

COUNCIL TAX DISCOUNTS AND EXEMPTIONS FOR CARE LEAVERS: UPDATE

To: **Corporate Parenting Sub-Committee**

Meeting Date: **21 February 2018**

From: **Fiona Mackirdy
Head of Countywide and Looked After Children's Services**

Electoral division(s): **All**

Purpose: **To provide the Committee with an update on progress
towards seeking Council Tax discounts for Care Leavers**

Recommendation: **The Sub-Committee is asked to note and comment on the
report.**

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Summary:

The council wants to make sure that care leavers are able to get as much help as possible to pay their bills and manage their money when they are adults

One way of doing this is by agreeing with other councils that care leavers don't have to pay council tax until they are aged 25. This needs all the six councils in Cambridgeshire to agree to this. Some have already agreed.

Some young people who don't live in Cambridgeshire might still have to pay council tax but the County Council could decide to give them a grant to cover the costs.

Lots of work is needed to find out how much this would cost and to get agreement from all the councils to do this for care leavers.

1. BACKGROUND

- 1.1 This Sub-Committee has previously heard that some local authorities offered care leavers discounts on council tax, reflecting the particular vulnerability care leavers experience in developing financial independence. At the meeting on 13 December 2017 Members asked for a report detailing more information.

2. MAIN ISSUES

- 2.1 Any decision to grant relief from council tax has to be applied by the collection authority – in Cambridgeshire's case, the District/City councils.
- 2.2 Under the implementation of the Children and Social Work Act 2017, which comes into effect in April 2018, all authorities need to demonstrate how they are exercising the Corporate Parenting Principles in the exercise of their functions. Providing relief on council tax is one way that authorities could provide evidence of taking account of their duties towards care leavers.
- 2.3 Once more specifics and details are agreed, the County Council may choose or be asked to fund the collection authority for providing the relief on the council tax amount. The cost of this is likely to be at a level and value which can be approved via the Children and Young People's Committee or the General Purposes Committee.
- 2.4 Any agreement from the District/City councils within Cambridgeshire to grant relief to care leavers in respect of council tax will only apply to those young people living within Cambridgeshire. The amount of relief will be after any existing council tax support measures (such as council tax benefit) are applied. Those living outside of Cambridgeshire may still have to pay council tax if the local authority where they live does not grant relief for care leavers.

- 2.5 Some county councils have therefore agreed to provide a support grant to care leavers to pay their contribution to council tax if they live in an authority that does not provide relief.
- 2.6 In Cambridgeshire, there has been some interest shown by some of the District/City councils to consider implementation of a relief scheme. Cambridge City Council are taking forward a proposal that from April 2019 care leavers would be exempt from council tax charges by designating care leavers as a Vulnerable Group and supported via the Council Tax Support Scheme for 100% of their council tax requirement. South Cambridgeshire District Council have requested further information about numbers and demographics of care leavers in their area in order to evaluate the impact.
- 2.7 At the end of November, some very approximate calculations were made on the potential financial implications for the councils in Cambridgeshire as follows:
- Of approximately 250 care leavers, about 26% were eligible to pay council tax (the others were in hostel-type accommodation, at university or were in county council funded accommodation (including asylum seeking young people awaiting an adult asylum status)).
 - Just over half (34) were living in authorities outside of Cambridgeshire and the others were as follows:
 - 13 Cambridge City
 - 3 E Cambs
 - 1 S Cambs
 - 6 Fenland
 - 6 Hunts
 - 4 Peterborough City
 - With the change of law in April extending care leaving responsibilities to aged 25 and the likelihood that, as young people become older they are more likely to be living in accommodation where there is a council tax liability, it is likely that approximately 35% of care leavers at any one time would be eligible for council tax. Calculations have shown that the care leavers population aged 18-25 may increase to just over 400 by 2019. Many young people will be living in shared accommodation, or eligible for single-person discount.
- 2.8 A working group has been convened to look at the implementation of the Children and Social Work Act 2017 and this strand of work could sit within the remit of this group.

3. SIGNIFICANT IMPLICATIONS

3.1 Resource Implications

Further work is needed to map any liability for the County Council if they were to provide either a Support Grant to care leavers to pay any council tax liability, or funding to the collection authorities to implement full council tax relief.

3.2 Procurement/Contractual/Council Contract Procedure Rules Implications

None

3.3 Statutory, Legal and Risk Implications

Local authorities have discretion to reduce council tax under section 13A(1)(c) of the Local Government Finance Act 1992. A scheme which exempts care leavers aged 18-25 who are living in Cambridgeshire is lawful and reasonable as it supports the corporate parenting principles under the Children and Social Work Act 2017.

3.4 Equality and Diversity Implications

None

3.5 Engagement and Communications Implications

None

3.6 Localism and Local Member Involvement

Many County Council members are also elected to District/City councils.

3.7 Public Health Implications

None

SOURCE DOCUMENTS

Source Documents	Location
None	