

Cherwell District Council

Executive

4 November 2019

Council Tax Discount Scheme across Oxfordshire District Councils and Oxfordshire County Councils

Report of Executive Director Finance (Interim)

This report is public

Purpose of report

To provide members with a draft policy proposing a Council Tax Discount Scheme for Care Leavers from April 2020.

1.0 Recommendations

The meeting is recommended:

- 1.1 To approve that Care Leavers are determined as a class for the purpose of Section 13A(1)c of The Local Government Finance Act 1992.
- 1.2 To approve the implementation of a Council Tax Discount for Care Leavers from 1 April 2020.
- 1.3 To approve the Memorandum of Understanding as an agreement between the Oxfordshire Authorities to share the financial commitment to support care Leavers
- 1.4 To seek a decision as to whether the Authorities should approach Thames Valley Police and town and parish councils to make a financial contribution proportionate to their precepts.

2.0 Introduction

- 2.1 The government made recommendations in its Care Leavers Strategy “Keep on Caring” published in July 2016, that local authorities should consider exempting care leavers from Council tax, using their discretionary powers under Section 13A of the Local Government Finance Act 1992.
- 2.2 Many councils have since introduced discounts for care leavers, including Oxfordshire’s neighbours, the 6 Gloucestershire District Councils (billing authorities) and Gloucestershire County Council, who worked together to agree a common Council Tax discount for Care Leavers from April 2019.

- 2.3 Oxfordshire County Council has worked to agree similar arrangements with the 5 District Councils in Oxfordshire.
- 2.4 Discounts made using this power must be funded by the billing authority. Oxfordshire County Council and precept partners will accept their proportions of the financial liability, in the same proportions as the Council Tax Reduction Scheme (approximately 7% for Cherwell District Council).

3.0 Report Details

Eligibility Criteria

18 to 21-year olds

- 3.1 The care leaver discretionary discount will be awarded after statutory discounts, exemptions, disability discount and local Council Tax Reduction have been applied. This will also include accounts where a care leaver is jointly and severally liable others.
- 3.2 The discount for care leavers aged 18-21 years old will ensure that any gap between their eligible discounts under their local authority's CTRS and the individual's liability for council tax will equate to 100% reduction, in all cases.
- 3.3 A care leaver, for the purpose of this policy, is defined as a young person aged 18 – 21 who was formerly a child in the care of Oxfordshire County Council and then became a 'Former Relevant Child' as defined by The Children (Leaving Care) Act 2000. To be eligible for a discount of Council Tax under the proposed scheme, the Care Leaver must be resident and liable for council tax on a property within Oxfordshire.
- 3.4 The care leaver must be the liable person for council tax, either solely or jointly and severally with other(s), at the dwelling in respect of which the application is made. The council tax bill must be in their name.
- 3.5 Where a care leaver lives in a House of Multiple Occupation (HMO) or other property where they are not the Council Tax payer no discount will be awarded.
- 3.6 The Care Leavers discount will apply to occupied properties only.
- 3.7 Confirmation that a claimant is an Oxfordshire County Council Former Relevant Child must be received from the County Council's Leaving Care team.

21-25 year olds

- 3.8 In the interests of young adults gradually progressing to a full independence from 21 to 25 years of age, care leavers will be means tested for CTRS with no automatic discount applied in addition to CTRS. However, where the individual's financial liability for Council Tax is judged to be unmanageable due to their specific circumstances and vulnerabilities, a written statement by their personal advisor or social worker from Oxfordshire County Council, with statutory responsibility, can be provided to justify the case for the S13A care leaver's discount to apply for the

whole (or remainder) of that financial year. The discount will be subject to annual written statement and review, up to the individual's 25th Birthday,

Oxfordshire County Council care leavers resident outside of Oxon

- 3.9 It is proposed that where Oxfordshire care leavers are living outside the county, Oxfordshire County Council negotiates on a case-by-case basis for that individual's access to reductions or discounts. Advocating for the young person to gain complete reduction of council tax wherever possible has been implemented as standard practice within the personal advisor's role.

