

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

17 JANUARY 2019

13

Report Title	COUNCIL TAX DISCOUNT FOR CARE LEAVERS
Purpose of Report	<p>Section 13A(3) of the Local Government Finance Act 1992 gives the council discretion to reduce the amount of council tax payable. This can be for individual cases or by determining a class of case.</p> <p>This report proposes that a class of case is determined for Gloucestershire Care Leavers between the ages of 18-21 residing in the Stroud District.</p>
Decision(s)	Strategy and Resources Committee RECOMMENDS to Council that it adopts the scheme to be effective from 1st April 2019.
Consultation and Feedback	This is a county wide scheme set up in consultation and agreement with the other 5 district councils in Gloucestershire and the Gloucestershire County Council.
Financial Implications and Risk Assessment	<p>If this scheme is adopted it will result in a minimal reduction to the tax base. Any reduction will have to be considered as part of the MTFP process.</p> <p>Adele Rudkin Accountant Tel: 01453 754109 adelerudkin@stroud.gov.uk</p>
Legal Implications	The Council as billing authority for council tax and has power at Section 13A Local Government Finance Act 1992 to reduce the amount of tax payable on a dwelling by s13A(1). The Council can reduce this amount to nil by s13A(2) or, by s13A(3) determine a class of case which has reduced liability. These provisions were added to the 1992 Act by the Local Government Act 2003.
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Options	The Council could choose not to approve a Care Leavers discount.
Performance Management Follow Up	The impact of these changes and costs will be monitored on an on-going basis and any significant changes will be reported to the committee.

**Background Papers/
Appendices**

Appendix A – Summary of Scheme

The Local Government Finance Act 1992 amended by section 10 of The Local Government Finance Act 2012

<https://www.legislation.gov.uk/ukpga/2012/17/contents>

1. BACKGROUND

- 1.1 Section 13A of the Local government Finance Act 1992 gives the council discretionary powers to reduce the amount of council tax payable in individual cases or for classes of case. This includes reducing the amount payable to nil.
- 1.2 The Government made recommendations in its care leavers strategy “Keep on Caring” published in July 2016 that local authorities should consider exempting care leavers from council tax, using their discretionary powers under Section 13A.
- 1.3 Care leavers are considered to be a particularly vulnerable group for council tax debt. Moving to independent accommodation and managing finances for the first time is challenging. Care leavers are faced with a new set of potentially overwhelming responsibilities without the family support and wider network that most other young people can rely on.
- 1.4 The 6 district Councils and Gloucestershire County Council are working together to provide a common council tax scheme for care leavers which provides a consistent approach across Gloucestershire.
- 1.5 Appendix A provides detail of the scheme for awarding a council tax discount for Care Leavers from April 2019.
- 1.6 Any reduction awarded using this power must be funded by the billing authority. However, by agreement Gloucestershire County Council will fund its share of the cost of any care leaver discount awarded.

2. CARE LEAVERS’ DISCOUNT SCHEME

- 2.1 The Council Tax Discount Scheme for Care Leavers detailed in Appendix A proposes discounts for Care Leavers between the ages of 18-21 residing in the Stroud District, who were formerly in the care of Gloucestershire County Council.
- 2.2 The scheme will provide for a full exemption from council tax to be awarded where care leavers live alone and a 50% discount where they live with others.
- 2.3 Some Care Leavers will already have their council tax reduced. The Care leaver discount will be awarded after all other discounts, exemptions and council tax support.

2.4 The full eligibility criteria and arrangements for administering the scheme are detailed in Appendix A.

2.5 The relevant team at Gloucestershire County Council will liaise with the Revenue Teams to ensure the necessary information is available to enable the Care Leavers Discount.

3. FUNDING AND COST OF THE SCHEME

3.1 Creating the Care Leavers Discount Scheme will form part of an overall package to prepare Care Leavers for independence and support them in making an effective social and financial transition from Local Authority care. Ultimately it will help to improve the life chances of looked after children.

3.2 The discounts will sit alongside a number of other support arrangements provided to care leavers by Gloucestershire County Council.