

Phase 2 Consultation – A Fairer Council Tax – Local Authority Responses

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Blaenau Gwent County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Not applicable

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

Approach 3: Expanded reform

Blaenau Gwent Council fully supports and welcomes Welsh Government's timely review in to making council tax fairer and firmly backs approach 3: expanded reform. Our position reflects our knowledge and experience of our council tax base under the present system, the economic circumstances of very many of our residents and insights from the Institute for Fiscal Studies.

The IFS clearly states that council tax, currently based on April 2003 property values, is in dire need of revaluation. This is indisputable. Such a move positions Wales as a leader in reform across Great Britain, where council tax is even more outdated. A less regressive system, as proposed, would benefit a substantial number of low-income households, including many pensioners. This shift towards a fairer tax system would more accurately reflect present-day property values and the economic conditions in Blaenau Gwent and Wales as a whole.

As the Welsh Government rightly acknowledges in this consultation, a more progressive tax lowers the share of tax paid by those less able to contribute. Lower-income households tend to live in lower-value homes and tax bills are a much smaller percentage of (2003) property value for high-value properties than low-value properties.

Over 58% of properties in Blaenau Gwent are band A. Taken together; low value band A and B properties make up 83% of the local council tax base. This has a strong gearing effect. In turn this impacts public service capacity to raise revenue and fund essential services which must also be carefully balanced against what residents can realistically afford, given that they are some of the lowest income households in the UK.

Approach 1 brings property values up to date but does nothing to address the issue of fairness. Approach 3 is the only proposal that redresses that balance of the tax burden across tax payers in Wales, and anticipates that the tax band ratios would be amended to give an appropriate proportionality of tax burden across the banding range.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

Fastest timetable: minimal, modest or expanded reform by 1 April 2025

Aligned with the findings of the Institute for Fiscal Studies, Blaenau Gwent Council urges the Welsh Government to adopt most rapid implementation of council tax reforms, aiming for 1 April 2025. These reforms would lead to significant and immediate changes in tax bills for hundreds of thousands of households, through a fairer system.

Despite the current cost-of-living crisis, we echo calls from the IFS that this should not delay the reform. Prompt action is essential to rectify the longstanding issues within the council tax system, ensuring a fair and realistic tax framework for our residents.

Any delay will only continue to place an unfair tax burden, on the households on Wales that can least afford it.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for

Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

Other (please specify)

In principle we support moves to reduce the amount of properties being left empty for an indefinite period, especially given the housing crisis. We consider it unacceptable that some properties in Wales have received this exemption for up to 20 years. However, this also requires further careful consideration of the administration and collection of liabilities raised as a consequence of such a change, including the resource implications that may arise.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

No comment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

Any other views (please specify)

Whilst it is acknowledged that some may be uncomfortable with the wording of the condition, there is no preference. It is felt that the availability of the exemption and disregard to qualifying individuals is more important than the naming convention

We believe that the definition and assessment of a person's condition should be left to a medical professional to determine.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

Blaenau Gwent Council believes that the current qualifying criteria for the exemption or disregard has served well over the last 30 years, and has had no real issues with the criteria when dealing with cases. The current criteria should continue unchanged.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

It is not believed that this policy will have any effect on the Welsh language.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

It is not believed that the proposals could be changed to support positive effects of people using the Welsh language.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

No comment

Caerphilly County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Caerphilly

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reform

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 2: modest reform

Caerphilly CBC would recommend Option 2.

This reform would see a revaluation of all properties and retain the existing 9 band structure (A to I). Tax rates would be revised resulting in lower bills for lower banded properties higher bills for properties in higher bands.

Around 75% of properties in Caerphilly are in bands A to C.

Band	A	B	C	D	E	F	G	H	I	TOTAL		
Number of Properties				15474	26884	18810	9460	6744	2395	834	92	78
			80771									
%	19.16%		33.28%		23.29%		11.71%		8.35%	2.97%	1.03%	
	0.11%	0.10%	100%									

This option would look to address the inequality of lower banded properties paying proportionally a higher level of Council Tax than those in higher bands. A 'do nothing'

approach would increase the inequality on the banding ratios with significant Council Tax increases expected across Wales for 24/25 and 25/26.

A more progressive tax looks to lower the share of tax paid by those who are less able to contribute, making things fairer. The evidence shows that the proposed changes would reduce longstanding wealth inequalities created by an unfair system.

We agree that a transitional relief scheme should be introduced to smooth any band increases resulting from the revaluation. This was put in place for the last revaluation in 2005.

Around 75% of all properties in Caerphilly are in lower bands (A to C), Option 2 would see these properties pay less. E.g. Band A properties would pay 5/9 of a Band D instead of 6/9. This would reduce Caerphilly's Tax Base which should result in more Revenue Support Grant. (RSG).

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

Caerphilly CBC would recommend Option 3

- Implement the revaluation from April 2025
- Implement Option 2 above from the next Senedd term.

We agree that there should be a council tax revaluation in 2025 based on 1 April 2023 property values to maintain the credibility of the tax system which should enable a fairer distribution of the tax burden. A transitional relief scheme should also be implemented to smooth band increases.

Option 2 above (Question 3) would look to address the inequality of lower banded properties paying proportionally a higher level of Council Tax than those in higher bands. This would make Council Tax more equitable.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

2 years

We agree that a time-limit should be imposed on Class F exemptions.

In some circumstances relatives or beneficiaries do not apply for grant of probate or letters of administration for a number of years after the taxpayer has passed away. For this period, the property remains exempt from Council Tax under class F. It should be noted that it may be difficult to identify the names & contact details of beneficiaries or executors to bill for Council Tax where probate or letters of admin have not been applied for.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

Caerphilly would recommend retaining the medical certification but removing the need for a qualifying benefit. Not all qualifying benefits are directly related the person's significant brain impairment or condition. This would simplify the application process for residents.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

Looking at the proposals, we don't believe there would be any negative impact on opportunities for people to use Welsh and on treating the Welsh language no less favorably than English.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

See answer to Q10.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

No further comments to add.

Cardiff Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Not applicable

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

other (please specify)

We understand and support the aims of a fairer Council Tax system, and suggest that revaluation delivered first can be followed by work with Local Authorities over the coming years to ensure that there is sufficient resource & time to prepare for a more expanded/further reform to make the system fairer, given the potential impact on RSG, to ensure a sustainable and manageable funding settlement for all authorities

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- 2 years
- 3 years
- 4 years
- Other (please specify)

2 years

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- Option A: significant brain impairment
- Option B: significant brain condition

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- Yes
- No
- Any other views (please specify)

Yes

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

In respect of all its services the Council welcomes correspondence in English and Welsh and ensures that we communicate with our customers in the language of their choice, whether that's English, Welsh or bilingual as long as the customer has let us know which they prefer. Customers who correspond with us in Welsh will not experience any delay.

The Council will continue with this approach and therefore it does not believe that this change will have any effect (either positive or negative) on the service that is provided to customers.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

see answer to question 10 above

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

In terms of the questions regarding the potential changes to the Council Tax bands and tax rates it is Cardiff Council's opinion that these changes should be undertaken using a staged approach. We do understand and support the principle of reform and suggest this approach as a way to manage the process in a measured way, to the benefit of local authorities, the Valuation Office Agency, and residents.

The last revaluation took place in 2005 and despite the overall yield across Wales increasing by only 0.5% there were 86000 properties in Cardiff that increased by 1 or more bands. In practical terms it is more pragmatic to concentrate on a straight forward revaluation and establish in the public's mind that this will now happen every 5 years. There is a risk that if too much is changed in one go it will be very difficult to implement. A staged approach would ensure that any lessons learnt from a 2025 revaluation could be considered prior to firming up on any further changes in the 2030 revaluation.

One of the advantages of this would be that those customers whose bills fall would get the benefit of this immediately rather than having to wait for longer. The impact would also not be as significant as it would be if a more radical change was made so this should make it more manageable for Councils and the Valuation Office Agency and this approach would also help customers to adjust to the fact that there will be regular revaluation of the Council Tax bands which would hopefully increase acceptance of any future changes.

This would then allow for further reform/revaluation during the next Senedd term which could be informed by practical experience from the 2025 revaluation. There are potentially significant financial issues arising from increases to the council tax base and the redistribution of Revenue Support Grant, and the impact of any reform would need to be considered to ensure sustainable and equitable funding for all local authorities, which a staged approach would allow for.

Carmarthenshire County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Carmarthenshire

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 2: modest reform

Option 1 - Minimal reform

- Revaluation of all existing properties to put them into an updated version of the existing 9 band structure with revised thresholds.
- This option would bring property values up to date but do nothing to address the principle of fairness.

Option 2- Modest reform

- This reform will also retain the existing 9 band structure and apply new property values however in this proposal the tax rates would be revised. That would result in lower bills at the bottom of the structure and higher bills at the top.
- This option presents a slight move towards fairness in the system.

Option 3 - Expanded reform

- This approach offers the most progressivity. It would add bands to the current structure (from 9 to 12) and redraw the band widths. The changes in tax rates would result in those in the lowest bands paying much less.

- This option makes a significant step towards fairness within the tax system.

It's accepted that the current bandings do not reflect current house values and revaluation is required.

It's accepted that moving forward Council Tax needs to be fair and the burden shared more appropriately but question whether there is a direct correlation between financial wealth and property size.

