

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Portfolio Holder for Finance and Executive Director – Commercialisation
(Section 151 Officer)

To: Cabinet Tuesday, 29 May 2018

(Author: Sharon Hammond - Head of Service, Revenues and Benefits)

Subject Care Leavers - Council Tax Discount

Purpose: To consider provision of a discretionary Council Tax discount to support care leavers in the district.

Recommendation:

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

1.0 BACKGROUND

- 1.1 The government's care leaver strategy 'Keep on Caring' published in July 2016 encourages local authorities to consider how they can support care leavers, using existing flexibilities, to meet their Council Tax payments.
- 1.2 In the strategy, the government recognises 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.
- 1.3 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.
- 1.4 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.

2.0 PROVISION FOR LOCAL DISCRETION

- 2.1 Section 76 of the Local Government Finance Act 2003 inserted a new Section 13A into the Local Government Finance Act 1992 giving billing authorities discretion to reduce the amount of Council Tax payable for situations that were not covered by statutory discounts or exemptions.
- 2.2 The scope of Section 13A was then extended by provisions of Section 10 of the Local Government Finance Act 2012 which introduced Council Tax Support (Section 13A 1(a)) and provided for discretionary reductions to be awarded under Section 13A 1(c) in situations where reductions were not covered by statutory discounts or exemptions.

- 2.3 Under the provisions of Section 13A 1(c), councils can determine classes of cases or dwellings where discount will be awarded. Using the determination of a 'class of case', allows for a level of reduction in Council Tax for people with the same circumstances.
- 2.4 South Holland's Section 13A 1(c) policy does not presently have any defined classes and operates on a case by case basis for applications.

3.0 SUPPORTING CARE LEAVERS IN SOUTH HOLLAND

- 3.1 There are currently 14 care leavers in the South Holland area aged between 18 and 21, as shown in the following table provided by Lincolnshire County Council (LCC).

Age	17	18	19	20	21	22	23	24	25	TOTAL
	2	3	6	4	1	0	0	0	0	16

- 3.2 Information provided by LCC also indicates: -
- Almost 70% of care leavers in the county are in education, employment or training.
 - 8% are in unsuitable or not known accommodation.
- 3.3 Changes through the Children and Social Work Act 2017 extended the age for entitlement to receive support from a Personal Adviser from 21 to 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.
- 3.4 Whilst it is not possible to accurately cost the provision of a discount, the number will in fact be lower than the 14 referred to in 3.1 above, and many will have no or reduced Council Tax liability. Even where there is a Council Tax liability there would most likely be other entitlements that would be awarded first, before any discretionary amount.
- 3.5 The full cost of any discount awarded under Section 13A 1(c) would however be met fully by South Holland District Council, and cannot be shared with major precepting authorities.
- 3.6 For financial year 2019/20 onwards, consideration could be given to incorporating care leavers reduction into the Council Tax Support (CTS) scheme – it is too late for 2018/19 as CTS schemes cannot be changed in-year.

4.0 OPTIONS

- 4.1 Option 1 – recommended.

A new class of discretionary discount is created under the Councils Section 13A 1(c) policy for 2018/19 to reduce the amount of Council Tax liability for any care leaver residing in the district by up to 100% between the ages of 18 – 21, with discount ending on the individuals 22nd birthday.

The criteria for the discount would require the applicant to

- Have a Council Tax liability in their own name, or be jointly liable.
- Be aged between 18 – 21 years (with discount ending on 22nd birthday).
- Have applied for and been awarded all other discounts and reductions first, such as student discount or exemption, single person discount and Council Tax Support.

4.2 Administration would be by a simple application process, co-ordinated between the Council Tax team, the applicant and Barnado's Leaving Care Service. Option 2 - As set out in Option 1, but with variation on period or amount of discount.

4.3 Option 3 - Do nothing. There is no mandatory requirement on billing authorities to provide a discount for care leavers.

5.0 **EXPECTED BENEFITS**

5.1 The introduction of a discretionary discount for care leavers demonstrates South Holland's support for developing a culture of corporate parenting across all parts of local authority.

6.0 **IMPLICATIONS**

6.1 **Constitutional & Legal**

6.1.1 Legislative provision for local discretionary discounts is found in Section 13A of the Local Government Finance Act 1992.

6.2 **Financial**

6.2.1 The 2018/19 cost to South Holland is estimated to be £8,000. Under Section 13A 1(c) the full cost will fall to South Holland District Council.

6.2.2 For 2019/20 onwards, consideration could be given to incorporating care leavers reduction into the Council Tax Support (CTS) scheme; the full cost would then be shared with major Precepting authorities, with South Holland's share being around 11%, £880 per annum.

7.0 **WARDS/COMMUNITIES AFFECTED**

7.1 All.

8.0 **ACRONYMS**

8.1 CTS = Council Tax Support
LCC – Lincolnshire County Council

Background papers:- [HM Government 'Keep on Caring' Supporting Young People from Care to Independence. July 2016](#)

Lead Contact Officer

Name and Post: Sharon Hammond Head of Service, Revenues and Benefits
Telephone Number
Email: Sharon.hammond@cpbs.com

Key Decision: N

Exempt Decision: N

This report refers to a Discretionary Service