents felt that a national scheme could be “*eroding local accountability and democracy*”.

Question 15: CTRS Local Arrangements

Should the existing local arrangements form part of the new national scheme for consistency, whilst acknowledging that councils still retain existing discretionary powers under legislation?

Yes	493 respondents / 48%
No	360 respondents / 35%
No Answer	171 respondents / 17%
	Total: 1,024 respondents

264 written responses (26% of the total) were provided.

Many of the comments to this question aligned with the themes and views expressed in Question 14. There was broad agreement that an element of localism is crucial to dealing with local issues. However, overall, the broad view was that a national scheme with some local discretion was desirable.

Question 16 and 17: Welsh Language

We would like to know your views on the effects that the proposed policies would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English. What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Please also explain how you believe the proposed policies could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Of the **1,024 consultation respondents**, most responses to Question 16 (78%) and Question 17 (91%) were unrelated to the question or commented on wider Welsh language policy considerations for the Welsh Government which are beyond the scope of local taxation and this consultation. Of the responses to both questions that were analysed, the following themes emerged.

Approximately a third of responses said that there was no impact on opportunities to increase the use of the Welsh language as a result of the proposed council tax reforms.

Just under a fifth of responses (19%) contained statements that there was no impact on the Welsh language because of the proposed council tax reforms.

In 13% of responses, it was suggested that correspondence issued by local authorities should be sent only in the preferred language of the recipient to reduce waste and costs. 6% of responses contained negative comments on the proposed council tax reforms and the Welsh language, and just under a tenth of responses (9%) contained statements that there would be a negative impact on the Welsh language. One local authority highlighted that council tax reform should “*not create affordability issues within our communities*”, particularly for Welsh-speaking and rural communities.

Around 10% of responses mentioned the second homes premium and the impact of second homes on dispersal of communities, particularly Welsh-speaking communities. 4% of responses contained calls for a discount for Welsh language households to encourage the use of the Welsh language and community cohesion.

Question 18: Any Further Comments

296 written responses (29% of the total) were provided.

In Question 18, respondents to the consultation were asked to report any related issues which had not been specifically addressed in their responses to Questions 1 to 17. As a result, responses to this question included a wide range of different themes.

Just over a third of responses (34%) to this question contained criticisms of the proposed changes to council tax, such as:

- the perception that individuals who had worked hard to afford a high-value property should not be penalised;
- it was the wrong time for council tax reforms given the cost-of-living crisis;
- the proposals would penalise second home owners and/or the tourism sector;
- the proposals would lead to increased taxes; and
- the proposals would be unfair on pensioners who have a reduced income.

Related to these criticisms, 4% of responses contained negative predictions for the impact of the proposals, such as increased rates of poverty, and people moving into smaller properties or out of Wales.

Just over a fifth of responses (22%) included suggestions for how the council tax system could be improved, including environmental considerations, greater support for people on low incomes and additional taxes on unoccupied property.

15% of responses included suggestions for an alternative basis for local taxation, including taxes based on income, level of service use, land value, number of occupiers and a flat rate tax for all households.

14% of responses concerned wider aspects of the current council tax system, such as poor quality services or infrastructure, a need for stricter enforcement of council tax, and a perception that it is unfair that properties in the same band but a different local authority have different council tax bills.

11% of responses related to issues of engagement, transparency and understanding of the current council tax system, and experiences of engaging with the consultation. This included criticisms of the complexity of the consultation questions, calls for transparency around how any revaluation would be conducted, and those who felt they had not been listened to.

Government Response

The Welsh Government is grateful to everyone who has participated in this consultation and in particular everyone who has submitted a response. As a summary document, not all the issues outlined in responses have been reflected but each response has been considered carefully. The absence of issues or suggestions in this summary does not mean they have been disregarded. Many such issues will be considered as part of the wider programme of work as part of the Welsh Government's approach to council tax reform.

Next steps

The Minister issued a Written Statement setting out plans to continue the work on council tax reform as reflected in our Programme for Government and the Cooperation Agreement.

Annex A – List of respondents to the consultation

Abergavenny Town Council
Age Cymru
Amzac Estates Ltd
Betws yn Rhos and Llanellian yn Rhos
Community Council
Bevan Foundation
Caerphilly County Borough Council
Cardiff Council
Carmarthenshire County Council
Ceredigion County Council
Christians Against Poverty
Chartered Institute of Taxation and
Low Income Tax Reform Group
Citizens Advice Cymru
Citizens Advice Swansea Neath Port
Talbot
City and County of Swansea
Conwy County Borough Council
Cyngor Cymuned Llanberis
Cyngor Cymuned Llanfrothen
Cyngor Cymuned Lledrod
Cyngor Cymuned Tawe Uchaf
Community Council
Denbighshire County Council
Fairer Share
Flintshire County Council
FTWW: Fair Treatment for Women of
Wales
Gadlys Coastal Cottages and
Campsite
Holywell Town Council
IRRV (Institute for Revenue, Rating
and Valuation)
Isle of Anglesey County Council
J M Holistics
Llandough Community Council
Member of Parliament for Monmouth
Merthyr Tydfil County Borough Council
Money Advice Trust
Money and Pension Service
Money Saving Expert (MSE)
Monmouthshire County Council
National Residential Landlord
Association
Neath Port Talbot Council
Newport City Council
Newtown and Llanllwchaiarn Town
Council
NFU Cymru
North and Mid Wales Association of
Councils
One Voice Wales
Pelenna Community Council
Pembrokeshire County Council
Penarth Town Council
Bangor University
Royal British Legion
Saundersfoot Community Council
Shelter Cymru
Torfaen County Borough Council
TPR Financial Ltd
Trefeglwys Community Council
UNISON
Vale of Glamorgan Council
Valuation Tribunals for Wales
Wales Tourism Alliance (WTA)
Welsh Workers of Wales Alliance and
Union
WLGA
Women Connect First
Wrexham County Borough Council
Private Individual x 242
Anonymous x 707