It must be noted however, that at this current time, with increased financial pressures on LAs that it is critical that each LAs ability to fund their financial plans is paramount. The potential impact for some of the new options will result in reducing the RSG available and raising therefore the pressures on Councils to collect the additional funding through Council Tax.

In the current climate with cost of living being a concern to so many, the effects on households need to be considered and the potential of not only receiving an increase in banding resulting in up to 10% increase in their liability but also the added annual increase (potentially significantly more than in previous year's given the financial climate) in the Council Tax set by the Council to balance the budget.

We feel at this stage (Jan 2024), the potential implementation date of April 2025 is too early, considering that there is no clear view currently in respect of the favoured option. In addition, with the pressure on LG budgets, is this the correct time to change funding arrangements.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

The previous revaluation exercise which was carried out in 2003 was implemented 2 years later. Is April 2025 therefore a realistic timescale for the

- conclusion of the consultation,
- clarifying the option selected for moving forward, and
- to ensure the valuation exercises completed.

The date of implementation would need to be discussed further once the option for moving forward has been decided upon, given that some options bring more complexities than others.

2025 is considered to be too early an implementation date and considered to be unrealistic from an administration perspective. The Valuation office and Council tax systems and administration teams need to have time to implement and action the changes.

The view is that reform is needed, but it needs to be done in a measured manner, so time needs to be taken. Modest change initially but with a view to reviewing and refining once implemented.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

2 years

Consideration could be given to reducing further the 2 year limit, however in very complex cases, it is possible that the period could be as long as 2 years, if not longer. However most straightforward we consider a reasonable period would be 12 months.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain's ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Any other views (please specify)

To comment on the change of title and definition, it would be useful to understand more as to what this definition covers. If the definition is becoming narrower an understanding of what exemptions could be provided for those who currently are vulnerable / receive support that may be excluded for this new definition needs to be given.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

Qualifying criteria needs to be clearly defined so that all professional health practitioners across the country work to the same definition, which will ensure consistency.

Should consideration be given to the definition used for Universal Credit so that the Council Tax support aligns?

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

The impact may be more on rural areas, given that the proportion of larger properties being in the rural areas.

Given this situation, there is a potential for this reform to have an impact on the Welsh language. Should Welsh residents be living in properties that are reclassified and results in a higher banding, they may be forced to sell due to affordability issues.

Going by present trends in rural communities in Carmarthenshire, larger and more expensive properties are not affordable to local people, especially first-time buyers, and are more likely to be sold to people moving into the area (a trend accelerated during the pandemic), resulting in a reduction in the number of people locally who speak Welsh.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

This aspect of the proposed reform might necessitate a separate impact assessment to establish an evidence base for mitigation consideration.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

None.

Ceredigion County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

No comment

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 1: minimal reform

It is accepted that the current system is regressive and is based on out of date property values. However adopting an approach that could create significant changes to a large number of individual households, at a time when there are too many other financial instability factors, would risk creating too many unintended or unknown consequences.

There is some logic though to updating the property valuation bandings, given that they are now 20 years old. For that reason – minimal reform is supported.

Where properties are the subject of Agricultural Occupancy or Planning restrictions (e.g. Affordable Homes), these factors need to be automatically taken into account in Property Valuations to avoid the need for Property owners to appeal the new Valuation list.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

Councils in Wales face considerable financial challenges with their Budgets, both for 24/25 and into the medium term. There is not the capacity or level of resources available to be able to implement Council Tax reform on an April 2025 timeline, particularly when software changes are required and the level of reform is still not decided..

Given the need to focus on financial challenges the slowest proposed reform date of 2028 would be supported.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Cases where an estate is subject to inheritance tax etc can take several months or sometimes several years to complete. Imposing a maximum time limit for an Exemption does makes sense though, in order to avoid prolonged cases where an indefinite period would be detrimental to the public purse.

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

3 years

A maximum of time limit of 3 years is reasonable to allow adequate time for the process to be completed, in all but the most complex of case. This also factors in the issues faced in rural areas such as Ceredigion, where estates involving agriculture etc are common. However, leaving a property unoccupied for a considerable amount of time benefits no-one as it falls into disrepair and the value reduces accordingly, therefore an overall time limit is still important.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option B: significant brain condition

Option B (significant brain condition) is a better definition.

Possibly ‘cognitive’ or ‘neuro-degenerative’ could also be alternative considerations, rather than the word ‘brain’.

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Any other views (please specify)

Yes - as the new definition is easier to understand.

As per Question 7 - Possibly ‘cognitive’ or ‘neuro-degenerative’ could also be alternative considerations, rather than the word ‘brain’.

Consideration should also be given to temporary conditions as well as permanent circumstances.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

The current qualifying criteria works well and is also well established as any person who satisfies the medical criteria for the exemption should be in receipt of one of the qualifying benefits.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

The Welsh language is a vitally important part and a key strength of our communities in Ceredigion. Large parts of the county are also rural. With below average levels of household income, it is essential that the proposed Council Tax reform does not create affordability issues within our communities.

Many households are already struggling with the cost of living crisis, which has now been exacerbated further by the substantial increase in interest rates. It is therefore essential that Transitional relief and appropriate equalisation / redistribution of Revenue Support Grant is put in place to protect and take account of any potential adverse outcomes.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

It is essential that our Welsh speaking population and in particular our younger population have the right opportunities to stay, live, work and flourish within Ceredigion, as opposed to actively choosing to move outside of the Ceredigion.

Any policies that actively help to promote these principles would be welcomed.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

- Fire Authorities in Wales moving to become major precepting bodies (in the same way as Police Authorities) needs to be given national consideration. Could this be done as part of Council Tax Reforms, unless there is an alternative mechanism to achieve this outcome?
- Under the Expanded Reform proposal with 12 Council Tax Bands, for some reason A1 and A2 are used as the first 2 Bands, then B through to K. It would be better to use A through to K and drop A1 & A2. An alternative proposal could be to use the Welsh Alphabet as the primary driver for the Band names.
- There are much wider issues and considerations affecting Local Government finance beyond just Council Tax reform. The current Local Government Settlement formula funding, which supports the distribution of funding across Wales, is becoming more and more out of touch with the key cost drivers and cost pressures facing rural authorities in the Welsh heartlands. This aligned with a lack of proper Funding floors to protect these Local Authorities is leading to a position where an even greater burden is being placed on Council Taxpayers even before Council Tax reform moves forwards. The funding ratio of WG funding to local Council Tax funding is now 69%:30% which is more than a 10% swing from the pre-austerity position of 80%:20%.

Conwy County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

No comment

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

We agree that the current model is out of date and requires expanded reform to rebalance the system to reflect property values.

The current banding system is out of date and highly regressive. New bands could be added to the top and bottom ends of the scale, with new tax rates, in order to distribute properties more effectively. The proportional relativities between bands could also be made clearer for customers to understand. Increasing the number of bands from 9 bands to 12 would result in a greater contribution from those in higher value properties. We support the proposal of more frequent revaluations to ensure that properties that have increased in size are in the correct band and billed for accordingly in a prompt manner.

The rationale for the revaluation needs to be carefully communicated to the public so that it is not seen to financially disadvantage local communities. Council Tax is an efficient property based tax and Local Authorities in Wales excel in achieving high collection rates. It is also a stable tax, with relatively low levels of fraud. However, with the highly visible nature of the tax, the system needs to be deemed fair and equitable.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

We are of the view that staged reform would be the most appropriate as this would give Local Authorities and other professional bodies such as the Valuation Office Agency and the Valuation Tribunal for Wales adequate time to prepare for the reforms and resulting appeals and to communicate clearly with tax payers.

A staged approach would also give the opportunity to review and monitor the impact of the phased reforms. We believe that reform should commence as soon as practicable from April 2025, with expanded reform implemented during the next Senedd term.

A more transparent model based on continual valuations would ensure a more progressive system, however due to legislative constraints and the burden of administration, a revaluation every 5 years may be more appropriate. Revaluing more frequently using Automated Valuation Models could ensure that the tax burden is fairly distributed on a regular basis. The additional administration work that a revaluation places on Local Authorities and the Valuation Office Agency is a concern, particularly in light of consistently high workloads and the ongoing funding pressures faced by Local Government.

It has always been the case that the Revenue Support Grant (RSG) is adjusted to take into account relative increases/decreases in the council tax base of each Local Authority in Wales. The relative changes following a revaluation would be more significant but it would be fair to continue to adjust the RSG in this way, otherwise a reduced tax base following the revaluation exercise could result in further inequality in the funding of Local Authorities across Wales.

In the last revaluation there were transitional arrangements to limit the increase in bands in any one year for households impacted upon. Any future transitional arrangements must be straightforward for Local Authorities to administer and easy for residents to understand. Clear guidance and procedures should be in place for any issues that could arise regarding ongoing appeals. Transition would introduce a potentially significant cost, therefore this should be funded outside of the existing system.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

2 years

A maximum time period of a Class F exemption for deceased owners would assist in encouraging properties to be brought back into use. Currently there is no time limit for the executors of an estate to apply for probate, which can lead to homes becoming empty for several years and properties deteriorating over time.

It is appreciated that probate matters can be complex and therefore, a time limit of 2 years would be appropriate in order to obtain the relevant probate or letters of administration.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

Titles and descriptions of discounts, disregarded persons or exemptions should be updated or simplified where appropriate at the discretion of Welsh Government.

