

ASHFIELD DISTRICT COUNCIL



Council Offices,
Urban Road,
Kirkby in Ashfield
Nottingham
NG17 8DA

Agenda

Scrutiny Panel A

Date: **Tuesday, 31st July, 2018**

Time: **7.00 pm**

Venue: **Committee Room, Council Offices, Urban Road,
Kirkby-in-Ashfield**

For any further information please contact:

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SCRUTINY PANEL A

Membership

Chairman: Councillor Rachel Madden

Vice-Chairman: Councillor Joanne Donnelly

Councillors:

Tony Brewer

Lachlan Morrison

Phil Rostance

Don Davis

Nicolle Ndiweni

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SUMMONS

You are hereby requested to attend a meeting of the Scrutiny Panel A to be held at the time/place and on the date mentioned above for the purpose of transacting the business set out below.



R. Mitchell
Chief Executive

AGENDA

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1. To receive apologies for absence, if any.
2. **Declarations of Disclosable Pecuniary or Personal Interests and Non Disclosable Pecuniary/Other Interests.**
3. To receive the minutes of the meeting of the Panel held on 7th June, 2018. 5 - 8
4. Council Tax Exemptions for Care Leavers. 9 - 16

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SCRUTINY PANEL A

Meeting held in the Committee Room, Council Offices, Urban Road, Kirkby-in-Ashfield,

on Thursday, 7th June, 2018 at 7.00 pm

Present: Councillor Rachel Madden in the Chair;

Councillors Tony Brewer, Don Davis,
Nicolle Ndiweni, Phil Rostance and Mike Smith
(as substitute for Lachlan Morrison).

Apologies for Absence: Councillor Lachlan Morrison.

Officers Present: Lynn Cain, Mike Joy and Craig Scott.

SA.1 Declarations of Disclosable Pecuniary or Personal Interests and Non Disclosable Pecuniary/Other Interests.

No declarations of interest were made.

SA.2 Minutes

RESOLVED

that the minutes of the meeting of the Panel held on 23rd January, 2018 be received and approved.

SA.3 Introduction to Consideration of New Scrutiny Topic - Council Tax Exemptions for Care Leavers

The Chairman introduced Craig Scott, the Council's Service Manager for Revenues and Benefits, who was in attendance at the meeting to advise the Panel in relation to the new review topic.

The report attached to the agenda detailed the proposals for Council Tax exemptions for care leavers under the age of 25 including the recommendations from the report produced by the Children's Society in November 2017.

Craig Scott presented the report to the Panel Members and explained the definition of a care leaver as a person leaving Nottinghamshire County Council care provision at the age of 18. The proposed exemptions had been recommended to assist care leavers as they transitioned back into normal society and to give them some support whilst they established appropriate living arrangements and work opportunities.

The financial difficulties that care leavers often faced had been recognised by the Government within their latest Care Leavers' Strategy and in response,

The Children's Society had produced their own document in November 2017 which included a list of recommendations to shape the National Offer as follows:-

1. Make sure that care leavers are exposed to a less severe sanction regime to better support them into work.
2. Allow low-income working care leavers to claim the same in-work benefits as older adults without children to boost their income in recognition that they may have greater financial responsibilities than other young people of their age.
3. Extend the higher rate of housing benefit they may receive until the age of 25 to promote stability.
4. Exempt all care leavers under the age of 25 from council tax in recognition of the corporate parenting role of the local authority.

Recommendation 4 was within the remit of local authorities and the Council could therefore decide how it wished to assist care leavers under this exemption.

Members acknowledged that the exemption, if applied until 25 years of age, would not be means tested in any way or based on the ability of the particular care leaver to pay should they be receiving a higher salary. Should the care leaver be residing with another party this living arrangement would, again, not be taken into account as part of the exemption benefit offered.

The Council already had in place a Local Council Tax Reduction Scheme and Ashfield District Council were one of the few remaining local authorities that still provided a 100% reduction within their Scheme for claimants means tested on the lowest income levels.

