

<b>Decision maker:</b>	<b>Cabinet member corporate strategy and budget</b>
<b>Decision date:</b>	<b>Tuesday, 2 October 2018</b>
<b>Title of report:</b>	<b>Council tax discount for care leavers</b>
<b>Report by:</b>	<b>Head of corporate finance</b>

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose and summary**

To approve a new council tax discount to care leavers from the age of 18 until their 25th birthday.

The new council tax discretionary relief award is aimed at reducing housing costs that may be experienced by care leavers by granting up to 100% discretionary relief from council tax.

## **Recommendation(s)**

That:

- (a) the council tax discretionary relief award attached at appendix 1 be approved for implementation from 1 November 2018.**

## **Alternative options**

1. To not approve the discount award If not approved then council tax relief for care leavers would not be implemented. This is not recommended due to the policy being recommended in line with supporting the council's corporate priorities of:
  - a. Enable residents to live safe, healthy and independent lives, and
  - b. Keep children and young people safe and give them a great start in life

In particular for looked after children and care leavers the council has a responsibility as corporate parent. Herefordshire Council's Corporate Parenting Strategy sets out the council's approach including:

- accepting responsibility for children in the council's care (and care leavers)
- making their needs a priority
- seeking for them the same outcomes any good parent would want for their own children.

2. To offer a varying method of discount. This is not recommended because it would be costly to administer.

## **Key considerations**

3. Councils have the power to reduce the amount of council tax a person has to pay. This includes the power to reduce an amount to nil, and may be applied to individual cases or by determining a class of case in which liability is to be reduced.
4. The council tax discount attached at appendix 1 is a new discount aimed at reducing the housing cost people leaving the care of the council may otherwise experience. By granting 100% discretionary relief from council tax, the Council will be providing practical help and financial assistance to care leavers whilst they are developing independent lives and their life skills.
5. The discretionary relief will be awarded only after entitlement to other legislative discounts or exemptions, including Council Tax Reduction, have been applied and will be awarded to all Herefordshire care leavers living in the area with immediate effect.
6. This proposal aims to provide financial assistance with council tax bills to support our care leavers from the age of 18 until their 25th birthday.
7. The policy outlines the procedures for awarding the relief to Herefordshire care leavers living in the area and the appeals procedure for citizens dissatisfied with a decision made for this relief. The relief is awarded on an application basis. The scheme will be made available online and communicated by those working with care leavers and those working in the council tax department. The effectiveness of the scheme will be monitored and reported to the Corporate Parenting Panel, who will then include the evaluation as part of their annual report to full Council.

## **Community impact**

8. The proposal will continue to promote the council's corporate plan priorities by enabling residents to live safe, healthy and independent lives, and keep children and young people safe and giving them a great start in life through reducing the costs associated with independent living.
9. The proposal would support the councils corporate parenting strategy, in particular priority 8 – All looked after children are supported and enabled to live happy, healthy and financially secure lives when they leave care.

## **Equality duty**

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
10. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a positive decision on awarding council tax discount, to this cohort we believe that it will have a positive impact on filling the key aims of our equality duty.

## **Resource implications**

- 11. The new policy will not result in resourcing changes to the current resource position.
- 12. Indications suggest that of the in county care leavers aged 18 – 24, around 90 cases, the majority are already claiming some level of discount. To increase the discount to 100% would result in an additional annual cost of approximately £15k, this will be accommodated within the existing collection fund budgets, this means there will be no direct impact on the revenue budget.
- 13. The estimated cost based on the current cohort is considered high, action is being taken to reduce the number of looked after children.

## **Legal implications**

- 14. The Council has powers to levy and collect Council Tax by virtue of section 1 Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012. Under the same act section 13A(1)(c) 1992 permits the council to reduce the council tax liability in respect of any chargeable property as it sees fit. The reduction may be to zero (s.13A(6)) and may be exercised in relation to a class of case (s.13A(7)), as is being proposed.
- 15. This is an executive decision. Legislation provides that all functions are considered to be executive unless they are otherwise specified by legislation or by the authority as a local choice function. Whilst the Local Government Finance Act 1992 reserves the making or revising of a council tax reduction scheme to full council , discretionary relief is not included in this provision and it is therefore an executive decision.
- 16. This decision is necessary because the council does not currently have a council tax discretionary relief policy on how the discretion will be exercised.
- 17. The discretion is in fact undertaken by Hoople under the terms of their service level agreement with the council.

## **Risk management**

18. This discount is recommended in line with legislation and clarifies how the council's discretionary powers will be applied and the options available to challenge a discretionary decision.

## **Consultees**

19. None

## **Appendices**

Appendix 1 – Council tax discount for care leavers

## **Background papers**

None identified