



APPG on Council Tax Reform

Meeting Agenda

Date: Tuesday, 28th January 2024

Time: 15:00

Location: Room C, 1 Parliament Street

AGENDA

1. Introduction and Welcome

- Delivered by **Jonathan Brash MP**, Chair of the APPG.
- Overview of the meeting's objectives and the APPG's focus on achieving fair and meaningful Council Tax reform.

2. Discussion of the Impacts and Systemic Challenges of the Current Council Tax System

- Led by **Cllr Pete Marland**, representing the Local Government Association (LGA).
- Key points:
 - How the current system affects residents across the UK.
 - Challenges faced by councils in administering the system.
 - Opportunities for reform.

3. Discussion of Regional Inequalities

- Led by **representatives of local councils**.
- Key points:
 - The disproportionate burden of Council Tax on lower-income regions
 - The role of outdated property valuations in creating regional disparities.
 - Case studies highlighting inequalities across regions.

4. Future Business

- Announcement of the next APPG meeting on **Tuesday, 25th February 2024, at 15:00 in Room U, 1 Parliament Street**.
- **Topic:** "The Social Care Conundrum – Should Council Tax Be Paying for It?"
- Brief discussion on expected contributors and goals for the next meeting.

5. Closing Remarks

- Invitation for participants to provide feedback or submit additional issues for future consideration.

Meeting Briefing for APPG Members

The APPG on Council Tax Reform has convened this meeting to address key concerns about the fairness, effectiveness, and sustainability of the current Council Tax system.

Objectives of the Meeting:

- To understand the broader impacts and systemic issues associated with Council Tax, including the administrative challenges faced by councils and the financial strain on residents.
- To highlight and explore the significant regional inequalities exacerbated by the system, with particular focus on communities in Hartlepool and other areas disproportionately affected.
- To lay the groundwork for further discussions on related issues, including the funding of social care through Council Tax.

Key Discussion Points:

1. Impacts and Challenges

- Council Tax relies on outdated property valuations (from 1991), which no longer reflect current property market conditions.
- The regressive nature of the tax places a higher burden on lower-income households relative to wealthier regions.

2. Regional Inequalities

- Residents in regions across the UK pay a higher proportion of their income in Council Tax compared to wealthier areas with higher property values.
- This disparity undermines fairness in the tax system and perpetuates regional inequities.

General Information on Council Tax in 2023/24 Financial Year:

- The average Band D council tax set by local authorities in England for 2024-25 will be £2,171, which is an increase of £106 or 5.1% on the 2023-24 figure of £2,065. This includes all precepts including adult social care and parish precepts.
- In 2024-25, all 153 adult social care authorities will utilise some or all of their adult social care precept flexibility when setting their council tax. The maximum flexibility is 2%. This additional flexibility accounts for £32 of the average Band D council tax bill.
- The average area Band D council tax will be £1,893 across London (an increase of £104 or 5.8% when compared to 2023-24), £2,169 in metropolitan areas (an increase of £109 or 5.3%), £2,248 (an increase of £109 or 5.1%) in unitary areas and £2,237 (an increase of £103 or 4.8%) in shire areas.
- The council tax requirement in 2024-25 is £41.2 billion, of which £609 million (1.5% of the total) will be raised through the adult social care precept flexibility, and £783 million (1.9%) will be raised through parish precepts.
- For those areas where parishes charge a precept, there has been an average Band D parish precept increase of 8.5% in 2024-25.
- The average council tax per dwelling will be £1,668 in 2024-25.

Meeting Quorate:

Yes

Parliamentary Attendees:

Jonathan Brash MP

Jonathan Hinder MP

Lord Fuller

Lord Liddle

Luke Myer MP

Grahame Morris MP