

Agenda Item 21 (b)

Council Tax Exemptions – Altered Motion to be moved by Councillor Adrian Owens on behalf of the Our West Lancashire Group

Council notes that:

- **Many types of Student accommodation, which house students are** is currently exempt from council tax.
- As at October 2024, there are 622 properties registered within the Borough that attract an exemption from Council Tax in accordance with the Regulation relating to student households (Exemption Class N) and a further 336 properties registered within the Borough that attract an exemption from Council Tax in accordance with the Regulation relating to student halls of residence (Exemption Class M).
- If these properties were not exempt from Council Tax, if a full Council Tax charge was levied in all these cases (assuming no Council Tax Support entitlement or other Council Tax Discounts/ Exemptions were eligible), it is estimated that an additional £1.7M Council Tax liability may be generated of which the Borough Council's share of the additional liability income is estimated to be approximately £175K.
- ~~Student~~ All households generate a need for local authority-funded public services, e.g. street cleansing, waste management, and environmental health demands ~~in the same way as other households~~
- Prior to 2020, councils received funding to cover the cost of these services through the Revenue Support Grant (RSG), but since 2020 when the RSG was phased out, the income lost from council tax exemptions relating to student accommodation has effectively been borne by all other West Lancashire council tax payers.
- The Fair Funding Review of funding to councils promised by the previous Conservative Government in 2017 was never delivered and the core funding formulae for local councils have not been updated since 2013. This and the phasing out of RSG mean that councils with high student populations such as West Lancashire are not fairly funded from central Government under the current arrangements.

Council believes that:

- Students **and other council tax exempted or discounted residents** are a very welcome part of our community and our local economy. ~~but live in concentrated areas of the Borough in densely populated conditions.~~ This has a big impact on services in these parts of the Borough.
- Student households **and other exempted or discounted households** should continue to be exempt from council tax, as students are on low (and loaned) incomes **and other residents qualify accordingly.**

Council resolves that:

The Chief Executive write to the Chancellor of the Exchequer; Secretary of State for Housing, Communities and Local Government; the Chair and Vice-Chairs of the Local Government Association; and the Members of Parliament serving West Lancashire Borough to request that a review of government funding of local councils takes place as part of the current national spending review and that a revised system of government funding of local councils should compensate the income lost to local councils through council tax exemptions for student households and halls of residence **and other such exemptions** and also re-introduce minimum 3-year funding settlements for local government to aid financial planning.