

SNP council group propose to do a lot with increases in council tax

The SNP group on Edinburgh Council have lodged their plans for the budget to be set later this week, and these include a partial council tax freeze at lower bands and an average of five per cent increase.

Their proposal, which they estimate would raise an extra £20 million, also includes a progressive increase of **up to 20 per cent**, although there are more modest increases proposed of five per cent or less for 190,000 households.

This extra cash would be used to fund a city bike hire scheme which ended under the last SNP/Labour administration, increased funding for rape crisis services, protecting key services, and saving the King's Theatre. The group say they would not agree to the administration's intended cuts on schools and education budgets.

The plans would make use of local authority statutory powers which are little used.

The key parts of their budget proposal are:

- Freezing council tax for 65,000 households in Bands A and B
- An increase of 3% for Band D

- Higher increases of up to 20% for those living in homes which are in higher council tax bands such as Band H properties where the increase would amount to £12,99 a week.

Cllr Marco Biagi said: “We are proposing a council tax plan that would avert the need for sweeping cuts in Edinburgh and raise revenue in a fairer way.

“Normally, a 5% rise in council tax means a 5% rise for the richest and poorest alike. But by incorporating an automatic discount we could cap council tax rises for the typical Edinburgh resident and restrict big increases to only those in the most expensive properties.”

“Even then, we are not asking those who live in million-pound homes to pay any more than they would in places like Brighton, Oxford or Bristol.”

“Council tax is a thirty-year-old tax with a lot of well-rehearsed problems, chief among them being that it hits those on modest incomes the most. We can’t fix all its problems at the city level but we can try to make sure that, if we need to raise extra revenue to protect vital services like the city’s schools, we try to find ways to raise it as fairly as possible.”

The plan involves using Section 20 of the 2003 Local Government in Scotland Act. This gives local authorities a general power to incur expenditure or provide financial assistance. It is sometimes referred to as ‘the power to advance wellbeing’. Section 20 was the statutory basis for the distribution of the one-off cost-of-living crisis payments funded by The Scottish Government but disbursed by local authorities after the February 2022 Scottish Parliamentary budget.

SNP councillors propose that the council would fulfil its

statutory duty to set a council tax rate under the 1992 Act but also set an Edinburgh Effective Rate. The Section 20 power would be used to create financial help to discount the council tax bill of each occupied primary residence. This would mean that from what they would be charged under the statutory rate to what they should be charged under the Edinburgh Effective Rate.

This would not require any application and be applied automatically. It would mean that different effective increases could be applied to different bands.

Band	2022-3 Council Tax Rate£	Proposed Council Tax Edinburgh Effective Rate£	Increase after automatic discount %
A	919.17	919.17	0
B	1,072.36	1,072.36	0
C	1,225.56	1,262.32	3
D	1,378.75	1,420.11	3
E	1,811.52	1,902.10	5
F	2,240.47	2,464.52	10
G	2,700.05	3,105.06	15
H	3,377.94	4,053.53	20

All existing exemptions and discounts, such as single person discount and student exemption, would continue to apply, as would Council Tax Reduction Scheme. Second homes and long-term unoccupied properties would be charged the full statutory rate.



Cllr Marco Biagi