Care leavers were already able to access some of the exemptions in place as part of the Scheme that were of particular relevance to young people i.e:-

- people on some apprentice schemes (earning less than £195 per week);
- 18 and 19 year olds in full time education;
- full time college and university students;
- young people under 25 who receive funding from the Skills Funding Agency or Young People's Learning Agency;
- student nurses.

Whilst the Panel were considering their options for providing the exemption for care leavers, it was necessary to also consider the potential cost. Nottinghamshire County Council had been asked for current data in relation to care leavers within Ashfield but as of today, the Council were still awaiting their reply.

An estimate of the number of care leavers within Ashfield was 104 but the data would not be complete until information had been received regarding their ages, position within the system, and current living arrangements etc. Based on the 104 estimate, the cost to the Council would be around £10,000 to £15,000.

Panel Members took the opportunity to ask questions and discuss the issue as follows:-

- the methods to be utilised to enable the Council to identify care leavers and offer them the appropriate support and acknowledgement of an arrangement with the County Council to advise the Council as care leavers depart the system;
- the importance of providing care and support to care leavers who have ongoing mental health issues;
- the decisions made by neighbouring authorities in relation to providing Council Tax exemptions for care leavers as a comparison marker;
- how the Council Tax exemption would apply to care leavers moving into hostels as opposed to fully independent living;
- whether the Council currently works with other agencies who provide care and support to care leavers;
- acknowledgement that the exemption, if applied until 25, would not be means tested and contact with the young person(s) would be minimal if they did not present with further benefit requirements;
- suggestions for limiting the Council Tax exemption should the care leaver have access to a student loan to undertake university studies or earn over £30,000;
- acceptance that the Council would be unable to contact DWP for information regarding the care leaver's working arrangements whilst the blanket Council Tax exemption applied;
- a need to understand the financial implications better once the data has been received from the County Council;
- a suggestion that the County Council could also provide some baseline data regarding the annual number of care leavers over the past 10 years to enable the Panel to ascertain if the numbers were increasing and its potential impact on costs for the Council in applying additional exemptions in the future;
- acknowledgement that the Cabinet would be considering this issue at its meeting on the 9th July, 2018.

RESOLVED

that the Scrutiny Manager be requested to undertake the following in readiness for the next meeting of the Panel:-

- a) to ascertain the Council's level of involvement with other agencies offering support and advice to care leavers within the County;
- b) to ensure the care leaver's data from the County Council including a request for further historical data for the previous 10 years regarding care leaver numbers, is obtained to enable more accurate costs to be evaluated and presented to the Panel at the next meeting;
- c) to invite the Cabinet Member responsible for the Revenues and Benefits function, Councillor Robert Sears-Piccavey, to the next meeting of the Panel to assist with the review process.

The meeting closed at 7.47 pm

Chairman.

Report To:	SCRUTINY PANEL A	Date:	31 JULY 2018
Heading:	COUNCIL TAX EXEMPTIONS FOR CARE LEAVERS		
Portfolio Holder:			
Ward/s:	ALL		
Key Decision:	NO		
Subject to Call-In:	NO		

Purpose of Report

At the last meeting of the Panel, held on the 7 June 2018, Members were introduced to the topic of Council Tax exemptions for care leavers. The item was added to the workplan following consultation in February 2018.

This report provides further background to the topic and a draft proposed scheme for consideration by the Panel.

Recommendation(s)

- Note the information contained in this report
- Consider the proposed scheme attached as Appendix 1
- Provide any further comments for Cabinet in consideration of the proposed scheme.

Reasons for Recommendation(s)

Council Tax Exemptions for Care Leavers is currently on the Forward Plan for decision in September 2018.

Alternative Options Considered

Not adopting a Council Tax Exemption Scheme for Care Leavers

Detailed Information

A Comprehensive local offer for care leavers

The Council has the discretion to reduce the council tax liability for individuals or prescribed groups

as it thinks fit. This discretion is exercised in accordance with section 13A (1) (c) of the Local Government Finance Act 1992.

