

Council Tax Information Letter 2/2006

The topics covered in this letter are:-

- Council tax collection rates.
- The council tax (new valuation lists for England) Act 2006
- Class G and planning conditions
- Valuation tribunal modernisation & reorganisation consultation.
- Updating secondary legislation
- Redundancy pay and attachment of earnings orders.
- Extension of child benefit payments.
- Council tax leaflets.
- Information Commissioner's report on the mis-use of personal data.
- Change of e-mail address.

Council tax collection rates

In year collection rates for council tax by local authorities in England averaged 96.8% in 2005/06, an increase of 0.2 percentage points on 2004/05. Collection rates have now increased for six years in a row. Ministers welcomed the figures and praised the very hard work of local authorities to achieve even further improvements in collection rates. The full press release can be found at the following link:

<http://www.communities.gov.uk/index.asp?id=1002882&PressNoticeID=2179>

The Council Tax (New Valuation Lists for England) Act 2006

The Council Tax (New Valuation Lists for England) Bill gained Royal Assent on 30 March 2006. Following from the announcement on 20 September 2005 of the postponement of council tax revaluation, the Act removes the requirements in the Local Government Finance Act 1992, inserted by section 77 of the Local Government Act 2003, for there to be a revaluation in England on 1 April 2007 and at 10 yearly intervals thereafter. Those requirements are replaced with a power for the Secretary of State to set the date of the next and further revaluations. The compilation of any new list will always fall on the 1 April in any specified year.

The full details can be found at the following link:-

http://www.opsi.gov.uk/acts/acts2006/ukpga_20060007_en.pdf

Class G exemption and planning conditions preventing occupancy

We recently consulted on a proposed amendment to Class G of the Council Tax (Exempt Dwellings) Order 1992 which would ensure that the exemption applies where a planning condition prevents occupancy. A clear majority of respondents supported the proposed change and, in the light of those responses. Ministers have decided that the legislation should be amended accordingly. The regulations will shortly be laid before Parliament and will come into force on 1 April 2007. A summary of the consultation responses can be found at the following link:

<http://www.local.communities.gov.uk/finance/ct.htm>

*consultation
paper on updating
secondary
legislation
available in
August.*

Valuation Tribunals - consultation on modernisation & reorganisation

We have published a consultation paper which seeks views on a number of proposals for changes to the Valuation Tribunals, including the amalgamation of the 56 tribunals into one Valuation Tribunal for England, the creation of a Valuation Tribunal England president and vice presidents, and for appointments to be selected by the Judicial Appointments Commission and made by the Lord Chancellor. The consultation period closes on 8 September 2006. The consultation paper can be found on the DCLG website at the following link:

<http://www.communities.gov.uk/index.asp?id=1017165>

Please send responses (e-mail preferred) to Nageen Haroon at the address on page 3 of the consultation paper or valuation.tribunal@communities.gsi.gov.uk

Updating secondary legislation

As mentioned in CTIL 1/2006, we are aware that there are a number of financial limits and definitions in council tax secondary legislation that have not been updated for a number of years. Ministers have given their approval to consult on these matters and we have already undertaken some preparatory work on the detailed issues involved. We would like to thank those of you who have helped us with that work. We are aiming to publish the consultation paper in early August so that any changes will be in place for the 2007/08 financial year and in time for the billing round where necessary. We will publish our next CTIL to coincide with the release of the consultation paper.

Redundancy pay and attachment of earnings orders

We have been asked whether redundancy pay counts as earnings for the purposes of Attachment of Earnings Orders made under the Council Tax (Administration and Enforcement) Regulations 1992.

Earnings are defined as sums payable by way of wages or salary (including any fees, bonus, commission, overtime pay or other emoluments payable in addition to wages or salary or payable under a contract of service). As redundancy pay is a payment made in respect of the ending of a contract of employment, it is our view that it cannot be described as payable by way of 'wages or salary', and does therefore not count as earnings.

*new council tax
leaflets
available.*

Extension of child benefit

The rules on Child Benefit eligibility have changed so that now, in certain circumstances, it is payable in respect of 19 year olds. It is our view that, under Schedule 1 to the Local Government Finance Act 1992, such as nineteen year olds will fall to be disregarded for council tax purposes.

Council tax leaflets

We have updated our council tax leaflets, "A guide to your bill" and "A guide to valuation banding and appeals". The updated leaflets are available from our free publications section, "Twoten", PO Box 236, Wetherby, LS23 7NB or by telephone on 0870 1226236, and can be downloaded from the website, at:-

<http://www.local.communities.gov.uk/finance/ct.htm>

What price privacy?

Published by the Information Commissioner's Office as a report to Parliament on 10 May, this report expresses concern about the illegal trade in personal information and proposes that the penalties for offences against section 55 of the Data Protection Act are increased. These offences include procuring the disclosure of personal information knowingly or recklessly by unlawful means.

The use of some tracing agents by local authorities to track down council tax debtors who have absconded comes in for specific criticism. The report can be found at:

http://www.ico.gov.uk/cms/DocumentUploads/What_Price_Privacy.pdf

The Executive Summary and paragraphs 5.18 to 5.20 in particular are recommended reading.

Change of e-mail address

Following the creation of the Department for Communities and Local Government on 5 May, our e mail addresses have changed. Future e-mails should be sent to individual staff members at [firstname.lastname]@communities.gsi.gov.uk, or to our general enquiry account at council.tax@communities.gsi.gov.uk. Our website address is www.communities.gov.uk

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