'Severely mentally impaired' (SMI) could be replaced with an appropriate definition for people with health conditions or impairments. We have consulted with our local dementia centre who commented that having 'severe (or significant)' in the title scares people at the early stages of dementia because it highlights that their loved one will eventually be severely mental impaired in the future. They suggested that 'cognitive impairment' may be more appropriate as a title, with guidance provided as to what this constitutes.

Guidance should be sought from a professional body in relation to an appropriate replacement for the term 'SMI'.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council.

Providing a GP, medical advisor or another appropriate professional has confirmed a person has a 'significant brain condition' this should suffice and there should not be a further requirement to be entitled to or claim a qualifying benefit as well.

Customers are actively encouraged and signposted to claim appropriate benefits to provide further financial support. However in the instances where customers have not claimed the qualifying benefits, this would enable the reduction to be granted providing the appropriate medical professional has authorised the certification.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

This is very difficult to quantify and will depend on the level of reform.

Expanded reform and a fairer, more equitable Council Tax system may encourage people to continue to reside in Wales and therefore use the Welsh language.

Similarly, a fairer Council Tax system may be a contributing factor in people deciding to move to Wales, potentially learning Welsh, but there are other significant factors such as affordability and jobs that make the impact of this policy alone on the Welsh Language very difficult to predict.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

The proposed policies should be formulated in conjunction with the Welsh Language Act, the Measure and by working closely with local authorities in Wales to raise awareness of the new policies by promoting communications bilingually to those directly impacted upon.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Currently, property owners who have enhanced their property do not feel the impact of the material increase, the new owners do when the property is sold. Regular revaluations would reduce the need for these provisions and any changes could come into effect from the date of the next revaluation.

Cyngor Gwynedd (Original Response)

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Cyngor Gwynedd

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Rydym yn cefnogi'r egwyddor o gael system dreth tecach, ac o ystyried tri opsiwn sy'n cael ei gynig credwn fod angen symud ymlaen i gael system sydd yn cwrdd â'r dyhead o leihau'r annhegwch cynhenid sydd yn y system dreth cyngor ar hyn o bryd. Mae'r wybodaeth gefndir sydd yn cael ei gynig yn y ddogfen ymgynghorol yn awgrymu y byddai Dull 1 a Dull 2 yn effeithio'n negyddol ar bobl sydd yn byw mewn ardaloedd gwledig ac arfordirol yn anghymesur ac annheg.

Mae unrhyw un o'r tri dull a awgrymir am effeithio yn negyddol iawn ar bobl sydd wedi gweld cynnydd yng ngwerth eu cartrefi ond nid yw eu hincwm wedi cynyddu'n gyfrannol i hyn. Mae gwir berygl na fydd pobl mewn rhai ardaloedd gwledig yn gallu fforddio talu'r dreth ac y byddant yn cael eu gorfodi i adael ardaloedd maent wedi byw ynddynt gydol eu hoes.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

Nid ydym yn credu fod diwygiad o fewn amserlen Ebrill 2025 yn realistig o ystyried y gwaith sydd angen ei gyflawni gan Asiantaeth Swyddfa'r Prisiwr gan fod profiadau'r awdurdod yn awgrymu nad oes gan yr Asiantaeth y capasiti angenrheidiol i ymdopi â'r gwaith manwl sydd ei angen a'r apeliadau sylweddol fydd yn cael eu cyflwyno. Mae angen i'r Llywodraeth fod yn dryloyw am y drefn apelio a rhoi mwy o amlygrwydd i'r drefn. Ein dealltwriaeth yw y byddai apêl trethdalwr yn gyfystyr ag apelio am y dreth ar lefel y sir, nid am eiddo unigol.

Fel nodwyd yn ein hymateb i gwestiwn 3, credwn fod Dulliau 1 a 2 yn fwy annheg ar ardaloedd gwledig na Dull 3 felly os am ddiwygio, dylid anelu at hwnnw'n syth a peidio cyflwyno cyfnod trosiannol (h.y. Dull 1 neu 2 i ddechrau) gan na fyddai hynny yn rhoi unrhyw gymorth.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

3 years

Mae rhai achosion anodd, sensitif yn dilyn marwolaeth unigolyn yn golygu nad oes modd ymdrin â profiant o fewn amser arferol, ac yn gyffredinol ni ellir gweld rheswm dros oedi profiant yn fwriadol. Fodd bynnag, mae gennym bryder am eiddo yn cael ei adael yn wag ag sawl blwyddyn, ac er nad yw hyn yn cael ei wneud o reidrwydd er mwyn osgoi'r dreth, mae yn parhau i greu problemau cymdeithasol. Rydym felly o'r farn fod angen gosod terfyn, ac fod 3 blynedd yn un rhesymol.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

Credwn fod y mater yn un dyrys ac un anodd ei ddiffinio, a nid yw'n un o reidrwydd y bydd arbenigwyr yn y maes cyllid llywodraeth leol yn y sefyllfa orau i'w ateb.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council.

Yn anffodus mae unrhyw newid fel hyn o bosib am fod yn destun camdriniaeth. Nid ydym yn credu ei fod yn deg disgwyl i swyddogion trethiant lleol ddefnyddio eu disgrisiwn mewn maes mor ddyrys â hyn, a dylid cael ardystiad meddygol fel isafswm.

Mae profiad swyddogion trethiant yn dangos fod y gofyn am dystiolaeth o fudd-dal perthnasol yn un pwysig. Yn ymarferol, yn dilyn ymgyrchoedd cyhoeddusrwydd, fod rhai trethdalwyr neu eu cynrychiolwyr yn cysylltu hefo'r Cyngor i ymholi am yr eithriad yma ond nad ydynt yn hawlio'r budd-dal – er gallent fod yn gymwys. Mae hwn felly yn ffordd i alluogi swyddogion y Cyngor i gyfeirio trethdalwyr at y budd-dal perthnasol.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

Mae perygl y gallai cynnydd sylweddol i filiau Treth Cyngor mewn ardaloedd gwledig oherwydd cynnydd mewn prisiau tai (sydd yn aml yn ganlyniad i ardal fod yn ddeniadol fel lleoliadau ail gartrefi a bythynnod gwyliau a nid fel canlyniad i unrhyw weithred gan y trethdalwr unigol) gael effaith negyddol ar yr ardaloedd hyn. Rydym yn bryderus bydd nifer Gymry Cymraeg Gwynedd gorfod gwerthu eu heiddo gan na allent dalu'r dreth uwch gan mai isel yw eu hincwm er gwaethaf cynnydd yn ngwerth eu hased.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

Wrth gynnal ail-brisiad, fod Llywodraeth Cymru yn rhoi pwysau ar Asiantaeth Swyddfa'r Prisiwr i beidio trin ardaloedd gwledig fel rhai "cyfoethog" gan nad fod incwm yn isel yn yr ardaloedd hyn.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Yn y bôn cred Cyngor Gwynedd fod angen edrych ar ddiwygio'r holl drefn, ac mae angen diwygio pellach nag addasu Treth Cyngor yn unig. Tra'n bod yn credu fod Dull 3 yn gwneud y drefn ychydig tecach, mae angen diwygio'r gyfundrefn ariannu llywodraeth leol yn llwyr gan edrych ar drefn ariannu amgen.

Dylid ystyried cynnig eithriad neu ddisgownt ar gyfer eiddo sydd wedi ei addasu at bwrpasau person anabl, yn hytrach na'r drefn bresennol o ostwng band treth. Mae hyn gan fod nifer o addasiadau erbyn hyn yn rhai cyffredin i nifer o drethdalwyr, boed nhw'n anabl neu beidio (e.e. cawod "cerdded-i-mewn"). Credwn fod angen i'r gostyngiad yma fod yn gysylltiedig â'r person, nid yr eiddo.

Cyngor Gwynedd (English Translated Response)

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Gwynedd Council

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reform

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

We support the principle of a fairer tax system, and of the three approaches being proposed, we believe it is necessary to move forward to a system that meets the aspiration of reducing the inherent inequities present in the current council tax system. The background information provided in the advisory document suggests that Method 1 and Method 2 would negatively affect people living in rural and coastal areas disproportionately and unfairly.

Any of the three suggested approaches will have a very negative impact on people who have seen an increase in the value of their homes but whose income has not increased proportionally. There is a real risk that people in some rural areas will not be able to afford to pay the tax and will be forced to leave areas where they have lived all their lives.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

We do not believe that reform within the April 2025 timetable is realistic given the work that needs to be carried out by the Valuation Office Agency. This authority's experiences suggest that the Agency does not have the necessary capacity to cope with the detailed work required and the substantial number of appeals that will be submitted. The Government needs to be transparent about the appeal procedure and provide more detail about its workings. Our understanding is that a taxpayer's appeal would mean appealing the tax at county level, not for an individual property.

As noted in our response to question 3, we believe that Methods 1 and 2 are more unfair on rural areas than Method 3, so if reform is to happen, that should be the immediate target rather than proposing a transitional period (i.e. Method 1 or 2 initially) as that would provide no support.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

3 years

Some difficult and sensitive cases following an individual's death mean that probate cannot be dealt with within the usual period, and generally there is no apparent reason for deliberately delaying probate. However, we have a concern about properties being left empty for several years, and while this isn't necessarily done to

avoid paying the tax, it does continue to create social problems. We therefore consider that a limit needs to be set, and that 3 years is a reasonable period of time.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

We believe that the issue is complicated and difficult to define, and not necessarily one that experts in the field of local government finance will be best placed to answer.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council.

