

Appendix 3

Supporting Information

Service / Policy:	Council Tax Exemption for Care Leavers
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Section 1: Background Information

1.	What is the proposal / issue? 1.1 The Council has the discretion to reduce council tax liability for individuals or prescribed groups, where national discounts and exemptions cannot be applied. The Council exercises discretion, in accordance with section 13A(1)(c) of the Local Government Finance Act 1992. 1.2 It is proposed that the Council exercise its discretionary powers to award a 100 per cent discount for Torbay care leavers between the ages of 18 and 25 living in the Torbay district. The rationale for supporting care leavers in this way is to help them make an effective social and financial transition from Local Authority care and, ultimately, to help to improve the life chances of looked after children. 1.3 A copy of the Government's Keep on Caring report refers.
2.	What is the current situation? 2.1 During 2017 there were currently 39 care leavers aged between 18 and 20 and 8 aged between 21 and 24. From this 32 live in Torbay and 15 live outside the Torbay area. Those that live in Torbay, one is a student and 15 receive Council Tax Support.
3.	What options have been considered? 3.1 Exempting care leavers to the age of 21, as recommended by the original Children's Society report, as the cost to the taxpayer would be lower. However, many Local Authorities are supporting care leavers through to age 25, to match their corporate parenting responsibility. 3.2 Exempting care leavers that move out of Torbay and others that move in from outside the district. However, there are practical and operational complexities in both scenarios that mean it is not currently feasible to include them in the scheme. This will be monitored and proposals will be brought at a future date if the scheme needs to be updated. 3.3 Continue with the current arrangement, as the Government intention is for

	councils to use their local discretion. However, the evidence for supporting care leavers as they move into independent living is persuasive.
4.	<p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>4.1 Exempting care leavers from council tax would be another example of the Council's commitment to its corporate parenting responsibility.</p> <p>4.2 It would assist young people, who only have the support of the council, in reducing the barriers of living in the community, providing them with increased support and lifting them from poverty.</p> <p>4.3 A copy of Torbay's Corporate Parenting Strategy can be found on website.</p>
5.	<p>Who will be affected by this proposal and who do you need to consult with?</p> <p>5.1 All young people setting up a home for the first time need particular support and guidance at this period of transition. Those who are leaving care often have little choice over accommodation options and are faced with often overwhelming responsibilities without the wide-ranging family support that most other people can rely upon.</p> <p>5.2 No consultation has been undertaken in respect of the proposed implementation of this scheme although the Children's Society has been lobbying Councils in relation to this.</p>
6.	<p>How will you propose to consult?</p> <p>6.1 Not applicable for this proposal.</p>

Section 2: Implications and Impact Assessment

7.	<p>What are the financial and legal implications?</p> <p>Financial Implications</p> <p>7.1 There were during 2017, 16 care leavers who are currently liable for council tax in Torbay and eligible for the exemption. This equates to an annual loss of income of around £6,000, when all other discounts have been applied.</p> <p>7.2 In considering this proposal along with the overall package of financial support to care leavers, it is expected that there will be a decrease in emergency payments made for crisis situations. It will also reduce the dependency on services that are used by some of our young people.</p> <p>Legal Implications</p>
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	<p>7.4 Section 13A(1)(c) of the Local Government Finance Act 1992 provides the Council with additional discretionary powers to reduce the Council Tax liability where national discounts and exemptions cannot be applied. The Council may reduce the amount of council tax which a person is liable to pay in respect of any chargeable dwelling and for any period (as determined in accordance with sections 10 to 13).</p> <p>7.5 Discretionary discounts recognise that an Authority's Local Council Tax Support Scheme does not always meet the household's full Council Tax liability. The Council has the right to choose whether to use its powers on a case-by-case basis or it also has the right to specify a class of use. A class of use is where several people who pay Council Tax fall into a group because their circumstances are similar.</p> <p>7.6 Paragraph 19A of Schedule 2 to the Children Act 1989 ('the 1989 Act') provides that it is the duty of the local authority looking after a child to advise, assist and support. Paragraph 19B(4)(b) of Schedule 2 to the 1989 Act provides that the local authority shall carry out an assessment of the individuals needs, with a view to determining what advice, assistance and support to provide under this Act after they cease to look after them and prepare a pathway plan for them. This pathway plan is to be kept under review as per paragraph 19B(5) of Schedule 2.</p> <p>7.7 Section 23C(4) of the Children Act 1989 ('the 1989 Act') provides that it is also the duty of the local authority to give a former relevant child other assistance, to the extent that his welfare requires it and pursuant to section 23C(5) this may be in kind or, in exceptional circumstances, in cash. This duty continues until the former relevant child reaches the age of twenty-one as provided by section 23C(7). However, pursuant to section 3 of the Children and Social Work Act 2017, a section 23CZB is to be inserted into the 1989 Act. This has yet to come into force but will apply where the former relevant child has reached the age of 21 but not the age of 25 and a local authority in England had duties towards them under section 23C. This extends the requirement for support between those ages where the former relevant child requests it.</p> <p>7.8 The Council therefore has a duty to provide advice and assistance for care leavers under the age of 21 but this will be extended to the age of 25. Therefore as the provision of a discount is discretionary, the Council has the power to agree to the discretionary discount.</p>
<p>8.</p>	<p>What are the risks?</p> <p>8.1 There are no risks associated with the introduction of the proposed scheme.</p>

<p>9.</p>	<p>Public Services Value (Social Value) Act 2012</p> <p>9.1 The procurement of services or provision of services is not relevant for this report.</p>
<p>10.</p>	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>10.1 The following is a list of the Councils where we are aware council tax exemption for care leavers has been introduced:</p> <ul style="list-style-type: none"> • Birmingham • Bolton • Bracknell Forest • Brighton and Hove • Cheshire West and Chester • Cheshire East • Coventry • Greenwich • Hammersmith and Fulham • Islington • Lancashire • Milton Keynes • North Somerset • Oldham • Rochdale • Rotherham • Royal Borough of Windsor and Maidenhead • Stockport • Walsall • Wolverhampton <p>10.2 The majority of council's implemented exemptions for the 18 to 25 age group.</p> <p>10.3 Other schemes include;</p> <ul style="list-style-type: none"> • 18 to 21 year olds only • 18 to 21 year olds combined with a discretionary award scheme for 21 to 25 • Council Tax Support topped up with a discretionary award
<p>11.</p>	<p>What are key findings from the consultation you have carried out?</p> <p>11.1 A consultation has not been undertaken however we will review the impact and effectiveness of the scheme at the end of 2018-19 financial year.</p>
<p>12.</p>	<p>Amendments to Proposal / Mitigating Actions</p> <p>12.1 Not applicable for this proposal.</p>