

Moorers payment of Council Tax in Marinas

Questions and Answers

Q1. What is the difference between COMPOSITE and INDIVIDUAL assessment?

An individual council tax assessment is relevant when a boat has exclusive use of the same berth for 12 months or more. By contrast a composite assessment applies where the boat does not enjoy exclusive use of a specific berth and demonstrates as such by occupying at least 2 separate berths within a 12 month period.

Q2. Why is the exclusive use of a berth relevant for Council Tax?

When planning permission is granted by the local planning authority for residential development – as is the case with residential berths in a marina – there is a formal change to the permitted use of the 'land' (or property). Every residential unit in the country is liable to pay council tax to the local authority. Residential berths are no different.

Q3. Is payment of a composite rate a bit 'unofficial'?

No, it is very much a legitimate route to contributing to local services which are enjoyed through residential status. We have been discussing the appropriate terms and conditions for the assessment of Composite council tax assessments for over 3 years and so very much welcome the VOA's formal guidelines issued in January 2016. This helps and guides all of us to understand the legal position.

Q4. What if I don't specify a preference to any of the options?

This will likely result in an individual council tax bill being issued. The local authority will default all those that do not elect for (or comply with) the composite assessments, to an individual bill.

Q5. What if I opt for composite assessment but don't move as required?

We have been asked to share records of boat locations in the marina by berth – these will be generated by our monthly boat checks – if a boat hasn't moved the requisite number of times, then they will be billed individually for council tax.

Q6. How much is an individual council tax bill in my area?

Band A property charges – which is the band most moorers would fall into we understand – vary across the country. Examples relevant for this communication in the 2017/18 council tax year are:-

Sawley Marina – North West Leics (Lockington Parish) is £1084 annually

Priory Marina – Bedford Central is £1130 annually

Q7. You say BWML will pay the composite council tax bill on behalf of moorers opting for this, what does this mean in reality?

BWML has always been clear that we want to work within the guidelines laid down by the VOA to get the best value for our moorers to contain living costs as a residential moorer. As an incentive to our residential moorers we have previously stated that we would pay this composite charge for these moorers. In part this avoids a lot of

administration sharing a single composite charge many ways, but also it acts as an incentive for moorers to comply with the requirements for the composite assessment.

Q8. Isn't the composite council tax factored into our moorings prices anyway?

We have a clear policy on pricing our moorings – this is embodied in our 'Customer Charter' – see www.bwml.co.uk/customer-info/. This policy does not take into account the likely impact of composite council tax, for the time being we are assuming that composite council tax cost is manageable separately within our cost base. As more local authorities bill us over the next year or so we will learn more on the impact. As outlined in Q7 above, we are committed to adding value to our residential mooring experience in our marinas so we do not anticipate these payments being punitive.

Q9. Can't moorers register for individual assessment directly with the Council?

Yes, many of our moorers at our residential marinas do register for council tax directly with the council. When this is the case BWML may not be aware.

However, it should be noted that this 'election to pay an individual council tax charge' to the local authority is a relationship between the moorer and the council. The mooring fee paid to BWML does not give exclusivity to any individual berth despite the fact that in practice many moorers may remain on the same berth for a considerable time.

Q10. Why are we being told about the need to move now, couldn't we have been told sooner?

Sadly, the onus has always been on the VOA & local authorities to instigate the charging mechanism that was going to follow the issuing of the VOA guidelines in January 2016. We discussed the issue of when would the composite charging mechanism start with the VOA throughout and we were informed that this would be triggered locally by each local authority. These have now started and it is reasonable to assume that all BWML marinas will be contacted over the next few months.

We are taking the view that 2017/18 will be the first year of charging until we are informed differently

Q11. Where can I find out more information on the VOA's guidelines on composite council tax?

We have a dedicated page on our website that takes information published by the VOA, see www.bwml.co.uk/council-tax-clarification-for-residential-moorings/

Q12. Does cruising away from the marina constitute movement?

Sadly being away from the marina cruising does not count as a movement and the VOA have been very clear on this point. The arrival back at the marina and occupancy of the same berth prior to departure will be deemed as continuous use. There will still be a requirement to move twice in a year, even if you have been out of the marina for a period of 1-2 months cruising.

Q13. How exactly would I move with my neighbour to comply with the requirements?

We would envisage that small groups of 3 berth holders, friends, next door neighbours would 'buddy' up and work in a small group, all undertaking the move on the same day, well in advance of the end of the month. The move can be to the berth next door, or the opposite side of the mooring finger, as each location is separately numbered, it is not required to move to another part of the marina.

On the issue of electricity, in many instances as adjacent berths are being occupied as part of the move to comply with the requirements, the reconnection in to your main service bollard will still be possible, if your extension lead is of sufficient length.

Q14. Is there a minimum period of occupancy of the neighbours berth to qualify?

A move has to demonstrate a period of 1 calendar month on an alternative berth as part of each move, anything less may well result in that move not being recorded as we undertake a monthly boat check.

Q15. If I have any questions or wish to change my preference who should I contact?

Please send all questions or preference changes to admin@bwml.co.uk