Unfortunately, any such change has the potential to be abused. We do not think it is fair to expect local taxation officers to use their discretion in such a complex situation, and medical certification should be obtained as a minimum.

The experience of taxation officers is proof that the requirement for evidence of a relevant benefit is important. In practice, following publicity campaigns, some taxpayers or their representatives contact the Council to enquire about this exemption but do not claim the benefit – even though they may qualify. This is a way therefore to enable Council officers to refer taxpayers to the relevant benefit.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

There is a risk that significant increases to Council Tax bills in rural areas due to increases in house prices (often as a result of areas being attractive as locations for second homes and holiday cottages and not as a result of any action by the individual taxpayer) could have a negative impact on these areas. We are concerned that many Welsh-speakers in Gwynedd will have to sell their properties because the higher tax could be unaffordable, given that incomes are low despite the value of their asset increasing.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

When conducting revaluations, that the Welsh Government should put pressure on the Valuation Office Agency not to treat rural areas as "wealthy" because incomes are low in these areas.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Essentially, Gwynedd Council believes that reform of the whole system needs to be looked at, and that there is a need for more reform than simply adjusting the Council Tax. While we are of the opinion that Method 3 makes the system a little fairer, the local government funding system needs to be completely reformed and an alternative funding system needs to be considered.

Consideration should be given to offering an exemption or discount on property adapted for a disabled person's purposes, rather than the current system of lowering the tax band. This is because many adaptations are now common for many taxpayers, whether disabled or not (e.g. walk-in showers). We believe that this discount needs to relate to the person, not the property.

Cyngor Sir Ynys Môn Council (Original Response)

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Isle of Anglesey / Ynys Mon

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reform

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- fastest timetable: minimal, modest or expanded reform by 1 April 2025
- slower reform: minimal modest or expanded reform starting in 2028
- staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

other (please specify)

Dylid diwygio'n ehangach yn dilyn mwy o waith ymchwil ar effaith y diwygio ar gynghorau lleol h.y efallai rhedeg blwyddyn ffug er mwyn gweld yr effaith.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- 2 years
- 3 years
- 4 years
- Other (please specify)

2 years

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- Option A: significant brain impairment
- Option B: significant brain condition

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- Yes
- No
- Any other views (please specify)

Yes

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification.

Ehangu'r person cymwys i arwyddo'r ffurflen i gynnwys nyrsys seicolegol/ unigolyn proffesiynol yn y maes iechyd meddwl.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

Mae Cyngor Ynys Môn yn gweithredu Cymraeg yn gyntaf. Yn ogytal, mae'n codi premiwm ar dai gwag ac ail-dai. Efallai bydd cynnydd yn y premiwm yn galluogi'r Cyngor fuddsoddi ymhellach yn y farchnad dai leol.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

N/A

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Croesewir Cyngor Sir Ynys Môn diwygiad o Dreth Gyngor yng Nghymru, mae'n hir-ddisgwylledig. Mae defnyddio prisiadau'n dyddio'n ôl i 2003 yn annheg i rai trethdalwyr, a all fod mewn gwahanol fand i eiddo cyfagos sydd o faint neu fath tebyg, ond mae hefyd yn anodd ei egluro a'i gyfiawnhau i drethdalwyr. Mae'n ychwanegu at y ddadl fod y Dreth Gyngor yn dreth annheg. Felly, rydym yn llwyr gefnogi'r angen i ailbriso pob eiddo ac i gynnal prisiadau amlach wedi hynny. Bydd hyn yn sicrhau bod y sail y codir y dreth arni yn fwy cadarn a chredadwy na'r sefyllfa bresennol.

Gyda phob newid, bydd rhai yn elwa a rhai yn colli, yn nhermau trethdalwyr unigol ond, yn ogystal, yn effaith cyllido llywodraeth leol yng Nghymru. Fodd bynnag, mae'n rhaid asesu effaith y newidiadau gan y trethdalwyr ac awdurdodau lleol, ac mae angen amser gan y ddau i asesu beth fyddai effaith y newidiadau arnynt.

Nid fyddai newid ym mand eiddo yn ddieithriad yn arwaith at gynnydd neu ostyngiad sylweddol yn y tâl byddai angen i drethdalwyr unigol ei dalu. Byddai newid yn y bandiau'n newid sylfaen y dreth gyffredinol yr awdurdod lleol a'r tâl Band D. Gall symudiad tâl Band D gwrthbwyso unrhyw gynnydd neu ostyngiad a all godi o eiddo'n newid band. Heb ystyried y ddau factor, gall trethdalwyr gredu byddai eu band newydd yn arwain at gynnydd yn eu Dreth Gyngor a byddent yn apelio'r band newydd, pan, mewn gwirionedd, efallai ni fyddent yn wynebu cost gynyddol oherwydd y newid yn tâl Band D a osodir gan yr awdurdod lleol. Byddai delio ag apelïadau yn arwain at lwyth Gwaith ychwanegol i'r Asiantaeth Swyddfa Brisio, a gall hyn gael ei leihau drwy osgoi apelïadau diangen.

Bydd yr awdurdod lleol hefyd angen amser i asesu effaith y newid yn y bandiau ar ei sylfaen y dreth, ei dâl Band D a lefel y cyllid grant (Cyllid Allanol Cyfun) a dderbynnir gan Lywodraeth Cymru.

Felly, byddem yn ffafrio gweithrediad mwy graddol, lle byddai'r bandiau newydd yn cael eu cyhoeddi erbyn Ebrill 2025, ond parheir i ddefnyddio'r hen fandiau yn 2025/26, ond i Lywodraeth Cymru gyhoeddi setliad cysgodol yn seiliedig ar y Sylfaen y dreth newydd. Byddai hyn yn caniatáu awdurdodau lleol i benderfynu y tâl Band D gan ddefnyddio'r sylfaen y dreth newydd, a byddai'n caniatáu i hysbysu'r trethdalwyr o'r Dreth Gyngor sy'n daladwy dan yr hen fandiau a beth fyddai'r tâl wedi bod pe gweithredwyd y bandiau newydd.

Cyngor Sir Ynys Môn Council (English Translated Response)

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Isle of Anglesey / Ynys Môn

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reform

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- fastest timetable: minimal, modest or expanded reform by 1 April 2025
- slower reform: minimal modest or expanded reform starting in 2028
- staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

other (please specify)

Expanded reform should follow more research on the impact of reforms on local councils i.e perhaps conducting a mock year in order to see the impact.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- 2 years
- 3 years
- 4 years
- Other (please specify)

2 years

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- Option A: significant brain impairment
- Option B: significant brain condition

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- Yes
- No
- Any other views (please specify)

Yes

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification.

Persons who are eligible to sign the form should be expanded to include psychiatric nurses/mental health professionals.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

Isle of Anglesey County Council operates a Welsh-first policy. It also charges a premium on empty houses and second homes. An increase in the premium may enable the Council to further invest in the local housing market.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

N/A

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Isle of Anglesey County Council welcomes reforms to the Council Tax system in Wales, and they are long overdue. Using valuations dating back to 2003 is unfair to some taxpayers, who may be in a different band to adjacent properties of similar size or type, but it is also difficult to explain and justify to taxpayers. It adds to the argument that the Council Tax is an unfair tax. We therefore fully support the need for a revaluation of all properties and to conduct more frequent valuations thereafter. This will ensure that the basis on which the tax is levied is more robust and credible than the current situation.

With every change, some will benefit and some will lose out, in terms of individual taxpayers but, in addition, it will impact local government funding in Wales. However, the impact of the changes has to be assessed by both taxpayers and local authorities, and both parties require time to assess the impact of the changes on them.

Changing a property's band would not invariably lead to a significant increase or decrease in the amount that individual taxpayers would need to pay. A change in bands would alter the base of the overall local authority tax and the Band D charge. A variation in the Band D charge could offset any increase or decrease that may arise from a property changing bands. Without considering both factors, taxpayers may believe their new band would result in an increase in their Council Tax and would appeal against the new band, when they might not actually face an increased cost due to the change in the Band D charge imposed by the local authority. Dealing with appeals would result in an additional workload for the Valuation Office Agency, and this could be reduced by avoiding unnecessary appeals.

The local authority will also need time to assess the impact of the change in bands on its tax base, its Band D charge and the level of grant funding (Aggregate External Finance) received from Welsh Government.

We would therefore favour a more phased operation, where the new bands would be announced by April 2025, with the old bands continuing to be used in 2025/26, but for the Welsh Government to announce a typical settlement based upon the base rate of the new tax. This would allow local authorities to determine the Band D charge using the base of the new tax, and would also allow us to inform taxpayers of the Council Tax payable under the old bands and what the charge would have been if the new bands were implemented

Denbighshire County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Not applicable

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

The expanded reform allows for the more progressive and fairer element to reach those tax payers who are in the lowest value properties and who are more likely to be on a low income, living alone or receiving Council Tax Reduction.

