

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Cabinet **DATE:** 4<sup>th</sup> February 2019

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**WARD(S):** All

**PORTFOLIO:** Cllr Mohammed Nazir, Cabinet Member for Corporate Finance & Housing  
Cllr Shabnum Sadiq, Cabinet member for Children and Education

### **PART I** **NON-KEY DECISION**

#### **CARE LEAVERS COUNCIL TAX EXEMPTION POLICY**

##### **1 Purpose of Report**

To provide a Council policy in respect of an exemption for Care Leavers from Council Tax.

##### **2 Recommendation(s)/Proposed Action**

The Cabinet is requested to resolve that the policy for Care Leavers exemption from Council Tax as set out in Appendix A be approved.

##### **3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

This report supports the Joint Wellbeing Strategy priorities, the JSNA and the Five Year Plan through support to children and young people assisting them in having the best start in life and providing opportunities for them to have positive lives.

##### **4 Other Implications**

###### **(a) Financial**

- 4.1 Under Section 13A(1)(C) of the Local Government Finance Act 1992 (as amended), 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.
- 4.2 There are financial implications to awarding any discounts other than those currently available under the statutory legislation and the financial burden of Section 13A discounts has to be met through an increase in the general level of Council Tax for other payers or from the general fund.

4.3 In addition to this:

- The granting of Section 13A discounts would reduce income from Council Tax;
- A wider entitlement to reduced liability would require additional administrative resources to assess requests;

The Council Tax Support scheme exists to ensure that those on low incomes receive financial assistance with their Council Tax

4.4 The financial implication have been assessed and it is expected that in year 2 the cost of the scheme will be as a maximum £75k

4.5 Therefore a budget of £75k for the financial year 2019-20 has been put aside.

(a) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
That the policy on Care Leavers exemption from Council Tax be approved	It is an opportunity to assist in helping this vulnerable group into work, as it will maximise income and reduce the outgoings and giving assurance that Council Tax is paid			

(c) Human Rights Act and Other Legal Implications

There are no direct legal implications.

The scheme is designed to provide an exemption to Council Tax to Care Leavers where Slough Borough Council has a statutory duty. Where a Care Leaver lives in Slough but the duty is on another LA they are excluded from the scheme but can claim Council Tax Support which is a needs based assessment rather than a blanket exemption.

Legal have confirmed that Schedule 1A of the Finance Act 1992 provides that a scheme must set out the reduction to which persons in each class are to be entitled; Accordingly it appears that there can be different provision for different classes of people. Provided, therefore, your class is defined to exclude

care leavers where looked after by another LA, that would be permissible.

The EIA demonstrates that in excluding Care Leavers living in the borough of Slough but where the statutory duty is from another LA that it does not disproportionately discriminate against one particular group of people.

(d) Equalities Impact Assessment

Please see Appendix.

5 **Supporting Information**

- 5.1 The Children's Society published a report in March 2015 entitled **Wolf at the Door** which called for Council Tax exemptions for Care Leavers up to the age of 21 years old.
- 5.2 This is because young adults transitioning from care to independent accommodation often struggle to manage their finances and are likely to fall into arrears and debt.
- 5.3 Since the initial report there has been a change in the Care Act which came into effect in September 2017 which raised the age that the Local Authority is responsible for Care Leavers to the age of 25 and the Children's Society has raised the age that they recommend a Council Tax exemption to age 25.
- 5.4 The Council acknowledges its role as a Corporate Parent and the responsibilities of keeping our Care Leavers safe and supporting them to have successful lives.
- 5.5 Without the family support most young people get as they become adults, Care Leavers often struggle to juggle their household bills and make ends meet. Many find themselves in debt, or having to go without food or other basic necessities.
- 5.6 The Council therefore wishes to help give Care Leavers the best start in adult life by exempting them from Council Tax while the Council has a statutory duty to support them.
- 5.7 The Council wishes to support all Slough Care Leavers and acknowledges that it cannot do this by only supporting Care Leavers who live in the borough as some choose to move out of the borough as they becomes young adults, because of opportunities for education and /or work that are presented to them.
- 5.8 Whilst the Council cannot provide an exemption for Council Tax to young people who do not live in the borough, the Council intends to make an ex

gratia payment to these young people to ensure that all of Slough's Care Leavers are treated equally.

- 5.9 This policy is based on supporting Slough Care Leavers for the time that the Council has a statutory duty to them. The legislation changed in September 2017 and the Local Authority now has a statutory duty to Care leavers up to the age of 25, but this is not retrospective.
- 5.10 Prior to the change in legislation the Local Authority had a duty to Care leavers until they were 22, as the change in legislation is not retrospective the increase in the number of Care Leavers that the Authority has a duty to will rise year on year for the next three years until our current Care Leavers reach 25.
- 5.11 This will increase the number of Care leavers that will benefit from this policy in future years.
- 5.12 The Policy provides a Council Tax exemption to all Care Leavers who are Council Tax charge payers, if they receive a Council Tax bill in their sole name or in joint names, the exemption will be pro rata based on the amount they are billed.
- 5.13 Single Council Tax payers will usually receive a Single Person discount, or if they are a student a student discount, this will be applied in the first instance and then the Care Leavers exemption will be applied.
- 5.14 Where the Care Leave has joint or several liability, they after discounts and other exemptions are awarded, will receive a proportion of the charge as the Care Leaver exemption, for example if they are a joint tax payer with one other person (who is not a Care Leaver) the exemption will equal 50% of the charge.
- 5.15 **Care Leavers that will benefit from the scheme**
- 5.16 An analysis of the Care Leavers that are currently receiving support and would benefit from this scheme was carried out in August 2017
- 5.17 At that time there were 58 Care Leavers that SBC were supporting who were resident within the borough of Slough and 42 who had addresses outside the borough of Slough.
- 5.18 The scheme has now been in operation for 9 months and in this time 34 Care Leavers living in the borough and are Council Tax payers have been awarded the discount with the total costs being £26,108.79.
- 5.19 In addition there are 3 Care Leavers who live outside the borough and are Council Tax payers which are in the process of being assessed for Care Leavers discount.

- 5.20 It is expected that there will be an additional 10 Care Leavers who live outside the borough who will be eligible for the discount and we are working to engage with them.
- 5.21 A number of Care Leavers are living in Houses in Multiple Occupation (HMO's) or with families and this is why they are not currently liable for Council Tax. Some Care Leavers living in HMO's may, consider moving into self-contained accommodation, as it would be more affordable with a Council Tax exemption, which would be an added benefit of this policy.
- 5.22 It is also envisioned that the numbers of eligible Care Leavers will increase over the next 2 years as more Care Leavers become eligible as we transition to support for those up to 25 year old's.

## **6      Comments of Other Committees**

This report has not been considered by any other committees.

## **7      Conclusion**

Members are requested to review and approve this policy.

## **8      Appendices Attached**

- 'A'        -        Care Leaver Council Tax Exemption Policy
- 'B'        -        Equalities Impact Assessment

## **9      Background Papers**

Children's Society Report – Wolf at the Door March 2015