Application Process

- 3.10 Oxfordshire County Council's Leaving Care team will seek consent from care leavers to provide information confirming the name, address and date of birth of care leavers living in Oxfordshire who will qualify for the discount to billing authorities.
- 3.11 A care leaver discount may also be awarded where the following information is provided, and care leaver status has been verified with Oxfordshire County Council's Leaving Care team.
- Full name
 - Date of Birth
 - Current address
 - Details of any other adults in the property and relationship to them
 - Details of any circumstances that would be relevant to entitlement to legislative discounts, disregards or exemptions
 - Contact details
 - Name of Leaving Care Worker if known.
- 3.12 Awards will be made directly by a discount in Council tax liability and notification of the discount being awarded will be by the way of the Council Tax bill.
- 3.13 The billing authority will undertake periodic reviews appropriate to the individual circumstances of each case.
- 3.14 The care leaver (or his/her appointee or a recognised third party acting on his/her behalf) must advise their billing authority of any change in circumstances which may affect entitlement to the discount within 21 days of the change occurring.
- 3.15 Any overpaid Care Leaver discount will be reclaimed through the relevant Council Tax account and collected and recovered under Council Tax (Administration and Enforcement) Regulations 1992.
- 3.16 It is Oxfordshire County Council's Leaving Care team's responsibility to support individual care leavers to access all their Council Tax Reduction entitlements, with their consent.

Financial Implications for Billing Authorities

- 3.17 Local Authorities are required to fund any Section 13A discounts in full, however by the local agreement Oxfordshire County Council commits to contribute to their share of discounts.
- 3.18 The cost of awarding care leaver discounts would depend both on the number of care leavers liable for Council Tax and their meeting the eligibility criteria.
- 3.19 The total indicative costs of the proposed scheme on Oxfordshire authorities naturally vary from district to district.
- 3.20 At this stage only estimated data exists on how many care leavers might be expected to qualify for a discount. Although Oxfordshire County Council is currently responsible for over 400 care leavers, the proportion who are liable for Council Tax living in the county is low, due to:
- The range of placements which do not entail Council Tax liability: family, friends, renting from landlords who are liable, staying with foster carers.
 - Their education, employment or training status which exempts them
 - Having moved out of county
- 3.21 An indicative estimate of the financial implication of this policy is shown at Appendix A of this report and is based solely on Council Tax data available for 2018-2019. It is dependent on which band(s) of property the potential qualifying cases will be resident in as to how much it might cost the relevant district and County Council. The financial impact is therefore expected to be minimal.

Review of decision/backdating

- 3.22 The Care Leavers discount scheme is administered in accordance with the Local Government Finance Act 1992 and is subject to a statutory appeals process. If the applicant disagrees with the decision, they must put this in writing giving their reasons. This should normally be received within one month of the date of the decision although more time can be given in exceptional circumstances.
- 3.23 If a decision is challenged a reconsideration will be made by the billing authority. The applicant will then be notified of the reconsideration which will clearly state the reasons for the decision made.
- 3.24 If the applicant remains dissatisfied with the decision, an appeal may be made to the independent Valuation Tribunal. Details on this process will be notified to the applicant with the outcome of any previous reviews of the decisions.
- 3.25 The billing authority will accept applications backdated to the beginning of the financial year, or to the date the care leaver became responsible for Council tax so long as the date is not more than 12 months prior to the date of application. The Care Leaver discount cannot be awarded prior to 1st April 2020.

4.0 Conclusion and Reasons for Recommendations

- 4.1 Local Authorities have been recommended to consider exempting care leavers from Council Tax using existing discretionary powers under Section 13A of the Local Government Finance Act.
- 4.2 Members are asked to approve the implementation of a Council Tax Discount for Care Leavers from 1 April 2020 and the associated policy and Memorandum of Understanding.

5.0 Consultation

A report has been received by Oxfordshire Chief Executives Group

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To not agree the proposed scheme. This would have a potential reputational risk for the authority and have an impact on some of our most vulnerable residents.

7.0 Implications

Financial and Resource Implications

- 7.1 The financial consequences for the Council are contained in the attached appendix A which highlight a small cost to the Council for individuals supported within the system. The impact on the authorities shown will be managed via the Collection Fund. The arrangement of supporting the individual via both this discount and the local Council Tax Reduction Scheme is positive and encourages the supported individuals, maximising the use of local resources.

Comments checked by:

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Legal Implications

- 7.2 Billing authorities have discretion under Section 13A(1)c of the Local Government Finance Act 1992 to reduce the amount of Council Tax payable for individuals, or for classes of Council Tax payers. It allows the Council to reduce the amount payable after all statutory discounts and exemptions and local Council Tax Reduction. This includes the power to reduce the amount payable to nil.
- 7.3 This provision is separate to and distinct from the Council Tax Reduction Scheme which is made under Section 13A(1)a of the Local Government Finance Act 1992.

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8.0 Decision Information

Key Decision

Financial Threshold Met: Not applicable

Community Impact Threshold Met: Not applicable

Wards Affected

All

Links to Corporate Plan and Policy Framework

This links to the Council's priority of sound budgets and a customer focused Council

Lead Councillor

Councillor Tony Ilott Lead Member for Financial Management and Governance

Document Information

Appendix No	Title
A	Table of estimated financial implications and liability split
B	Memorandum of understanding
C	Care Leaver Discount Policy
Background Papers	
None	
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