

NON KEY DECISION: REPORT TO CABINET MEMBER

DECISION TO BE TAKEN BY: Councillor Adam Stokes – Cabinet member for Finance

REPORT AUTHOR: Assistant Director - Finance

REPORT NO. CFM457

DATE: 29 March 2018

SUBJECT OF NON KEY DECISION:	COUNCIL TAX REDUCTION FOR CARE LEAVERS
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CABINET MEMBER REMIT:	Finance	
CRIME AND DISORDER IMPLICATIONS:	N/a	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	This report is publicly available on the Council's website www.southkesteven.gov.uk via your Council and Democracy link	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? Not Applicable	Full impact assessment required? No
BACKGROUND PAPERS:	None	

(1) PURPOSE OF REPORT

- 1.1 The Government recognise in it's 'Keep on Caring' Strategy (<https://www.gov.uk/government/publications/keep-on-caring-supporting-young-people-from-care-to-independence>) that young people leaving care constitute one of the most vulnerable groups in society, and both government and wider society have a moral obligation to give them the support they need as they make transition to adulthood and independent living.

- 1.2 The Strategy focuses on embedding a culture of corporate parenting across all parts of local authority. An increasing number of local authorities are now introducing measures that mean more and more care leavers across the country no longer have to pay Council Tax.
- 1.3 The Government state in the 'Keep on Caring' Strategy that it wants all local authorities to be thinking creatively about how they can support care leavers in ways that reasonable parents would.
- 1.4 The provisions of Section 13A Local Government Finance Act 1992 give flexibility for local authorities to support vulnerable groups to help manage their council tax liabilities.
- 1.5 There are currently around 19 care leavers in the South Kesteven area aged between 18 and 21. Information obtained from Lincolnshire County Council (LCC) indicates
 - almost 70% of care leavers in the county are in education, employment or training.
 - 8% are in unsuitable or not known accommodation.
- 1.6 Changes through the Children and Social Work Act 2017 extended the age for entitlement to receive support from a Personal Adviser from 21 to age 25, although this does not necessarily mean that local authorities have to provide the same level of support to care leavers aged 21 to 25.
- 1.7 Whilst it is not possible to accurately cost the provision of a discount, the number will in fact be lower than the figure referred to in 1.5 above, and many will have no or reduced Council Tax liability; even where there is a Council Tax liability that there will be other entitlements that would be awarded first, before any discretionary amount. It is estimated of the cost of this discount would be approximately £18,000 per annum, based on the number of potential eligible claimants.
- 1.7 The full cost of any discount awarded under S13A 1(c) is however met fully by Council Tax payers and cannot be shared with major precepting authorities. The full cost would be borne by this Council.
- 1.8 For financial year 2019/20 onwards consideration will be given to incorporating care leavers reduction into the new Council Tax Support Scheme – it is too late for the Scheme to be introduced for the year 2018/19 due to the required statutory consultation.
- 1.9 It is recommended that a new class of discretionary discount is created with effect from 1 April 2018 to reduce the amount of Council Tax liability for any care leaver living within the district by up to 100% between the ages of 18 – 21, with discount ending on the individual's 22nd birthday.
- 1.10 Administration of such a scheme would be kept to a simple application process, whereby LCC would pass on an application form to care leavers in

the district for completion and return to this Authority. At the point of processing the discount, a check would also be carried out to ensure all other reductions have been made first.

(2) RECOMMENDATION(S)

- 2.1 The Cabinet member for Finance approves a class of local discretionary Council Tax discount of up to 100% for care leavers aged 18 – 21 years, under the provisions of Section 13A 1(c) of the Local Government Finance Act 1992.

**(3) REASONS FOR RECOMMENDATION(S)
(including any alternative options considered and rejected)**

- 3.1 The reasons for this recommendation are contained in the report, namely to support young people coming out of care as they go through the transition to adulthood and independent living.

(4) COMMENTS FROM FINANCIAL SERVICES

- 4.1 The financial considerations are contained in the report.

(5) COMMENTS FROM LEGAL AND DEMOCRATIC SERVICES

- 5.1 Section 13A(2) of the Local Government Finance Act 1992 states that local authorities must make a scheme specifying the reductions which are to apply to amounts of council tax payable. Schedule 1A sets out matters to be included and how to introduce the scheme. Before any scheme is introduced or amended, consultation must take place with any major precepting authority (as necessary) which has power to issue a precept to it and other persons considered to be likely to have an interest in the operation of the scheme. This must be completed by no later than 31 January in the financial year preceding that for which the revision or replacement scheme is to have effect. S13A(6) gives the Council the power to reduce an amount to nil.

(6) OFFICER CONTACT

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(7) DATE DECISION EFFECTIVE:

If decision taken on 4th April date effective will be Friday 13th April 2018.