Local Government and Communities Committee

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

Submission from Colm Merrick

1. Overall, do you support the principles of the Government's plans to reform Council Tax?

Yes. The principle that those with the greatest wealth should pay more is just. There is debate about the effect on local democratic accountability. However, education is still delivered locally and locally elected reps are accountable for use of this "new" money.

The company director living in a band H property may well benefit from a well-educated workforce in another Local Authority.

Given that there has been a freeze on Council tax, I agree that it is correct to put a CAP on future rises. Household budgets are already stretched and a big jump in any tax could hurt many.

2. To what extent will the Government's proposed reforms make the system of Council Tax fairer?

The reforms are a banded tax on perceived wealth. The Council Tax Reduction scheme must be able to cope with the many anomalies.

For example, many people are cash poor but may still own an expensive property which they can barely maintain.

3. To what extent will the changes be straightforward for local authorities to implement?

These should add no extra burden in terms of collecting the Council Tax.

The greater concern is that the extra money raised is seen to be getting invested in closing the attainment gap.

The Scottish Government must also ensure that Local Authorities do not cut their current investment in Education and wrongly use their portion of £100 million to make up that shortfall.
4. Do you support the Government's planned changes to Council Tax reductions?

   I certainly support the principles. Not certain about the figures.

5. Please add any other comments on any aspect of the proposed reforms.

   A local income tax may be extremely difficult to operate.

   The use of money raised to fund education fits well as education is effectively locally delivered, but is of national concern.

   Eventually, a revaluation exercise will be necessary. It's been a quarter of a century since the last one and many things that affect the market value of houses in a particular locality may have changed (e.g. jobs, transport, schools, etc.)

Best Regards,

Colm Merrick.