

SUBJECT: CARE LEAVERS – COUNCIL TAX EXEMPTION

MEETING: CABINET

DATE: 4th July 2018

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

This report seeks approval to exempt all care leavers up to the age of 25 from paying council tax.

2. RECOMMENDATIONS:

- 2.1 To award 100% discretionary council tax relief to all care leavers aged between 18 to 25 who are residing in the County.
- 2.2 To adopt the proposed relief scheme noted in 4.4.2 below

3. KEY ISSUES:

- 3.1 In October 2017, Torfaen County Borough Council became the first council in Wales to take the decision to exempt care leavers from paying council tax, effective from April 2018. Since then the Welsh Revenues Group and the Welsh Local Government Association (WLGA) have been lobbying Welsh Government to change Council Tax Legislation to exempt all care leavers across Wales.
- 3.2 To date the Welsh Government has decided not to update the Council Tax Legislation and have instead encouraged Council's to introduce their own schemes under Section 13A of the Local Government Finance Act 1992. This Act gives the Council power to reduce a liability for council tax in relation to particular cases or by determining class(es) of cases that it may determine and where national discounts and exemptions cannot be applied.
- 3.3 The Council has responsibility as a Corporate Parent to support young people in its care. In agreeing the Corporate Parenting Strategy on 6th June 2018, Cabinet agreed to ensure that young people in our care have the opportunity to live a safe, happy and fulfilling life.
- 3.4 In extending this relief to care leavers from both Monmouthshire and other Local Authorities this will enhance our corporate parent responsibilities and help to support all care leavers living in the County to move into adulthood.

4. OPTIONS APPRAISAL

4.1 **Option 1** – *Do nothing and continue to charge care leavers council tax*

4.1.1 This option doesn't necessarily fit with the Authority's role as a corporate parent.

4.2 **Option 2**– *Wait to see if Welsh Government change the legislation to exempt care leavers from paying council tax*

4.2.1 Legislative changes take time to introduce. Welsh Government have also indicated that this isn't something that they are looking to do in the immediate future. Instead they have actively encouraged Local Authorities to introduce their own local schemes.

4.3 **Option 3** – *To introduce our own scheme under Section 13A of the Local Government Finance Act 1992*

4.3.1 This option allows the Council to act now and apply the relief to 2018/19 council tax accounts.

4.4 Option 3 was therefore considered to be the best approach. It is proposed that the principles of this 'Care Leavers Relief' be applied as follows:

4.4.1 The Council uses its powers under 13A of the Local Government Finance Act 1992 to exempt care leavers from paying council tax.

4.4.2 The principles of the proposed relief are to be applied as follows:

- The claimant is a care leaver, aged between 18 and 25 and is not fully exempt from paying council tax on any other basis.
- The amount of discount awarded will be the net liability after all other discounts and exemptions have been applied.
- The relief will apply to council tax payers for whom their local council held corporate parenting responsibility at the point when the claimant left care, who are residing in Monmouthshire and are liable to pay council tax to Monmouthshire County Council.
- Where a care leaver moves out of the area and then returns, the relief can be reclaimed as long as the claimant returns before they turn 25.
- Where the care leaver is jointly liable for council tax the relief will be applied to the household and so non care leavers may subsequently benefit.
- The relief will be awarded from the 2018/19 financial year (i.e. from 1st April 2018). Any unpaid monies from previous years will still remain due.
- The Council will have discretion to back date any future awards to 1st April 2018.

- Once the care leaver turns 26, full council tax is due.

4.4.3 The relief will be administered by the Revenues Team in conjunction with the Children Services Team. Where the care leaver is from another Local Authority, who has acted as corporate parent, written confirmation will be obtained prior to awarding the relief. Processes will need to be developed to allow this relief to be applied to the appropriate accounts when it becomes due.

5. EVALUATION CRITERIA

An evaluation assessment has been included at Appendix A for future evaluation of whether the decision has been successfully implemented. The decision will come back to this committee in 12 months for review. ***A TEMPLATE FORM IS AVAILABLE AT THE END OF THIS DOC.***

6. REASONS

The Council has responsibility as a Corporate Parent to support young people in its care. The Council seeks to further support young people leaving care to become independent adults.

7. RESOURCE IMPLICATIONS

7.1 As at 31st March 2018 Monmouthshire had 68 care leavers aged between 18 and 25. Of these 37 were known to be living in the County, with 12 being the main ratepayer. Further analysis determined that after Housing Benefits and other council tax exemptions/discounts were applied (e.g. Single Person Discount, Council Tax Reduction Scheme) 4 care leavers were currently liable to pay council tax to a value of £3,500.

7.2 A further review of care leaver information supplied by the Children Services Team identified that another 12 care leavers were expected to turn 18 during the 2018/19 financial year. Applying the assumptions identified above and based on an average Band D charge it is estimated that a further charge of £3,000 will fall due.

7.3 It isn't possible to determine the number of care leavers from other Authorities who may be eligible for this relief. However the above analysis suggests that the sums involved are likely to be small.

7.4 Taking points 7.1, 7.2 and 7.3 together it is estimated that the cost of providing this new relief to care leavers will be approximately £6,500 per annum.

7.5 The cost of this relief scheme will fall to the Council and will not affect the other precepting bodies. The financial impact will be borne by the Council Tax income budget.

8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):

The corporate parenting and safeguarding implications associated with this proposal can be found in Appendix One

9. CONSULTEES:

Consultees are listed below:

- Cabinet
- Senior Leadership Team
- Chief Officer - Resources
- Chief Officer – Social Care, Health & Housing
- Children Services Team
- Social Care Finance
- Children & Young People’s Select Committee – Pre decision scrutiny on 28th June 2018. The Committee fully endorsed the proposal

10. BACKGROUND PAPERS:

Appendix One: Future Generations Evaluation Form

11. AUTHOR:

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12. CONTACT DETAILS:

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Evaluation Criteria – Cabinet, Individual Cabinet Member Decisions & Council

Title of Report:	
Date decision was made:	
Report Author:	

What will happen as a result of this decision being approved by Cabinet or Council?

What is the desired outcome of the decision?
What effect will the decision have on the public/officers?

12 month appraisal

Was the desired outcome achieved? What has changed as a result of the decision? Have things improved overall as a result of the decision being taken?

What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?

Think about what you will use to assess whether the decision has had a positive or negative effect:
Has there been an increase/decrease in the number of users
Has the level of service to the customer changed and how will you know
If decision is to restructure departments, has there been any effect on the team (e.g. increase in sick leave)

12 month appraisal

Paint a picture of what has happened since the decision was implemented. Give an overview of how you fared against the criteria. What worked well, what didn't work well. The reasons why you might not have achieved the desired level of outcome. Detail the positive outcomes as a direct result of the decision. If something didn't work, why didn't it work and how has that effected implementation.

What is the estimate cost of implementing this decision or, if the decision is designed to save money, what is the proposed saving that the decision will achieve?

Give an overview of the planned costs associated with the project, which should already be included in the report, so that once the evaluation is completed there is a quick overview of whether it was delivered on budget or if the desired level of savings was achieved.

12 month appraisal

Give an overview of whether the decision was implemented within the budget set out in the report or whether the desired amount of savings was realised. If not, give a brief overview of the reasons why and what the actual costs/savings were.

Any other comments