The proposed scheme at Appendix 1 is in addition to the Council's current Local Council Tax Support Scheme (CTS scheme) and will provide assistance to people living within the District that have previously been in care and meet the appropriate qualifying criteria, as detailed in Appendix 1. The proposed Care Leave Reduction Scheme will only be applied after all other relevant discounts and exemptions have been applied.

It is anticipated that some care leavers will already be receiving assistance through the Ashfield's CTS Scheme, which grants a reduction to council tax payers based on an assessment of their means to pay. Where the qualifying criteria is met and all discounts and exemptions, including CTS, do not cover the full Council Tax charge, then under this scheme the qualifying care leaver will receive further assistance to cover 100% of their council tax charge.

Nottinghamshire – County wide scheme

Nottinghamshire County Council has promoted the 100% Exemptions for Care Leavers across the county and most (if not all) Nottinghamshire's Districts and Boroughs are now implementing similar schemes.

The County and Districts are now working together to agree the scheme administration process to find a consistent approach across Nottinghamshire. The administration of these schemes will rely on Districts receiving up to date information from Nottinghamshire County Council on a regular basis ADC will also be attending this meeting so that we can ensure that our scheme, if approved, will be in step with the arrangements made with other Nottinghamshire councils.

Financial Implications for Ashfield District Council and other Preceptors?

To implement such a scheme would require a change to the Council Tax system. The Council does not currently have the software to administer such a reduction in council tax therefore an upgrade to the system would be required. The cost of purchasing this software would be approximately £5,700 plus an ongoing annual maintenance fee of £1,100. The cost of the additional software can be met from 2018/19 Revenues service budget. The on-going maintenance costs will be met from the Revenues & Benefits Application Software maintenance and licensing budget.

Although the Council is aware that there are currently 104 care leavers living within the District, it is not fully aware of the demographic of these individuals and how many of these are currently receiving Council Tax Support.

Based on a situation where all 104 required additional support through the additional care leavers' reduction scheme, then there would be a reduction of approximately £120,000 per annum in collection of Council Tax. Based upon the 2018/19 precepts, Ashfield District Council's share of this would be approximately £12,000 (or 9.9%) with the other precepting authorities (Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner and Nottinghamshire Fire Authority) meeting approximately £108,000 (or 90.1%)

The Scheme Guidelines are provided in the Appendix 1.

Considerations by the Panel

At the last meeting of the Panel, Members took the opportunity to raise a number of additional issues associated with care leavers. These included;

- the methods to be utilised to enable the Council to identify care leavers and offer them the appropriate support and acknowledgement of an arrangement with the County Council to advise the Council as care leavers depart the system;
- the importance of providing care and support to care leavers who have ongoing mental health issues;
- the decisions made by neighbouring authorities in relation to providing Council Tax exemptions for care leavers as a comparison marker;
- how the Council Tax exemption would apply to care leavers moving into hostels as opposed to fully independent living;
- whether the Council currently works with other agencies who provide care and support to care leavers;
- acknowledgement that the exemption, if applied until 25, would not be means tested and contact with the young person(s) would be minimal if they did not present with further benefit requirements;

For the purpose of this review, Members are asked to consider the details of the proposed scheme. Additional areas associated with this review relating to support (outside of Council Tax Exemptions) should be considered as a possible separate workplan item.

Implications

Corporate Plan:

Community and Customer Focused, Putting People First

We will place residents at the heart of our services and treat everyone fairly, involving people in decisions and asking them to shape their own futures. We will listen and learn, whilst recognising individual needs and designing services around those rather than simply standardising, particularly targeting resources at areas of most need

Legal:

The Council has the discretion to reduce council tax liability for individuals or prescribed groups as it thinks fit. This discretion is exercised in accordance with section 13A (1) (c) of the Local Government Finance Act 1992.

Finance:

The Financial assumptions detailed in this report are based on 104 care leavers living within the District.

Budget Area	Implication
General Fund – Revenue Budget	As detailed in the report
General Fund – Capital Programme	As detailed in the report

Housing Revenue Account – Revenue Budget	As detailed in the report
Housing Revenue Account – Capital Programme	As detailed in the report

Risk:

Risk	Mitigation
Not providing adequate support and protections in light of the additional vulnerabilities Care Leavers may face.	Adopting a Council Tax Exemption for Care Leavers.