We support approach 3, however there are concerns in Denbighshire as the Tax Base will significantly drop, with more reliance on the RSG. If the RSG was to be reduced, the impact will be greater due to the fact the Tax Base is low.

There is also a risk that those LA's where the Tax Base reduces, will increase Council tax significantly if RSG decreases, meaning the fairness of the scheme becomes a postcode lottery and will erode the rationale for the changes.

Denbighshire would ask that WG provide assurances if approach 2 or 3 is progressed that the decrease in Tax Base will be mitigated by the increase in RSG on a long term basis

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

Denbighshire support the revaluation to be implemented by 2025 to allow this to be up to date before implementing the further changes. It would also allow time for any appeals with the VOA to be considered, as well as the complex transitional arrangements to be detailed before the further changes are implemented.

CTR will also be impacted by the revaluation. WG will need to review the funding arrangements for this. Currently Denbighshire have over £1m shortfall on CTR expenditure compared to what is funded. Revaluation will allow for this to be evaluated and the impact considered before the further approaches commence.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

other (please specify)

Agree there should be a time bound period. Properties on a Class F exemption have increased in Denbighshire. Many properties are left empty for a number of years.

Some are potentially being used as second homes but this is not possible to administer with the current legislation.

6 months period to apply for probate

6 months period after probate is granted.

This would give the payer 1 year to administer the estate. A S13a can always be considered for any exceptional cases, however the norm would be 12 months maximum and then a full charge or potential premium if applicable.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option B: significant brain condition

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

In a lot of cases we have customers that have capacity to deal with their own affairs but they are considered SMI by their GP. However the title doesn’t necessarily mean any ‘severe’ mental challenges.

Possibly a term that does not include mental or impairment as these are deemed derogatory terms in the context that they are used for this exemption. Perhaps something around capacity should be more appropriate.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**

- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

If the intent of the exemption is to award to individuals who lack capacity, the criteria possibly needs to change to reflect the severity. The GP certificate is often signed for conditions that possibly don't impact on the persons life significantly or may be a degenerative condition that may not initially but in 5 years may mean they qualify.

We have seen individuals have a GP certificate for conditions that allow a person to still work full time and not need additional support. It therefore raises a question about the rationale for the exemption.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

It is believed there will be a neutral impact on the Welsh language. By Wales becoming a more progressive and fairer nation in terms of Council Tax, this could increase the likelihood of younger people remaining in Wales as a place to live, however it equally could encourage people to move into Wales.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

All of the public communications regarding Council Tax is always bilingual, possible using some Welsh medium business to support the promotion and information of the changes.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

The process of gaining a Liability Order within the Magistrates Court seems outdated and burdensome on LA's and the justice system. It also generates costs for tax payers already struggling to pay. Could the recovery process be considered to allow the recovery paths to be utilised once a certain stage is reached without the need for Court or costs. Housing Benefit Overpayments operate in this way and it works well.

It is suggested that Council Tax Reduction is applied consistently across Wales by way of a DWP notification if all information is provided rather than customers having to make a separate application. This will reduce the numbers of households missing out on entitlement.

Non Domestic Rates currently has too many loop holes to allow companies not to pay with no avenues of recovery for LA's to utilise. Often shell companies are used to buy properties. The property is the only asset of the company. Without the ability to do a Charging Order, as with Council Tax, Wales is writing off millions in uncollected NDR debts. It is also too easy for Ltd companies to avoid paying by dissolving a company with no challenge and again leaving no recourse for LA's to collect the monies owed, often with the same directors etc occupying under a new company name. There needs to be some form of liability of the directors and again being able to utilise Charging Orders for this purpose would help.

Many town centres have partly occupied buildings, whereby the ground floor is a shop/café or other retail outlet but upstairs is empty. Could there be an incentive to have the remainder of the building utilised for domestic purposes to enhance town centres, increase foot fall as well as assist with the strategy to increase affordable housing. Many town centres have 3 or 4 stories empty and capable of being occupied.

Flintshire County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

No comment

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

We fully support the proposition of a national revaluation and believe council tax reforms should be implemented in phases, adopting a steady approach, and working towards a more progressive tax system.

For this reason, we believe approach 3 (the expanded reform) should be implemented but adopting an incremental approach starting with an immediate revaluation using the current 9 band system.

The property market has changed so much since 2003 and it is difficult for residents to align their property band based on a system of valuation thresholds that are not a reflection of modern-day house prices.

A timely revaluation exercise will help to address the regional disparities in house prices and reflect council tax banding that take account of slower levels of growth in property values in Flintshire compared to the national average.

The Council recognises the fragile position of local government finance across Wales and implementation in 2025 should have smaller impacts across income distribution

overall, both for individual households and the overall finances of each local authority finances.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Yes, we fully support the proposed changes to time-limit the Class F exemption, especially as in some cases, the period of exemption can last several years, and the current arrangements of awarding an unlimited council tax exemption does not provide an incentive to bring the properties back into full use.

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

other (please specify)

No two cases are ever the same and the time it takes to obtain probate will differ from one estate to the next. In most cases, probate or letters of administration are

granted quickly and the average timeline, across England and Wales, from submission to grant is currently 14 weeks.

We therefore believe that a one-year time-limit should be implemented which will still provide adequate safeguard for complex cases. A one-year limit to apply for probate or letters of administration will act as an incentive for the personal representatives to apply for probate and not to delay matters.

The time-limit will also ensure properties are re-occupied as soon as possible, either by family members or beneficiaries of the estate, or through an eventual sale of the property.

In reaching this conclusion, we also consider that once probate has been awarded, a further six months statutory exemption will continue to apply for the beneficiaries/new owners before council tax payments are due. We therefore believe the measures are proportionate and reasonable.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

No comment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

No

We do not support the proposed changes as the language used in the Local Government Finance Act 1992 to describe someone as ‘severely mentally impaired’ continues to be aligned to the Mental Health Act 1983.

The ‘severe mental impairment’ term is widely recognised and well established.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

There are 865 households in Flintshire that qualify under this scheme, of which 358 are fully exempt from council tax. The other 507 households may get a 25% reduction, a 50% reduction on the odd occasion or no discount at all e.g., there are 3 adults and only 1 disregard.

The current system works well. There is a simple application process to ensure residents can submit supporting statements from a medical practitioner and confirm details of their supporting benefit/s.

To be eligible for a council tax reduction, we firmly believe there is a continued need to retain the qualifying criteria for a person to be entitled to a qualifying DWP benefit and to also have a medical certification from a registered general practitioner or specialist consultant.

Retaining the need for residents to be in receipt of qualifying benefits helps to validate and fast-track council tax exemption applications.

Crucially, we often receive applications from residents with severe mental impairments who are completely unaware of the range of benefits that are available to them.

In several cases, it is only at the point of the council tax exemption application that residents are made aware of, and signposted to, the additional supporting DWP benefits.

There is a vital correlation between the two schemes and any break between the two would result in silo working arrangements and reduce the awareness of benefits that are available to residents. More importantly, removal of the qualifying benefits link would result in unintended consequences as residents are likely to miss out on access to the additional DWP benefits.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

No comment

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

No comment

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

No comment

Monmouthshire County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Not applicable

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 1: minimal reform

The council is generally in support of council tax reform. However, is concerned about the impact these proposed reforms could have on households across the County.

The accompanying modelling by the IFS indicates that Monmouthshire's council taxpayers could be adversely affected by all 3 approaches, with approach 3 having the greatest impact.

At a time of ongoing cost of living pressures, it is feared that these proposals will lead to unintended pockets of poverty. Therefore the council can only support approach 1 which moves some way to update the current system and to reflect modern property values, whilst providing the least impact to households in the county.

The main concern about approaches 2 and 3 is the scale of the changes to the tax rates per band. An alternative option could be to expand the tax bands as proposed and to scale back the proportions for the tax rate per band.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

Given the potential impact of the approaches to households in Wales, the Council consider the fastest timetable to represent too much of a shock to households. If the expanded reform approach is taken, then this needs to be adopted over time as this would put particular strain on both households and the council's budget (which could be affected by households ability to pay any increased charges). Therefore in our view, any expanded reform needs to be introduced over time to give owners time to adjust to the new charges and for councils to plan their finances.

Welsh Government should be mindful of the current ongoing cost of living crisis and other recent economic factors e.g. rising interest rates and a slowing housing market. Whilst property values in Monmouthshire have increased over recent years, this trend may not continue. Regular revaluations would help ensure that properties are in the most appropriate council tax band.

Consideration also needs be given to the potential impact these reforms will have on possible charges across Wales for households that are also subject to a council tax premium. This could have a considerable impact for properties that are in a higher tax band in areas where a 300% council tax premium applies.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- 2 years
- 3 years
- 4 years
- Other (please specify)

2 years

This will help to bring properties back into use.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

To ensure that the terminology is the same as the title would suggest changing the definition to “Significant (and permanent) mental impairment or change that impacts on the brain’s ability to function”.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**

- **Other (please specify)**

Other (please specify)

The requirement to be entitled to a qualifying benefit should be retained as it assists in determination. However we would like to see it amended to “in receipt of”.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

No comment

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

No comment

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

The council supports a move to more regular revaluations. This should help ensure that the amount of council tax households pay reflects the value of property they live in. Increasing the frequency of revaluations allows for changes in market conditions and will take account of property improvements on a timelier basis.

