

# Gloucester City Council

<b>Report to:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 February 2019</b>
<b>Subject:</b>	<b>Council Tax Discount for Care Leavers</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance and Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
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<b>Appendices:</b>	<b>A. Section 13A Local Government Finance Act 1992</b>		
	<b>B. Care Leavers Strategy – Keep on Caring</b>		
	<b>C. Council Tax Discount Scheme for Care Leavers</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 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 determining a class of case.

This report proposes that a class of case is determined for Gloucestershire Care Leavers between the ages of 18 and 21, residing in Gloucester.

### 2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that:

- (1) Care Leavers are determined as a class for the purpose of Section 13A(1)(c) of The Local Government Finance Act 1992
- (2) the Council Tax Discount Scheme for Care Leavers is approved and effective from 01 April 2019

### 3.0 Background and Key Issues

- 3.1 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

- 3.2 The government made recommendations in its care leavers strategy “Keep on Caring” published in July 2016 that local authorities should consider exempting care leavers from council tax, using their existing discretionary powers under Section 13A – appendix B
- 3.3 Care leavers are considered to be a particularly vulnerable group for council tax debt. Moving to independent accommodation and managing finances for the first time is challenging. Care leavers are faced with a new set of potentially overwhelming responsibilities, without the family support and wider network that most other young person can rely on
- 3.4 The six local authorities 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
- 3.5 Cabinet is being asked to approve a class for awarding a council tax discount for Care Leavers as detailed in appendix C
- 3.6 Any reduction awarded using this 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
- 3.7 There are potentially 37 Care Leavers living independently in the Gloucester area who may be eligible for a discount.

#### **4.0 PROGRESS**

- 4.1 The Council Tax Discount Scheme for Care Leavers detailed at appendix C proposes discounts for Care Leavers between the ages of 18 and 21 residing in the Gloucester City Council area, who were formerly in the care of Gloucestershire County Council
- 4.2 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
- 4.3 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
- 4.4 The full eligibility criteria and arrangements for administering the scheme are detailed in appendix C
- 4.5 The relevant team at Gloucestershire County Council will liaise with the Revenues team to ensure the necessary information is available to enable the Care Leaver discounts to be awarded

#### **5.0 Reasons for Recommendations**

- 5.1 Creating the Care Leavers Discount Scheme will form part of an overall package to prepare Care Leavers for independence and will support them in making an effective social and financial transition from Local Authority care. Ultimately it will help to improve the life chances of looked after children.

5.2 The discounts sit alongside a number of other support arrangements provided to care leavers by Gloucestershire County Council

## **6.0 Future Work and Conclusions**

6.1 The impact of these changes will be monitored

## **7.0 Financial Implications**

7.1 The full cost of any council tax reduction awarded under Section 13A(1)(c) must be borne by the Council. Gloucestershire County Council has agreed to fund their share of the cost of any Care Leaver discounts awarded. This Council will be required to fund its own and the Police share.

The actual cost of awarding these discounts is not known, however, numbers are expected to be low. There are currently 37 Care Leavers who may be eligible and it is very likely that they will already be in receipt of other discounts, exemptions or council tax support and full discounts will not be required in every case

## **8.0 Legal Implications**

8.1 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 to individual cases or by determining a class of case

Care Leavers as defined in appendix C is a class of case

## **9.0 Risk & Opportunity Management Implications**

9.1 If the Care Leaver Discount Scheme is not approved then Care Leavers living in Gloucester will not get the same level of support as in other areas of the County

## **10.0 People Impact Assessment (PIA):**

10.1 None

## **11.0 Other Corporate Implications**

Creating the Care Leaver Discount scheme will provide support to vulnerable young adults

11.1 Not applicable.

Sustainability

11.2 Not applicable

Staffing & Trade Union

11.3 Not applicable

**Background Documents:** None