

Appendix 1 – Responses to the Welsh Government (Phase 2) Consultation on Council Tax Reforms

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 WG should aim for:

- approach 1: minimal reform
- approach 2: modest reform
- approach 3: expanded reforms
- or do you have other views or ideas about the approach WG should take to the scale of 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 1 (minimal reform) should be implemented without delay from April 2025 and then implementation of approach 3 (expanded reforms) during the next Senedd term.

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 minimal reform implementation in 2025 should have smaller impacts across income distribution overall, both for individual households and the overall finances of each local authority finances.

Although a stepped approach to council tax revaluation reform is sensible by starting with approach 1 in 2025, we believe the system needs to be more progressive by subsequent implementation of approach 3 (the expanded reforms) at the earliest opportunity in the next Senedd term.

The Welsh Government has described when the changes could be made to the Council Tax bands and tax-rates. Do you think WG 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
- or do you have other views or ideas about the approach WG should take to the pace of reform

We believe a steady and measured approach towards a more progressive council tax system is prudent, as it will provide an opportunity to review the impact of the phased reforms.

The reforms should commence from April 2025 starting with a national revaluation of domestic properties - by using the existing nine band council tax system (and retention of the existing band ratios).

Thereafter, we consider further reforms should be made in the next Senedd term to implement a more radical and progressive tax system by moving to the expanded reforms as set out in the consultation document.

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?

- Yes
- No

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.

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

- Two Years
- Three years
- Four years
- 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.

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

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

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.

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

No – see above.

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)

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, such as Universal credit (including an element for limited capability for work), attendance allowance, Disability Living Allowance etc.

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.