Should the decision be to move forward with approaches 2 and 3, the council would advocate for a robust transitional relief package to help support households most affected by the changes. The council is also awaiting the proposed accompanying consultation to proposed changes to the Council Tax Reduction Scheme (CTRS), as this potentially provides a further mechanism to support households significantly affected by these approaches.

The council is disappointed that alternative options for reform e.g. Land Value Tax, were not also considered as an option for future consideration.

Neath Port Talbot County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

Neath Port Talbot

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Council Tax is a regressive tax with charges disproportionate to property values, charges should be more relative to value. In absence of a replacement form of taxation this is best achieved by regular revaluation, and more appropriate bandings and changes in the tax rate. For this reason approach 3, expanded reform is preferred. This would demonstrate a commitment to fairness where those in the lowest value properties would see bills fall and those in more expensive properties would see bills rise.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**

- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

The financial impact of increasing the rate of tax and increasing the number of bands will be very challenging for those with little or no disposable income. In addition, the proposed increases could not have reasonably been anticipated by council tax payers when making major financial decisions (e.g when buying a property or re-mortgaging).

The current cost of living crisis, increases in bank rates and impact on mortgage payments combined with wider economic factors regarding the uncertainty of jobs at TATA Steelworks is a consideration when factoring in the timescales for reform.

It is therefore considered reasonable an incremental approach is implementation to reform. Option 1 (minimal approach) to be introduced in April 2025 to address the out dated valuations, and the expanded (incremental)approach to be managed over a longer period of time sometime in the next Senedd term.

This will give taxpayers the opportunity to consider moving into smaller properties with a lower property valuation. There will be considerable time for LA's and WG to educate people on the up-and-coming changes so they can make an informed decision about their property.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Yes, a time limit is necessary as people are often advised not to apply for probate in order to retain the council tax exemption. An introductory date of 01.04.26 is welcomed.

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

3 years

Given the sensitive nature of dealing with bereavement (some people cannot begin to deal with the legal affairs for quite a period of time) plus the complexities surrounding the probate system together with internal family disputes, a period of 3 years is deemed a reasonable amount of time.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

It is agreed that the definition “Significant (and permanent) mental condition or change that impacts on the brain's ability to function” would be more easily understood by taxpayers.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**

- **Other (please specify)**

Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification.

Any scheme that has a discretionary element is open to criticism and appeal and can be construed as unfair. To ensure a fair, transparent and consistent approach it is believed that an All Wales approach is preferable with no discretionary element. The removal of the requirement for a person to be entitled to a qualifying benefit upon receipt of a medical certificate is supported.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

No effect

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

No effect

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

It is important that software providers are consulted and have engagement to ensure whichever option is progressed can be delivered on time. Often what seems a small change in legislation can have significant implications on software and reporting tools. In addition, a good lead time for implementation of changes is essential for LA's so they can fully test the software changes. Most LA's will do their annual billing in a test environment in early February.

We recognise the importance of updating the current council tax system as a temporary measure however we would encourage the Welsh Government to look at more progressive ways of funding local council services.

The gearing effect of council tax will also mean that for those local councils who, going forward, raise less income from council tax they will become more reliant on Revenue Support Grant. The Welsh Government will need to ensure that local government settlements are sufficient in future otherwise the burden of funding will fall once again on local taxpayers.

Newport City Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Newport

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Newport City Council broadly supports the move towards a more progressive model of charging council tax, and the approach detailed in the 'Expanded Reform' model delivers this best.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

If the expanded option is taken it will mean big changes for city residents and also for the practicalities of such a big change being put into place. For these reasons it is felt that it is important that the change is carefully prepared for to minimise issues for both the residents who will pay the tax and for the Council that will need to fully understand and prepare for changes to it's finances.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

3 years

A period of 3 years is sufficient for obtaining probate even when the case is complex. Leaving the exemption open ended causes problems for the empty home team and a number of very long term empty homes are currently exempt and in class F.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

No comment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain's ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

We do not feel that the term severely mentally impaired needs to be changed as this definition is widely understood and is used in many other areas and not just council tax.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

Option B is too wide and creates issues of fairness when dealing with individual cases so we would not wish to use this option.

The preferred option is to leave the definition, qualifying criteria and requirement for medical certification to remain as they currently are.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

There are not expected to be any effects either positive or negative on the Welsh language.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

No comment

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

No comment

Pembrokeshire County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Pembrokeshire

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reform

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- fastest timetable: minimal, modest or expanded reform by 1 April 2025
- slower reform: minimal modest or expanded reform starting in 2028
- staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

slower reform: minimal modest or expanded reform starting in 2028

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- 2 years
- 3 years
- 4 years
- Other (please specify)

3 years

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- Option A: significant brain impairment
- Option B: significant brain condition

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- Yes
- No
- Any other views (please specify)

Yes

There is a need for consistency and we believe the term severe mental impairment is used in other areas covering mental health and therefore consideration should be given to keeping consistency throughout Acts and guidance already in place.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification.

Legislation should also state a maximum period this can be backdated. Updated guidance notes should also be available to all registered practitioners.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

Proposals are likely to have an impact in that people living in communities in Pembrokeshire where more people speak Welsh are likely to pay more as our research shows house prices have tended to rise faster in these areas between 2003 and 2023. The increase in average house price over the last 20 years is 198% v 179%. Details of our calculations can be provided if helpful.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

We have no specific comments on this.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Due to the significant changes to the tax bases within local authorities, we would suggest that some form of transitional protection is incorporated into any changeover to insulate against the significant financial risk that the Authority would be exposed to.

In Pembrokeshire's case the potential £4.3m loss of AEF within the expanded reform would then need to be balanced by Council Tax collection of an increased Council Tax base and since the current Council Tax Band D rate is below the average this would put the Authority at further detriment throughout the MTFP at a time when balancing the budget is already posing substantial challenges.

Powys County Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

Not applicable

Question 2: Council Area

Which council area do you live in?

Answer

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 1: minimal reform

Powys County Council has a very low appetite for reform due to the implications on the overall council tax base of the proposals and the current economic challenge, particularly the impact that it has on local authorities.

Council tax is the most visible form of taxation, and it is likely that council taxpayers will see council tax reform as a way of increasing the overall council tax burden, particularly as its introduction would coincide with any council tax increases agreed as part of the Council's budget and council tax setting process.

Each of the approaches to council tax reform proposed by Welsh Government would result in a greater tax burden falling on the council taxpayers of Powys. The overall level of reliance on council tax to fund local services across Wales has grown from a split of 20% council tax and 80% aggregate external finance (AEF) in 2005-06 to 25% council tax and 75% AEF for 2024-25. For Powys council taxpayers are already contributing 30% of the Council's net expenditure in 2024-25, which is the 3rd highest in Wales. All these proposals would increase that burden, at a time when the cost-of-living crisis continues to impact significantly on households' ability to pay. The cost-of-living crisis is exacerbated in rural areas by the premium paid in those areas for everyday essentials.

The current public finance environment is also driving a further reassessment of how and where local services can be delivered across Wales, and for those sparsely populated counties such as Powys (with an average of 26 people per km²), residents are likely to have to travel further to access a reduced service offer, often without the option of public transport. Should this coincide with far reaching council tax reform the council taxpayers of Powys would be faced with paying significantly more council tax for a more distant and further reduced level of service.

Council taxpayers have limited access to public transport across the County and are reliant on car ownership to travel to their nearest town to access shops and services. They are also disadvantaged in terms of broadband connectivity as Powys has the lowest coverage of residential superfast broadband in Wales (84%² compared to the Welsh average of 96%). Powys County Council questions whether the size and value of a property reflect the occupant's ability to pay an increased council tax bill. Many residents will remain in family homes long after their family has left home. In this time the value of their property may increase but it is not a particularly liquid asset, and their income may not have kept pace or may even have reduced if they have retired. Often the solution offered for this situation is to move to a smaller property but there is a shortage of smaller homes, particularly 1-bedroom properties within Powys, and finding a suitable smaller home within the same community can be particularly difficult.

Powys Economic Context

The Gross Value Added (GVA)³ per head for Powys is amongst the lowest in Wales at 57.2 in 2021 (ONS). Median weekly full-time earnings⁴ in Powys are £573.20, and ranks 15th in Wales, compared to a Welsh average of £598.10. Hourly earnings though are only £13.71, and ranked 21st in Wales, (below Blaenau Gwent) compared to £15.19 Welsh average, reflecting the long hours worked, particularly within the agricultural sector.

Agricultural dwellings, both owned and rented, tend to be larger and therefore their value is often relatively high while income to those households, as set out above is relatively low. The dwellings are also tied to the overall agricultural holding, limiting options for downsizing. The agriculture sector is also facing significant changes in the subsidy regime, creating greater financial uncertainty for the sector. The average household income in Powys is £33,458 (Wales: £34,700, UK: £40,257). 55% of households in Powys earn below the Powys average (£33,458).

In Powys, average housing prices are 11.8 times higher than the average disposable income⁶.

The Rural – Urban divide

It is noticeable that all of the approaches result in significant increases in council tax bills across the more rural counties in Wales, even those areas that have previously qualified for objective 1 status for European funding programmes. It gives the appearance of penalising rural authorities where services are more costly to deliver⁷ and the service offer itself is more limited (see attached Rural Cost Analysis). There is also reduced scope for alternative provision, for example from the private sector for leisure provision and so on.

