

Council Tax & Care Leavers

Cabinet

Date: 18th October 2017

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	Head of Revenues and Benefits & Director of Children's Services
Wards:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 This report recommends that consultation commences on granting Discretionary Discounts of Council Tax to care leavers.
- 1.2 This will help in delivering the Council's Priority of helping 'people to help themselves while always protecting the most vulnerable' and help the Council deliver its Corporate Parenting responsibilities for the children in our care.

2. Recommendations

Cabinet is recommended to:

- 2.1 Authorise consultation on the granting of a 100% Swindon Council Tax exemption for Swindon care leavers until the age of 21 and consult on a 50% discount for those with joint Council Tax responsibility with one other person living in the Swindon Borough Council area. It is further proposed that where care leavers have joint Council Tax responsibility with 2 other persons the discount will be 33% and 25% if the joint responsibility is with 3 other persons.
- 2.2 Consult on extending any Exemption or Council Tax Discount for Swindon Care Leavers under the age of 25, where good reason or hardship is shown and in order to prevent destitution or homelessness, and where help provided under the Council Tax Support scheme, other discounts or Discretionary Housing Payments is not sufficient.
- 2.3 Note that the result of the consultations will be reported to Cabinet with any final proposals in February 2018. If agreed these discounts will be effective from 1st April 2018 with discretion to cancel any outstanding arrears owed prior to this date
- 2.4 Subject to recommendation 2.3, and the discounts being agreed, authorise a review of these measures be undertaken at the beginning of the financial year 2019/20. This review will report on the numbers and values of discounts granted in the first full financial year and will evaluate whether any further measures are required, particularly to help care leavers aged between 21 and 25.

Further information on the subject of this report can be obtained from Andy Stevens telephone (01793) 464661 or email anstevens@swindon.gov.uk

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3. Detail

- 3.1 Corporate Parenting is a statutory function and responsibility of the Council. The underlying principle is that every Local Authority will work effectively to achieve the same outcomes for children and young people in care that every good parent would want for their own children. Children and young people who are Looked After by the local authority rather than their parents are likely to be amongst the most vulnerable in the community. One of the priorities of Corporate Parenting is to support young people to move successfully to adult life and that they move into independent living when they are ready to do so and are well supported.
- 3.2 A report by the Children Society entitled 'The Wolf at the Door' found that when care leavers move into independent accommodation, managing their own budget for the first time can be challenging. It makes a number of recommendations, including the exemption from Council Tax for care leavers, since it would help remove some of the initial financial pressure for the young person.
- 3.3 Nineteen other Local Authorities are now operating discounts for Care Leavers and a number of others are proposing to do so. Approximately half of the Authorities that offer the exemption for under 21 year olds extend this to those under 25. Four others have a discretionary scheme for 21 to 25 year olds.
- 3.4 An analysis of care leavers in Swindon showed that out of the 128 care leavers under the age of 21 only 30 had a Council Tax liability during the financial year 2016/17. During this year £14,682 Council Tax was invoiced of which £8,149 had been paid by the end of July 2017. Unfortunately many of the individuals concerned were taken to court in order to obtain payments. This incurs them with court costs, and in addition to the extra financial cost, hinders wellbeing and does not help in the individual's development.
- 3.5 As part of the Council's Financial Inclusion Policy, Care leavers will receive assistance with personal budgeting and other skills training, which will help develop their independence. Financial planning and budgeting will be part of every Pathway Plan as they move towards independence. This will be the responsibility of the Transition and Leaving Care Team in Children's Services. The Transition and Leaving Care Team and the Revenues and Benefits Service will also work together to ensure those reaching the age of 21 are aware that a Council Tax liability is due to commence shortly and given information and support on what further help is available.
- 3.6 Amongst other stakeholders, Parishes and other precepting authorities will be consulted with, since the reduction in Council Tax will impact them, although this is predicted to have a small impact. A Consultation questionnaire will be available on the Council's website and precepting bodies and members of stakeholder groups, such as the Swindon Benefits and Welfare Reforms Strategy Group and the Children's Health, Social Care and Education Overview and Scrutiny

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Committee, along with any other interested persons will be invited to respond. The Head of Revenues and Benefits will collate any responses and report the results to Cabinet with any final proposals in February 2018.

4. Alternative Options

- 4.1 Cabinet could choose not to consult on the proposals in this report and implement it.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 If agreed, after the consultation, the proposed changes will incur a small cost in system development and testing, which will be needed to update the Council Tax system and bills. There will also be a reduction in the Council Tax due and collected, which is estimated to be a maximum of £20,000 per annum.

Legal and Human Rights Implications

- 5.2 Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the steps taken by the Council in relation to this are proportionate and compatible with convention rights. There are a number of pieces of legislation and statutory guidance that set out the role of the local authority in respect of cared for children and care leavers, such as the Corporate Parent in the Children's Act 1989 and 2004 and the Children and Young People Act 2008. The Council can give Council Tax discretionary discounts under section 13A of the 1992 Local Government Finance Act, as amended.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 Reducing the numbers of people against whom recovery action is undertaken may help reduce poverty and possible links to crime, in addition to helping meet the Council's pledge number 24.

Diversity Impact Assessment

- 5.4 A Diversity Impact Assessment (DIA) has been undertaken and the offering of discounts to care leavers has not been found to have any adverse impact. Care leavers are often found to be within or form low income households and so this and Council Tax Support assist with reducing financial deprivation.

Risk Management

- 5.5 There are risks associated with not assisting Care Leavers in achieving financial stability and also in the Council Tax system development and testing.

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6. Consultees

- 6.1 The Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 Pledges for Care Leavers

8. Appendices

- 8.1 None

9. Key Decision/Decision in Cabinet Work Programme

- 9.1 This is a Key Decision and is in the Cabinet Work Programme for October 2017.