

The Vale of Glamorgan Council

Cabinet Meeting: 30th April 2018

Report of the Leader

Council Tax Discretionary Relief for Care Leavers

Purpose of the Report

1. To gain Cabinet's approval to grant Discretionary Council Tax Reduction in accordance with the provisions contained in section 13A Local Government Finance Act 1992 in respect of a class of individuals defined as Care Leavers.
2. It is proposed that the Discretionary Council Tax Reduction will only apply to Care Leavers resident in the Vale of Glamorgan as defined by the definition of a care leaver in the Social Services and Well-being Wales Act 2014 and that it should apply from 1st April 2018.

Recommendations

1. Cabinet adopts the Discretionary Council Tax Reduction policy for Care Leavers as attached at Appendix A to this report in relation to the class described as "Care Leavers" as defined in [Appendix A](#) and also permit the granting of section 13A (1) (c) of the Local Government Finance Act 1992 for more than a year.
2. To create a separate Discretionary Council Tax Reduction class for Care Leavers which will apply up until, but not including their 25th birthday at a rate of up to 100% of the Council Tax (dependent on household composition criteria) be applied as set out in the policy at Appendix A attached to this report.
3. That Discretionary Council Tax Reduction will only be awarded after all other discounts, exemptions and Mandatory Council Tax Reduction has been awarded. The award will commence on 1st April 2018 and any backdated period will be considered depending on the merits of each individual application.

Reasons for the Recommendations

1-3 To create a separate Discretionary Council Tax Reduction class for Care Leavers in accordance with the provisions contained in s.13A of the Local Government Finance Act 1992 effective from 1st April 2018.

Background

3. It is appropriate to advise Cabinet of the current position in respect of the duty the Council has in respect of Care Leavers who, after their eighteenth birthday, may become liable to pay Council Tax following any discount, exemption or reduction that has been applied. This report considers the approach that is taken to provide care

leavers, previously accommodated by this Council, with financial assistance towards any council tax liability.

4. Corporate parenting is a statutory function of the Council. The underlying principle is that every local authority will seek 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 amongst the most vulnerable groups in our community. As corporate parents, the Council has the responsibility to keep them safe, make sure their experiences in care are positive and improve their on-going life chances.
5. A 2015 report by The Children's Society (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 care leavers move into independent accommodation and they begin to manage their own budget fully for the first time, that this is a challenging time for care leavers, particularly if they are falling behind on their council tax. The Children's Society report made a number of recommendations, including making care leavers eligible for council tax discount. This would help to relieve some of the initial pressure and would sit alongside a number of other financial support arrangements available to care leavers

Relevant Issues and Options

6. Under Section 13A (1) (c) of the Local Government Finance Act 1992 (as inserted by Section 10 of the Local Government Finance Act 2012), the Council has the power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine.
7. The legislation allows for a discretionary reduction to be awarded to groups or classes of individuals if so determined. If a separate class is determined a formal application for the reduction may not always be made or required. Where a decision is made to award discretionary reduction to a class/group of individuals then this decision would need to be taken formally by the Cabinet
8. There is currently no specific Discretionary Council Tax Reduction class for care leavers in Council Tax legislation. Consequently the only way to achieve an exemption/reduction for liable care leavers is to grant a Discretionary Council Tax Reduction in accordance with the provisions contained in s13a (1) (c) Local Government Finance Act 1992.
9. The Discretionary Council Tax Reduction can either be considered on a case by case basis or the Cabinet can decide to create a new class of discount to apply to care leavers as a group. Under each option the cost is borne by the all Council Tax payers in the Vale of Glamorgan.
10. It is anticipated that the actual number of individuals that will qualify is relatively small. This is because a large number of care leavers live in supported accommodation or houses in multiple occupation or receive mandatory Council Tax Reduction based on their income level and therefore are not liable for Council Tax as they have a nil balance.
11. If a Cabinet decision is made to award Discretionary Council Tax Reduction to Care Leavers then the Council will need to adopt the criteria shown in the policy at Appendix A to this report to specify the treatment in cases of joint and several liability and the level of discount to be granted in such cases.

Resource Implications (Financial and Employment)

12. The cost of awarding Section 13A Discretionary Council Tax Reductions has to be funded from within the total income generated by Council Tax. As a consequence of this the Council will only consider using its powers to reduce council tax liability for any council tax payer or class of payer in exceptional circumstances. It is anticipated that the overall total cost of this award for care leavers will not exceed £10,000 per annum.

Sustainability and Climate Change Implications

13. There are no sustainability and climate change implications arising from this report.

Legal Implications (to Include Human Rights Implications)

14. There are no legal implications arising from this report
15. The relevant legislative provisions are contained in the provisions of the Local Government Finance Act 1992.

Crime and Disorder Implications

16. There are no specific crime and disorder implications associated with this report.

Equal Opportunities Implications (to include Welsh Language issues)

17. An Equalities Impact Assessment (EIA) scoping exercise has been completed considering the implications of the proposal to grant Discretionary Council Tax Reduction in accordance with the provisions contained in section 13A Local Government Finance Act 1992 in respect of a class of individuals defined as Care Leavers. This can be found at [Appendix B](#).
18. This proposal positively impacts upon care leavers between 18 and 25 years old who live in the Vale of Glamorgan. The impact of the proposal on other groups in the population will be considered when a wider policy regarding the application in relation to Discretions with regard to Council tax payments is completed.

Corporate/Service Objectives

19. The service objective is to administer Council Tax and award relief to eligible ratepayers.

Policy Framework and Budget

20. This is a matter for Executive decision by Cabinet

Consultation (including Ward Member Consultation)

21. No specific consultation has been necessary with Elected Members

Relevant Scrutiny Committee

22. Corporate Performance and Resources

Background Papers

Local Government Finance Act 1992
Equality Impact Assessment

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