The age profile

Analysis by the IFS showed how all the proposed approaches benefit younger households the most, while those in the households where the oldest member is 55 or more will see the biggest increases, again disadvantaging authorities like Powys with a higher than the Welsh average of older people and exacerbate pensioner poverty.

Transitional protection

There would need to be transitional protection put in place for those council taxpayers whose property moves into a higher band as a result of any of the proposed approaches, particularly if they were to move by more than 1 band, as was put in place in 2005. As in 2005, this protection would need to be fully funded by Welsh Government.

Impact on Council Tax Reduction Scheme

Within Powys, those council taxpayers that would benefit from these proposals (ie those in Bands A-C) are also those that are more likely to make a claim for Council Tax Reduction Scheme (CTRS).

Currently the funding provided through the settlement to fund the all Wales CTRS is significantly underfunded and sees Powys County Council having to subsidising this relief by more than £2.8 million per annum above the SSA. Irrespective of the impact of these proposals a review of the current funding for this scheme should be undertaken.

Credibility of the Council Tax system

That said, the Council acknowledges that if the system of local taxation is to continue to be based on property values, then those valuations need to be current and should be revalued on a regular basis. This change would also make the system easier to understand for council taxpayers than using outdated property values, which also weakens the credibility of the system.

In summary, if any reform is to be introduced given current economic circumstances, Powys County Council's preference would be the minimal option (approach 1) of revaluation.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

slower reform: minimal modest or expanded reform starting in 2028

Powys County Council favours a slower pace of reform and considers both the Modest and Expanded approaches to cause too great a shift in council tax bills to be introduced on 1 April 2025.

We have significant concerns about the practicalities of implementing any reform option by 1 April 2025, given the time required for valuations and appeals, changes required to software systems and the additional administrative burden on local authorities at a time when the Council's funding is extremely challenged and projected to worsen.

A longer lead-in time will give local authorities and council taxpayers an opportunity to fully understand the impact of these proposals and consider choices to potentially mitigate them, although as set out above, opportunities to downsize to smaller properties are extremely limited within Powys, especially if wishing to remain within the same communities to maintain support networks from families and friends, potentially increasing pressure on already stretched council services, particularly social care and health.

It would also allow more work to be done to assess the impact of these changes on rural authorities and on rural deprivation, when combined with the "re-sizing" of local services that will result from the extremely challenging public finance forecasts over the next few years.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

2 years

Powys County Council considers 2 years to be a reasonable period for obtaining probate or letters of administration, retaining the 6 months maximum exemption after probate or letters of administration are obtained.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

Clarity around who is and is not eligible is absolutely essential for this exemption / disregard. In our view this needs to be consistent across Wales.

Accessing the exemption / disregard needs to be as simple as possible for those who are eligible and for those administering the process so Powys County Council supports the view that to maximise take-up, access to this exemption / disregard should rely on a certificate from medical practitioner only, and not necessarily require the person to be in receipt of a qualifying benefit criteria.

The declaration would need to be sufficiently robust to ensure authenticity of the medical certificate.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

Powys County Council is committed to ensuring that the Welsh language is promoted and treated no less favourably than the English language, and that people can live their lives through the medium of Welsh if they choose to do so. The 2021 census shows that 16% of Powys residents are able to speak Welsh but the percentage of Welsh speakers varies across localities within Powys, with some areas having a higher percentage, for example Machynlleth at 49%, Ystradgynlais at 31% and Llanfyllin at 29%.

If the policy were to result in affordability issues for some households within Powys and downsizing was the only option available to them, given the lack of housing of a suitable size within Powys, as described above, there is potential for a detrimental impact on community cohesion within Powys, including within the Welsh speaking communities within Powys.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

The minimal approach to council tax reform would minimise the risk of households needing to downsize and potentially having to leave Welsh speaking communities within Powys.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Impact on Council Tax Reduction Scheme

Within Powys, those council taxpayers that would benefit from these proposals (ie those in Bands A-C) are also those that are more likely to make a claim for Council Tax Reduction Scheme(CTRS).

Currently the funding provided through the settlement to fund the all Wales CTRS is significantly underfunded and sees Powys County Council having to subsidising this relief by more than £2.8million per annum above the SSA.

Irrespective of the impact of these proposals a review of the current funding for this scheme should be undertaken.

Rhondda Cynon Taf County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

No comment

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

No comment

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

No comment

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

No comment

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

No comment

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

No comment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: "Significant (and permanent) mental condition or change that impacts on the brain's ability to function."

- **Yes**
- **No**
- **Any other views (please specify)**

No comment

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

No comment

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

No comment

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

No comment

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Dear Sir / Madam

I have been instructed by this Council's Overview & Scrutiny Committee to convey the comments and observations of Members in relation to the consultation on the proposals for Council Tax Reform.

The Overview & Scrutiny Committee gave feedback and comments in respect of the proposals at its meeting on the 29th January 2024. The Committee undertook a constructive discussion in respect of the proposals, with the comments and observations of elected Members summarised below.

A number of Members fed back that whilst change is required to create a fairer system, it was considered that implementation of council tax reform from 2025 is too soon, with the consequences and impacts not being fully understood and the need for further public awareness and engagement. Members also highlighted the need for a clearer understanding of how proposed reforms would impact on local authority funding as a result of changes in the tax base and the consequential impact on the level of funding raised through council tax and allocated via the Revenue Support Grant, and specific reference was made to the limitations for Rhondda Cynon Taf due to its local tax base. A consistent theme fed back was the need to do it right and do it properly.

Members asked that when a new system is determined, regular, clear and concise information is communicated to residents so they are fully aware of how they will be affected by the implementation and what it will mean for them financially, this being even more important due to the on-going cost of living crisis. Members also urged that residents are notified well in advance of any changes being implemented to allow them to prepare financially.

A number of Members were disappointed with the content of the Welsh Government consultation material and fed back that they did not feel it provided sufficient information to ensure the public and stakeholders were fully informed; therefore, there was a risk that consultees may not be able to provide meaningful feedback on the consultation questions. Specific information was fed back in this regard to aid future public engagement through providing illustrative examples of what the financial impact could be for an average household per tax band. Members highlighted that Welsh Government should provide further opportunities for engagement on the proposed reforms.

Members raised a number of concerns in relation to the re-valuation of the tax bands, particularly Band A at £112,000, which will result in many residents in the Rhondda Cynon Taf area being pushed into a new Band B tax band. Members were concerned that this will place additional financial pressure on residents who are already struggling with the costs of everyday living. Members urged that the

proposed valuations are reconsidered and when valuations on homes are undertaken, the rationale for new tax bands are clearly communicated.

In discussing the three options, a number of Members remained concerned that there would still be an in-built unfairness in this system, and that an opportunity was again being missed to fundamentally reform this area. Members also expressed concern on the additional cost burden these proposals could create for properties of higher value and questioned the principle of connecting property values with households' ability to pay. An example was given that property values in the south of the County Borough are consistently higher than those in north, and that in many cases this can mean that working families have less disposable income in these areas. Some Members highlighted the need for Welsh Government to consider researching council tax systems operated in other parts of Europe. Members also noted that any future revaluations, that include social housing, could mean that properties are allocated to a higher Council Tax banding and therefore result in creating additional financial pressures and barriers for families looking to access the property ladder in the future, with some families also becoming eligible for Council Tax Reduction Scheme support.

The Overview and Scrutiny Committee were grateful for the opportunity to formally respond to the consultation and look forward to seeing further detail as the proposals are developed.

Torfaen County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

No comment

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reform

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

As a prerequisite to any reform, we need to get properties into the correct band associated with the value of their property and get residents used to revaluations. We would start there for 2028. Once the valuations are in place then a move to expanded reform would make the tax less regressive.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- fastest timetable: minimal, modest or expanded reform by 1 April 2025
- slower reform: minimal modest or expanded reform starting in 2028
- staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

slower reform: minimal modest or expanded reform starting in 2028

When considering timing, we need to be mindful that house prices are dropping, interest rates are increasing, cost of living crisis, premiums are being introduced at higher rates and the possible increases in band D charges across Wales, given pressures on budgets. This consultation will close in February 2024 so a structured plan could be for revaluation in 2028 and then an agreed and published timetable beyond 2028 to move to expanded reform so that taxpayers are well sighted in advance.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

2 years

This will again work towards bringing properties back into use alongside the premium charges that are being considered and introduced.

Question 7: SMI Replacement

Which title do you think should replace the term 'severely mentally impaired'?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

But the definition should read “Significant (and permanent) mental impairment or change that impacts on the brain’s ability to function”.

This then ensures terminology is the same in the title of discount/exemption and definition.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**
- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

The requirement to be entitled to a qualifying benefit should be retained as it assists in determination. But it should be amended to “in receipt of”.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

N/A

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

N/A

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Regular revaluations will allow for properties with significant improvements to be addressed timely and there will be no requirement to change the law to take these into account.

The proposed changes do not consider use of services or income. They are being driven on the property values only. It is therefore important that the implementation is taken in a stepped approach and hopefully when the property values and interest rates have stabilised.

A timetable starting in 2028 but agreed well in advance will also allow software providers to be fully engaged.

Whichever reform is ultimately decided upon there needs to be in place a robust transitional protection scheme for both authorities and tax payers.

