

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	7 February 2024
Subject:	Council Tax Discount Scheme for Care Leavers
Report of:	Head of Service: Revenues and Benefits
Director:	Director: Corporate Resources
Lead Member:	Lead Member for Finance and Asset Management
Number of Appendices:	1

Executive Summary:

Section 13A(1)(c) of the Local Government Finance Act 1992 gives the Council discretion to reduce the amount of Council Tax payable. This can be for individual cases or by class/category.

This report proposes a change to the Council Tax Discount Scheme for Care Leavers approved by Council on 19 February 2019. It is proposed to amend the definition of a care leaver to a young person between the ages of 18 and 24 years (formerly ages 18-21), residing in Tewkesbury Borough.

Recommendation:

To RECOMMEND TO COUNCIL that:

- i. the definition of a care leaver be amended to a young person between the ages of 18 and 24 years for the purposes of Section 13A(1)(c) of the Local Government Finance Act 1992; and**
- ii. the Council Tax Discount Scheme for Care Leavers attached at Appendix 1 be ADOPTED with effect from 1 April 2024.**

Financial Implications:

The full cost of any Council Tax discount awarded under Section 13(A)(1)(c) must be borne by Tewkesbury Borough Council. Gloucestershire County Council has agreed to fund its share of the cost of any care leaver discount awarded. Tewkesbury Borough Council will be required to fund the remainder including the Parish and Police and Crime Commissioner part of the bill.

Legal Implications:

Section 13A(1)(c) of the Local Government Finance Act 1992 (as amended) gives the Council discretion to reduce the amount of Council Tax payable by individual cases or by class. The discount for care leavers as defined in Appendix 1 is a class of case.

Environmental and Sustainability Implications:

None.

Resource Implications (including impact on equalities):

This proposal is not detrimental to any groups with protected characteristics.

Safeguarding Implications:

None directly though care leavers can often be considered as vulnerable in terms of managing debt.

Impact on the Customer:

This will have a positive impact on care leavers within the borough through the provision of financial support.

1.0 INTRODUCTION

- 1.1 Section 13A of the Local Government Finance Act 1992 gives the Council discretionary powers to reduce the amount of Council Tax payable in individual cases or for classes of case. This includes reducing the amount payable to nil.
- 1.2 In July 2016, the government published 'Keep on Caring', a strategy for supporting young people from care to independence, which highlighted awarding Council Tax discounts to this group was best practice. The Council has discretion under Section 13A of the Local Government Finance Act 1992 to reduce the amount of Council Tax payable. It is recommended that a Council Tax discount is introduced for care leavers resident in Tewkesbury Borough using this discretionary power.
- 1.3 A 2016 report by The Children's Society found that when care leavers move into independent accommodation, they begin to manage their own budget fully for the first time. The report showed that care leavers can find this extremely challenging and with no family to support them and insufficient financial education, are falling into debt and financial difficulty.
- 1.4 In 2019, the six local authorities and Gloucestershire County Council worked together to provide a common Council Tax Discount Scheme for Care Leavers providing a consistent approach across Gloucestershire. On the 19 February 2019, Tewkesbury Borough Council resolved that Care Leavers are determined as a class for the purpose of Section 13A(1)(c) of the Local Government Finance Act 1992, effective from 1 April 2019
- 1.5 In May 2023 the Department of Education completed a review of Gloucestershire's Care Leaver offer and, following feedback, the six district authorities and Gloucestershire County Council worked together on changes to the Council Tax Discount Scheme for Care Leavers which provides a consistent approach and better offer across the county. The outcome is a proposal to change the definition of a care leaver and a change to eligibility criteria that will exempt care leavers in Tewkesbury Borough from Council Tax that were formerly a child in the care of Gloucestershire County Council or other local authority in England and are aged 18 to 24 years.
- 1.6 Under the Council Tax Discount Scheme for Care Leavers in 2022/23 the Council awarded a discount to 11 care leavers aged between 18 and 21 years.

2.0 CARE LEAVER'S DISCOUNT SCHEME

- 2.1** The Council Tax Discount Scheme for Care Leavers detailed at Appendix 1 proposes discounts for care leavers between the ages of 18 and 24 residing in the Tewkesbury Borough area, who were formerly in the care of Gloucestershire County Council or other local authority in England.
- 2.2** The scheme will provide for a full exemption from Council Tax to be awarded where care leavers live alone and a 50% discount where they live with others. Some care leavers will already have their Council Tax liability reduced. The care leaver discount will be awarded after all other discounts, exemptions, and Council Tax support
- 2.3** The relevant team at Gloucestershire County Council liaises with the Revenues team to ensure the necessary information is available to enable the care leaver discounts to be awarded. The current Council Tax Discount Scheme for Care Leavers provides for an exemption or discount from Council Tax for care leavers up to 21 years. A change to the scheme would see care leavers between the age of 22 years to 24 years also awarded an exemption or discount from Council Tax and will support them in making an effective social and financial transition from local authority care.
- 2.4** A change to the Council Tax Discount Scheme for Care Leavers will provide a better outcome for care leavers up to 24 years and help to support a local offer that is consistent across the whole county.

3.0 CONSULTATION

- 3.1** All Gloucestershire district Councils and Gloucestershire County Council are jointly supporting this proposal.

4.0 ASSOCIATED RISKS

- 4.1** If changes to the definition and eligibility criteria for care leavers in the Council Tax Discount Scheme for Care Leavers are not approved, then Care Leavers living in Tewkesbury Borough will not get the same level of support as in other areas of the county and could lead to a potential reputational risk for the local authority.

5.0 MONITORING

- 5.1** The number of discounts made will be included in regular reports to the Lead Member for Finance and Asset Management

6.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

- 6.1** The current Council Plan (2020-2024) includes priorities on 'Customer First' and 'Supporting Communities.'

Background Papers: Council – 19 February 2019 (recommendation from Executive Committee 6 February 2019)

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Appendices: 1 – Council Tax Discount Scheme for Care Leavers