

WAVERLEY BOROUGH COUNCIL

EXECUTIVE

30 MARCH 2021

Title:

Council Tax Exemption for Young People Leaving Care

Portfolio Holder: Cllr Mark Merryweather, Portfolio Holder for Finance, Assets and Commercial Services

Head of Service: Peter Vickers, Head of Property and Finance

Key decision: Yes

Access: Public

1. Purpose and summary

- 1.1 Request that the Executive considers and recommends to Council a new Council Tax exemption that would ensure that Care Leavers within Waverley do not have to pay Council Tax up to the age of 25.
- 1.2 Care leavers who are living independently for the first time find managing their own finances extremely challenging, due to issues such as limited family support. This can mean that care leavers may fall into debt and financial difficulty.

2. Recommendation

That the Executive recommends to Council the creation of a new Council Tax exemption for Care Leavers to be applied until the age of 25.

3. Reason for the recommendation

- 3.1 Like other district and borough councils in Surrey, Waverley is keen to work jointly with Surrey Council to support care leavers to provide care leavers with the help they require in these challenging times. One of the ways we can support our Surrey Care Leavers as Corporate Parents as set out in the Children and Social Work Act 2017 is to exempt all Care Leavers from their Council Tax responsibilities.
- 3.2 A 2016 Children's Society report found that when care leavers move into independent accommodation, they find managing their own finances extremely challenging. With no or limited family support and insufficient financial education care leavers are falling into debt and financial difficulty.
- 3.3 This report provides Executive with the information needed to enable it to make a recommendation to Council to introduce such a scheme from 2021.

Practical Implementation

- 3.4 A scheme could be introduced from 2021. In terms of implementation of the scheme, consideration would need to be given to properties which are not solely occupied by the care leaver. If Council agreed to introduce a scheme it is recommended that the following rules are applied:
- If the liable person occupies the chargeable property solely and is a care leaver then after any statutory discounts have been applied the remaining charge is remitted using the powers under Section 13A. (NB: Where a Council Tax discount is applied, that discount is reflected in the monies paid to Surrey Police, Surrey County Council and Parish Councils).
 - If the property is occupied by 2 adults, one of whom is a care leaver, then the care leaver is treated as disregarded (i.e. as though not there) which would normally result in a 25% discount on the charge.
 - If the property is occupied by more than 2 adults, one of whom is a care leaver, then the care leaver is treated as disregarded (i.e. as though not there) which would have no effect on reducing the charge as there are still 2 non discounted adults.

- 3.5 There are currently 7 care leavers under the age of 25 living in Waverley who are currently liable for Council Tax. This number will fluctuate over time as the profile of care leavers and their individual circumstances change. Surrey County Council provides the Housing Team with regular updates on the housing needs and progress of care leavers, which means that it will be possible to monitor demand.

4. Background

- 4.1 Not required

5. Relationship to the Corporate Strategy and Service Plan

- 5.1 This proposal directly supports the corporate strategy commitment towards health and wellbeing of our residents and the commitment to use our power and resources to protect the health and wellbeing of all our residents, especially our vulnerable residents, during the coronavirus pandemic and afterwards, to support the capacity of our health services and to mitigate the negative effects of the recession.

6. Implications of decision

6.1 Resource (Finance, procurement, staffing, IT)

Waverley would be responsible for meeting the cost of the scheme under Section 13A1C of the local Government finance Act 1992. Based on the current arrangements for care leavers living in Waverley (as at February 2021) the maximum financial impact on the Council would be around £7,700 before taking into account mitigations in paragraph 3.4 above. This cost will be added to the savings target for 2021/22.

6.2 Risk management

The risk of the proposal is that the numbers of care leavers could increase, therefore increasing the cost to the council, which is unlikely to be significant. The risk is therefore mainly reputational as we would be seen to be not supporting care leavers in line with the other districts and boroughs offer of council tax exemption throughout Surrey. It is important that the scheme is properly promoted and communicated, so that care leavers are aware of the scheme and how to apply. A communications plan would be developed to enable this, which would be implemented with colleagues from Surrey County Council.

6.3 Legal

Under Section 13A(1)(C) of the Local Government Finance Act 1992, local authorities have the discretionary power to reduce (or further reduce) the liability for Council Tax for a chargeable dwelling for a specified period of time in any case as the local authority for the area in which the dwelling is situated thinks fit. This discretionary power allows an authority to reduce the Council Tax liability to zero. Subsection (7) confirms that the power may be exercised in relation to a particular case or by determining a class of cases.

There are already a number of opportunities for people to pay lower amounts of Council Tax.

Single Person Discount – all single people can receive a 25% discount
Claim help through the Council Tax Support Scheme which could meet up to 100% of the liability, depending on the circumstances.

A student discount is offered to households where everyone living there is a full time student

Whilst all of these would be available to eligible care leavers, they do require the individual to pay some level of Council Tax (unless they are granted a 100% reduction from the Council Tax Support Scheme). S13A is not part of the benefits scheme.

6.4 Equality, diversity and inclusion

Age is a protected characteristic under the Equality Act 2010 and this scheme would have a positive impact on care leavers aged under 25.

6.5 Climate emergency declaration

There are no climate emergency implications in this report.

7. Consultation and engagement

7.1 There has been no consultation about adopting this exemption. However, the proposed support for Care Leavers has been subject to a significant amount of research, engagement and publicity via the Children's Society and the Government's "Keep on Caring" strategy.

8. Other options considered

- 8.1 The proposal is for the Council to provide a council tax exemption to care leavers living in independent accommodation from 18 up until the age of 25. The other options are as follows:
- (a) A variance on the scheme could be proposed i.e. a different level of discount, or for a shorter time.
 - (b) To not introduce a scheme, and make no changes to the current arrangements.

9. Governance journey

- 9.1 Executive 30 March
Council

Background Papers

There are no background papers, as defined by Section 100D (5) of the Local Government Act 1972).

CONTACT OFFICER:

Name: Peter Vickers
Position: Head of Finance and Property
Telephone: 0148 3523539
Email: peter.vickers@waverley.gov.uk

Agreed and signed off by:

Legal Services: 11 March 2021
Head of Finance: 18 March 2021
Strategic Director: 11 March 2021
Portfolio Holder: 11 March 2021