Vale of Glamorgan Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

Vale of Glamorgan

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

We are supportive of the full expanded reform to ensure that the tax burden is shared more fairly as we're aware that the current system is regressive and in need of reform. We also recognise that there is a need for additional bands at both the top and bottom of the current valuation system.

We welcome the suggestion of three additional bands with one at the bottom and two at the top, as we believe this retains the simplicity of the banding system. We also support the new value thresholds and tax rates for the same reason and so that the new system can be considered less regressive.

We recognise that the growth in house prices has been greater in the Vale of Glamorgan than many parts of Wales and that consequently that there will be a greater overall burden on the residents of the Vale. Although we appreciate that the Revenue Support Grant will be adjusted accordingly, research from the IFS suggests that we could see around a 15% swing in the Vale so we will need to be mindful of our additional collection responsibilities (especially in the current economic climate) and the stability and reliability of the RSG moving forward.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term

We are supportive of the full expanded reform being finalised within the next Senedd term in 2028.

However, we would suggest that a revaluation takes place in advance of that to begin the process of moving to a fairer Council Tax system as soon as possible for our residents.

It would also be easier to explain a two staged approach to our residents.

We also want to point out that software changes will undoubtedly be required and the scale of this shouldn't be underestimated.

However, we would like to see the changes as proposed in 5 and 6 below brought in at the earliest opportunity.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

2 years

We believe the current Class F exemption rules are outdated and would welcome a reduction to two years.

This would align with our commitment to bring empty properties back into use and create much needed housing within the Vale. This also supports our approach on Council Tax premiums.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

Option A: significant brain impairment

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Any other views (please specify)

We believe this terminology and definition are more robust and appropriate than the outdated term of severely mentally impaired.

We’ve consulted with social care colleagues and a more up to date term for question 7 above, would be “severe cognitive impairment”.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**

- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

Whilst we are supportive of the aims of reform, reducing the criteria will inevitably lead to people qualifying for a reduction who were not the intended recipients of this. It should not be left to Council Tax staff determining whether or not a medical diagnosis is sufficient to qualify for the reduction and would ultimately lead to an administrative burden for Local Authorities as well as the Valuation Tribunal Service in hearing appeals against decisions made. As there are other reductions that would still require proof of an applicable benefit (such as a carers disregard of 25% which is an indication as to the level of care required) it would seem inappropriate that individuals could be made fully exempt from Council Tax without any such evidence to support its requirement. A potential option may be to allow for a reasonable under collection and potentially step this down over a period of time.

On that basis we feel that the criteria for qualifying for the reduction remain unchanged.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

No impact.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

Nothing to add.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

Our major concern is the change in the balance of funding and the way in which the AEF is calculated. The formula assumes a 100% collection rate at a standard level of Council Tax. Quite clearly, whilst Council Tax is a statutory charge and close to 100% is recovered over time with minimal write off, no Welsh authority collects 100% in year, the median for Welsh counties in 2022/23 being 96.17%. For the Vale of Glamorgan the current forecast Collection rate is 97.1% and with the modelled increase in the tax base of £14M there is the potential for a 3% shortfall in the revised AEF. The new arrangements would need address this and not leave those counties with increased Tax bases not disadvantaged in the reassessment of AEF.

Wrexham County Borough Council

Question 1: Band

What Council Tax band are you currently in? Please choose an option, you may wish to refer to your latest Council Tax bill or you can check your council tax band by looking up your address or postcode.

No comment

Question 2: Council Area

Which council area do you live in?

No comment

Question 3: Approach

The Welsh Government has shown 3 possible approaches for how to design a fairer Council Tax system. We want to ask you about your appetite for reform.

Do you think we should aim for:

- **approach 1: minimal reform**
- **approach 2: modest reform**
- **approach 3: expanded reform**

Or do you have other views or ideas about the approach we should take to the scale of reform (please specify)?

approach 3: expanded reform

Having considered the options through a member workshop in January, the authority is supportive of the expanded reform proposal. Whilst this increases the number of bands in system, its introduction should help address some of the perceived issues with the current system. The other options do not appear to address these to the extent that the expanded reform would.

Question 4: Timescale

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Again, we want to ask about your appetite for reform:

Do you think we should make changes according to the:

- **fastest timetable: minimal, modest or expanded reform by 1 April 2025**
- **slower reform: minimal modest or expanded reform starting in 2028**
- **staged reform: minimal or modest reform in 2025, moving to expanded reform in the next Senedd term**

fastest timetable: minimal, modest or expanded reform by 1 April 2025

Having considered the timing issues around reform during the member workshop in January the authority recognizes the advantages of moving to any proposals on the fastest timeframe – April 2025 but this would have to be conditional that councils have certainty around the cost neutrality of the change, and in particular, understand better how this would be reflected through levels of Revenue Support Grant during this period. There was a clear message that councils' funding should not be negatively impacted by any changes.

There were some concerns raised in the workshop however as to whether the timeframe of April 2025 is actually realistic, as there is a considerable amount of work to be completed especially resolving the concerns around impacts to Council funding generally and the specific impacts on Revenue Support Grant.

Consideration was given to the other timing options suggested. It was noted that a delay until a later date e.g. 2028, would not address the issues which the reforms are intended to address in a timely manner. Similarly moving from a situation of modest reform to major reform if anything could confuse taxpayers. For example, a scenario where a property moves from a revalued band in 2025, e.g. from Band A to B, then under staged reform moves to band A1 or A2 would be potentially confusing and frustrating for the taxpayer. This may also add further costs to the process in terms of the system changes that would be required, additional communication to taxpayers advising of further changes - which could be subject to further or additional appeals.

Question 5: Exemption F

Do you agree there should be an overall time-limit on Exemption F to discourage properties being left empty and exempt from Council Tax for an indefinite period?

A Class F exemption is currently provided for properties that have been unoccupied since a former resident's death where the only person liable for Council Tax would be the deceased's personal representative, and no grant of probate or letters of administration has been made.

Yes

The authority is supportive of the proposal to place a time limit on Class F Exemption. Having an exemption which could be for an indefinite period does not align with the discretions councils have in relation to Long Term Empty Properties or Second Homes which could be subject to a Council Tax Premium.

Whilst this could create some issues regarding personal liability for Council Tax during this period, overall it may help bring the more properties back into use or trigger a potential sale of the empty property.

Question 6: Probate / Letter Period

What do you consider is a reasonable period for obtaining probate or letters of administration?

- **2 years**
- **3 years**
- **4 years**
- **Other (please specify)**

other (please specify)

Ideally this should be for 12 months, however the authority recognises that in some cases there could be complexities in the process so could support this being a maximum period of 2 years.

Question 7: SMI Replacement

Which title do you think should replace the term ‘severely mentally impaired’?

- **Option A: significant brain impairment**
- **Option B: significant brain condition**

The authority does not have a preference on the options as the proposals are not significantly different to the existing title, but suggests that any change of title to this exemption should use the appropriate clinical description.

Question 8: Definition

Do you agree with the proposed definition to describe a person with a significant brain impairment or condition?

The definition is: “Significant (and permanent) mental condition or change that impacts on the brain’s ability to function.”

- **Yes**
- **No**
- **Any other views (please specify)**

Yes

The authority would support this proposal as indicated above that any proposed changes should use the appropriate clinical description.

Question 9: Qualifying Criteria

Do you have any views on the qualifying criteria for a person with a significant brain impairment or condition to be entitled to an exemption or disregard?

The current qualifying criteria are for a person to be entitled to a qualifying benefit and to have medical certification from a registered practitioner.

- **Option A: remove the requirement for a person to be entitled to a qualifying benefit in order to qualify for the exemption or disregard but retain the need for a medical certification**

- **Option B: where a person can provide proof of clinical diagnosis, the requirement for a person to be in receipt of a qualifying benefit could be removed at the discretion of the council**
- **Other (please specify)**

Other (please specify)

The qualifying criteria for this discount/exemption should remain unchanged.

Question 10: Welsh Language

We would like to know your views on the effects that these proposals 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?

The proposals outlined in the consultation document would not have a detrimental effect on the use of Welsh Language.

Question 11: Welsh Language

Please also explain how you believe the proposed policy approach 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.

The proposals outlined in the consultation document would not have a detrimental effect on the use of Welsh Language.

Question 12: Further Comments

We have asked a number of specific questions. If you have any related points which we have not specifically addressed, please use this space to record them.

The proposals outlined in the consultation document should help address some of the perceived unfairness in relation to Council Tax and the authority would support the introduction of these in a timely manner. Council Tax is a very well established tax, which has good levels of collection. The proposals outlined are positive. It is notable that similar reforms are also now being considered in Scotland and recently there have been calls for Council Tax to be reformed in England.

Whilst the council is supportive of the majority items in this consultation, as part of these changes consideration should also be given to Council Tax Recovery specifically in relation to alternatives to committal. Whilst the council did not actively

take cases to court for committal for non-payment it used the threat of this as an engagement tool which is no longer available and as a result there are cases which the council has limited means to engage and continue enforcement. As part of the "fairness" process this should also cover that everyone should pay the Council Tax demanded and be subject to fair and proportionate recovery action when it is clear they have the means to pay but are making conscious decisions not to pay. This was indicated in our response to the Phase 1 consultation and is important that this is addressed as part of reforms moving forward.