Human Resources:

There are no immediate Human Resource implications arising from this report, any identified during the course of the review will be highlighted in all future reports.

Equalities:

Ashfield District Council, in the exercise of its functions, aims to have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic.

The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

Other Implications:

None

Reason(s) for Urgency

None

Reason(s) for Exemption

None

Background Papers

[*A National Offer for Care Leavers - Preventing them from falling into financial difficulty – Children’s Society 2017*](#)

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Proposed Scheme

Introduction

Ashfield District Council has the discretion to reduce the council tax of any council tax payer for reasons of hardship or any other reason the authority wishes. This discretion is allowed by section 13A (1)(c) of the Local Government Finance Act 1992.

The Council has determined that it will provide a 100% reduction in council tax to those persons liable to pay council tax within the District who are defined as care leavers and are between the ages of 18 to 25 years.

Providing this support will help care leavers manage the social and financial transition from local authority care to independent living.

Delegation

The authority to determine applications for council tax reduction for care leavers is delegated to the Director of Resources and Business Transformation. Each request for relief will be considered on its own merits.

Who is eligible for council tax reduction?

For the purposes of this guidance, a care leaver is defined as a person aged between 18 and 25, who is resident in Ashfield District with a council tax liability and:

- i. has been in the care of a local authority for a period, or cumulative periods equalling at least 13 weeks since the age of 14 and which ended on or after their 16th birthday, or;
- ii. is aged between 16 and 21 and with respect to whom a guardianship order is in force (or was in force on their 18th birthday) and was looked after immediately before the making of that order, or;
- iii. at any time after their 16th birthday but before their 18th birthday, was, but no longer is, looked after, accommodated or fostered.

This definition incorporates the statutory definitions of “former relevant child” and “qualifying care leaver” as defined in the Children Act 1989.

How will council tax reduction be applied?

The council tax reduction will take effect from 1st April 2018. Care leavers who become responsible for council tax after this date will be granted a reduction from the date their council tax liability begins. Care leavers who are liable for council tax on 1st April 2018 will be granted a reduction from 1st April 2018.

The reduction will be awarded after all other relevant discounts, reductions and exemptions to the council tax liability have been awarded.

Where the reduction is awarded, it will remain in place until the care leaver reaches the age of 25 years (the care leaver’s 25th birthday) or ceases to be liable for the council tax, whichever date occurs first. In these circumstances, the bill will be apportioned.

Where a reduction has been awarded, a council tax bill will be issued showing the detail of the reduction. If a request for reduction is refused, a letter will be issued detailing the reasons for the refusal.

How much council tax reduction will be applied?

ADC's Council Tax Reduction scheme is one of the few that still allows for a maximum 100% discount for people on low incomes. Some Care Leavers have been means tested to determine the appropriate level of discount. Care Leavers living in Ashfield can therefore already receive 100% reduction based purely on a means tested process. However, these proposals extend the provision to ensure that all Care Leavers, irrespective of income, will receive a reduction of 100%.

Where a care leaver has a liability for council tax, the reduction in that liability will be 100%. The amount of reduction awarded will be the relevant amount (after all other discounts, reductions and exemptions) required to reduce the care leaver's council tax liability amount to zero.

If, subsequent to an award, the care leaver's liability for council tax reduces during the period of the award, for example if the care leaver becomes entitled to a single person discount, the care leaver's reduction will be amended to ensure the award does not exceed the care leaver's council tax liability for the period.

Where there is a shared liability for council tax, the reduction will only be paid to cover the share for which the care leaver would be liable.

Right of appeal

Under section 16 of the Local Government Finance Act 1992, a person applying for a reduction in council tax but disagrees with the decision of the Council may appeal the decision.

This appeal in the first instance should be made to the Council's Revenues Team. If after this the person making the request for reduction is still not satisfied, they may then make an appeal to the Valuation Tribunal for England (VTE).

The VTE is an independent body which adjudicates between taxpayers and the Council. Appeals to the VTE must be made directly to the VTE.

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