

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2023-24 OVERVIEW & SCRUTINY COMMITTEE -29 JANUARY 2024

REPORT OF THE SERVICE DIRECTOR, DEMOCRATIC SERVICES & COMMUNICATIONS

WELSH GOVERNMENT CONSULTATION: FAIRER COUNCIL TAX WALES

1. PURPOSE OF THE REPORT

1.1 For Members of the Overview & Scrutiny Committee to formally respond to phase 2 of Welsh Government's <u>consultation</u> attached at Appendix 1 which sets out the proposals for a Fairer Council Tax. The proposals aim to rebalance wealth and tackle inequality and create a tax system that is fair for everyone and connects people with communities.

2. **RECOMMENDATIONS**

It is recommended that Members: -

2.1 Respond to the attached consultation attached at appendix 1, and decide whether they wish to make any further comments or suggestions as appropriate following consideration of the information before them.

3. REASONS FOR RECOMMENDATIONS

3.1. To provide Scrutiny with the opportunity to respond to phase 2 of the consultation by the 6th February 2024 so that it can have its say on the proposals which set out to reform the Council Tax in Wales for a fairer and more progressive system.

4. BACKGROUND

4.1 Council Tax makes up around a fifth of the total of Council spending. As taxpayers, residents collectively provide over £2.4billion a year towards the cost of the £10 billion cost of essential local services delivered across Wales, keeping schools open, our loved ones cared for and our communities thriving.

- 4.2 However, the current Council Tax system places a higher tax burden on households with lower levels of wealth, meaning the tax paid, no longer accurately reflects individual circumstances.
- 4.3 The purpose of the reforms would be to ensure that Council Tax contributions are more fairly spread and reflect the latest information available about economic circumstances. None of the approaches outlined in the consultation represents a revenue-raising exercise.
- 4.4 Members will find the consultation attached at Appendix 1, along with the proposed questions where feedback is sought at Appendix 2.

5. **EQUALITY AND DIVERSITY IMPLICATIONS**

5.1 There are no equality and diversity implications as a result of the recommendations set out in the report.

6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications aligned to this report.

7. <u>LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED</u>

7.1 There are no legal implications arising from the recommendations in this report.

8. <u>LINKS TO THE COUNCILS CORPORATE PLAN / OTHER CORPORATE PRIORITIES.</u>

8.1 This is an information report presenting the Welsh Government's consultation on its proposals for a new statutory regime for managing disused coal tips. No decisions are being taken in this report.

9. CONCLUSION

9.1 The Overview & Scrutiny Committee, in line with its Terms of Reference, has been afforded the opportunity to respond to the consultation published on the 14th November 2023 by Welsh Government which sets out proposals for a Fairer Council Tax.

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

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