Local Government and Communities Committee

Consideration of the Council Tax (Substitution of Proportion) (Scotland) Order 2016

Submission from Crawford Young

In my view, the current system of council tax is out-dated and impractical. It is not dynamic and does not reflect the changing of the economy either locally or nationally.

The current council tax values are based upon a hypothetical value from years ago. Modifying some of the existing council tax bands is not acceptable as it does not provide the fundamental reform necessary.

In my mind, the ideal local tax regime would combine several elements with the main element being a tax upon household income. The regime would also take into account:

- number of people in the household (with variances for vulnerable, minors, pensioners),
- land value (with the valuation to be between XX and YY years old)
- property value (with the valuation to be between XX and YY years old)

(where XX & YY are predetermined values of several years to prevent fluctuations within the market)

The councils should be more accountable to their local populations and as a result, they should be tied-closer financially. By setting the current council tax regime nationally, this erodes the direct link between the population and their local authority. The current value of 12% (local government income raised through council tax) is too low.

There has to be checks & balances to ensure that local authorities that have extensive rural areas and low-income areas are not deprived of funds. The national taxation scheme should be able to support these authorities through the ‘block grant’ scheme.

The Commission on Local Tax Reform’s report is far more in-depth and measured than my own submission to you. However, Commission's first recommendation is pretty clear “The present Council Tax system must end.” Tinkering around with taxation bands will not solve the problems.
The Scottish Government must fundamentally reform the council tax system and return democracy to the local authorities.

Crawford Young