

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	6 February 2019
Subject:	Council Tax Discount for Care Leavers
Report of:	Head of Corporate Services
Corporate Lead:	Deputy Chief Executive
Lead Member:	Lead Member for Finance and Asset Management
Number of Appendices:	One

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 that a class is determined for Gloucestershire care leavers between the ages of 18 and 21 residing in the Tewkesbury Borough Council area.

Recommendation:

That the Executive Committee:

- a) **Determines Gloucestershire care leavers between the ages of 18 and 21 as a class for the purposes of Section 13A(1)(c) of the Local Government Finance Act 1992.**
- b) **RECOMMENDS TO COUNCIL the adoption of the Council Tax Discount Scheme for Care Leavers to be effective from 1 April 2019.**
- c) **Delegates authority to the Head of Corporate Services to apply the discount for care leavers, with any dispute being subject to an internal reconsideration by the Deputy Chief Executive.**

Reasons for Recommendation:

Before Council Tax discounts are agreed they must be put before the Council's Executive Committee for consideration.

Creating a Care Leavers discount will form part of an overall package to prepare care leavers for independence and support them in making an effective social and financial transition from local authority care. Ultimately it should help to improve the life chances of looked after children. The discount will sit alongside several other support arrangements provided to care leavers by Gloucestershire County Council.

Resource 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 their 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. It is estimated that the cost to Tewkesbury Borough Council will be £2,768.

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.

Risk Management Implications:

If the Council Tax Discount for Care Leavers Scheme is not implemented, it may leave care leavers financially disadvantaged. The Council's reputation is likely to be damaged as all other Councils in Gloucestershire are intending to implement the scheme.

Performance Management Follow-up:

The impact of the discount will be closely monitored.

Environmental Implications:

None.

1.0 INTRODUCTION/BACKGROUND

1.1 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.

2.0 BACKGROUND

2.1 Section 13A of the Local Government Finance Act 1992 gives the Council discretionary powers to reduce the amount of Council Tax payable for individual cases or by class. This includes reducing the amount payable to zero.

2.2 The government made recommendations in its care leavers' strategy "Keep on Caring", published July 2016, that local authorities should consider exempting care leavers from Council Tax using their existing discretionary powers under Section 13A.

2.3 Care leavers are considered a particularly vulnerable group for Council Tax debt. Moving to independent accommodation, and managing finances for the first time, is challenging as care leavers are faced with a new set of responsibilities without the family support and wider network that most young people can rely on.

2.4 The six District Councils, and Gloucestershire County Council, are working together to provide a common Council Tax discount scheme for care leavers which provides a consistent approach across Gloucestershire.

- 2.5** Any discount awarded using this discretionary power must be funded by the billing authority. However, by agreement, Gloucestershire County Council will fund its share of the cost of any care leaver discounts awarded.
- 2.6** The latest information for Gloucestershire County Council suggests there are eight care leavers living independently in the Tewkesbury area who may be eligible for a discount.
- 2.7** The Council Tax discount scheme for care leavers in Appendix 1 proposes a discount for care leavers between the ages of 18 and 21 residing in Tewkesbury Borough who were formerly in the care of Gloucestershire County Council.
- 2.8** The scheme will provide a 100% discount where the care leaver lives alone and a 50% discount where they live with others. Some care leavers will already have had their Council Tax liability reduced for other reasons and the discount will be awarded after all other discounts, exemptions and Council Tax reduction.
- 2.9** The full eligibility criteria and arrangements for administering the scheme are found in Appendix 1.
- 3.0 OTHER OPTIONS CONSIDERED**
- 3.1** The Council could choose not to approve a care leaver discount.
- 4.0 CONSULTATION**
- 4.1** No direct consultation has been undertaken regarding the implementation of this scheme, but Chief Finance Officers have discussed the scheme and its financial implications for each District Council.
- 5.0 RELEVANT COUNCIL POLICIES/STRATEGIES**
- 5.1** None.
- 6.0 RELEVANT GOVERNMENT POLICIES**
- 6.1** Keep on caring: supporting young people from care to independence (Policy paper, July 2016).
- 7.0 RESOURCE IMPLICATIONS (Human/Property)**
- 7.1** None directly associated with this report other than officer time.
- 8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**
- 8.1** None.
- 9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)**
- 9.1** None.

10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

10.1 None.

Background Papers: None.

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Appendices: 1. Council Tax discount scheme for care leavers.