

Council Tax Information Letter 5/2007

The topics covered in this letter are:-

- Changes to Council Tax Legislation
- Waste Incentive Schemes
- Council Tax and Long Term Empty Properties
- Staff Changes

Changes to Council Tax Legislation

We are not proposing to make any changes to council tax legislation that will affect billing processes for the 2008/09 financial year.

Practitioners may however wish to be aware of a number of minor forthcoming legislative changes that will, subject to Ministerial and Parliamentary approval, come into force in the next few months:

- Amendments to the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003 (SI 2003/2613). These provide for the inclusion of comparative information in council tax demand notices issued in relation to areas and for financial years which are subject to local government restructuring. The amendments also improve the clarity of Schedule 1, but without changing the information which must be included in council tax demand notices. Amendments are also being made to take account of changes to empty property rates for businesses. Our intention is to lay these amending regulations at the end of January.
- Amendments to the Council Tax (Deductions from Income Support) Regulations 1993 (SI 1993/494) to provide for deductions from Employment and Support Allowance, which replaces Income Support on grounds of incapacity and Incapacity Benefit for new claimants from October 2008, for council tax. It is expected that these amending regulations will be laid around the beginning of April. Amendments will also be made to the Community Charges (Deductions from Income Support) (No. 2) Regulations 1990 (SI 1990/545) to provide for those few cases where recipients of Employment and Support Allowance may still have community charge debts. Further minor consequential amendments will be made to the Council Tax (Discount Disregards) Order and the Administration and Enforcement Regulations.
- Amendments to the Council Tax (Situation and Valuation of Dwellings) Regulations 1992 (SI 1992/550) to correct a minor anomaly in the basis on which dwellings should be valued that arose as a result of changes to the effective date of some list changes made by SI 2006/3395. These amendments will be made as part of the regulations providing for the introduction of Appeals Direct .

- Amendments to paragraphs 1 and 2 of Schedule 3 to the Local Government Act 1992 to increase, in line with inflation since April 1993, the penalties that a billing or levying authority may impose on a person for failure to provide information requested to identify who is liable for council tax on a dwelling or for failure to notify the authority that a council tax discount or exemption should not apply. These amendments, which we consulted on last year, need to be made by way of a Treasury Order.

We will notify practitioners when these amending instruments are laid.

Waste Incentive Schemes

The Climate Change Bill, which was introduced into Parliament on 15 November, includes powers for up to five local authorities to pilot schemes, with the Secretary of State's approval, designed to encourage households to recycle more and dispose of less non-recycled ('black bag') waste. Those schemes may include a charge for waste disposal, provided they are revenue neutral overall i.e. all the revenue raised is returned to residents via rebates for those producing the least waste. Schedule 5 to the Bill creates powers to amend council tax secondary legislation so that any scheme could be integrated with the administration of council tax if that is what the pilot authority so wishes.

Council Tax and Long Term Empty Properties

An update on information we provided in CTIL 4/2007. We have now commissioned Roger Tym Partnership/Three Dragons (RTP/TD) to carry out an assessment of the impact of local authorities' discretionary power to vary the council tax discount on long term empty properties. RTP/TD will be conducting a questionnaire with some local authorities in the New Year as well as a number of one to one interviews.

Staff Changes

Patrick Owen leaves the council tax policy team to take up a post on housing and migration issues on 4 January. In his stead we welcome Mark Rickard, who will be joining us on 3 January from his current post in local democracy and empowerment. Katy Willison starts a career break on 18 January 2008 and Richard Harries takes over her overall responsibility for council tax.

Hitesh Darjee
Council Tax Policy
LGF CTM
Zone 5/E2
Eland House
Bressenden Place
LONDON SW1E 5DU

council.tax@communities.gsi.gov.uk

www.communities.gov.uk

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