

Council Tax – Care Leavers Discount Review

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Purpose of the Report

1. To request that the District Executive approve the use of the Council's local discretionary powers to increase the Care Leavers discount from 1 April 2022, in accordance with the provisions contained in section 13A Local Government Finance Act 1992 and align with the other District Councils in the Somerset area.

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of September 2021

Public Interest

3. This report gives an overview on the increased Care Leavers Discount that is being proposed from 1 April 2022.

Recommendations

4. That the District Executive recommend that the Chief Executive:
 - a) Approve the use of the Councils' local discretionary powers to increase the existing Care Leavers discount from April 2022.
 - b) Approve that the additional amount to fund the increase in the Care Leavers discount is added to the budget which currently funds Council Tax Discretionary reductions.

Background

5. A report written by the Children's Society in 2015 (The Wolf at the Door, how council tax debt collection is harming children) suggests that care leavers are a particularly vulnerable group for council tax debt. It found that when the care leavers move into independent accommodation and begin to manage their own budget fully for the first time, that in particular they are falling behind on their council tax. The Children's Society report makes a number of recommendations including making care leavers entitled to a council tax discount. This would help to relieve some of



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the initial pressure and would be part of other financial support made available to care leavers.

6. From April 2019, following agreement at District Executive in January 2019 a Care Leavers' Discount was introduced which is currently awarded under section 13A Local Government Finance Act 1992 as follows:
 - a. A 100% Discount is awarded to any Care Leaver who has a liability for Council Tax who is living on their own in a dwelling, whilst they are between the ages of 18 and 21. This is awarded regardless of their income.
 - b. Once the Care Leaver reaches the age of 22 the discount is on a sliding scale until the age of 24. For Care Leavers that are aged 22 and 23, they receive a 50% discount in addition to their Single Person discount. Care Leavers who are aged 24 receive a 25% discount in addition to their Single Person Discount. For those aged 25 and over, they solely receive the Single Person Discount, if still residing in a dwelling on their own.

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7. We have been approached by the leaving care team at Somerset County Council as the other district councils in Somerset all offer a flat 100% discount (after Single Persons Discount is applied) on all Care Leaver cases where they live alone up until they turn 25.
8. There was rationale in the January 2019 report that at the time of its introduction our Council Tax Support Scheme was based on the premise that all households of working age would need to pay at least 15% towards their Council Tax. Since April 2021, the scheme has changed and working age households can now get full Council Tax Support if their income is low enough.
9. The other Somerset authorities all offer 100% discount up to Age 25, in light of the recent announcement on Local Government reform in Somerset, it is sensible to align our discounts.
10. The administration of the scheme would take less officer time. Currently the discounts have to be reviewed every few months to ensure proper scaling on the individual's birthdays. This change would mean far fewer cases need to be reviewed.

Financial Implications

11. We currently have the following Care Leaver discounts being paid:

18-21 (100%)	22-23 (50%)	24-25 (25%)
13	10	3



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12. On the assumption that care leavers would reside in a dwelling which would be a band A the current council tax charge for an average band A in South Somerset is £1248.62, less 25% single discount = £936.47. The figure below also assumes that no Council Tax Support is payable on the remaining charge

13. The cost of the current scheme for 21-22 is approximately £17,500pa

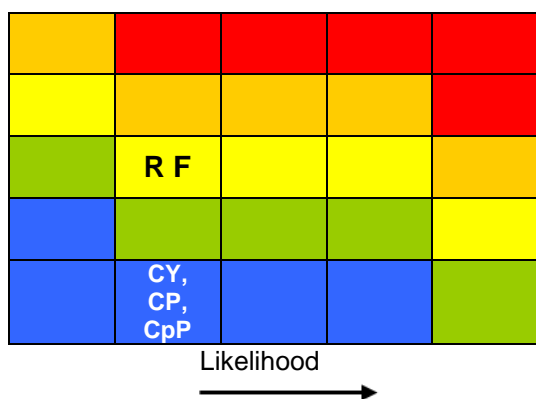
14. To fund all discounts to 100% until age 25 would cost approximately £24,500pa

Legal implications (if any) and details of Statutory Powers

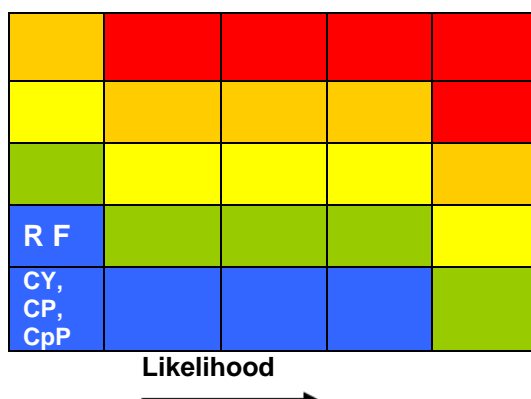
15. There are no legal implications associated with this report.

Risk Matrix

Risk Profile before officer recommendations



Risk Profile after officer recommendations



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R - Reputation	High impact and high probability
CpP - Corporate Plan Priorities	Major impact and major probability
CP - Community Priorities	Moderate impact and moderate probability
CY - Capacity	Minor impact and minor probability
F - Financial	Insignificant impact and insignificant probability

Council Plan Implications

16. Priority Project 4 – Address child poverty, social isolation and low levels of social mobility across the district.

- a. One of the desired outcomes of this priority is to have in place more coordinated approaches and efforts to address issues of poverty and low social mobility.



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Carbon Emissions and Climate Change Implications

17. There are none associated with this report

Equality and Diversity Implications

18. An equality impact relevance check form has been completed in respect of this proposal in consultation with the Equality lead. This has shown that the proposal will not impact negatively on people who have Protected Characteristics. To this end a full Equality Impact Assessment is not required. A copy of the Equality Impact Relevance Check form can be found at Appendix A.

Privacy Impact Assessment

19. There are no privacy risks identified with these proposals.

Background Papers

The following background papers can be viewed on the council website www.southsomerset.gov.uk

Report to District Executive – January 2019

<https://modgov.southsomerset.gov.uk/ieListDocuments.aspx?CId=136&MId=2359&Ver=4>