

Cabinet

06 November 2019



Title	Council Tax Exemption for Young People Leaving Care		
Purpose of the report	To make a decision		
Report Author	Lisa Stonehouse		
Cabinet Member	Councillor Maureen Attewell	Confidential	No
Corporate Priority	This item is not in the current list of Corporate priorities but still requires a Cabinet decision		
Recommendations	Care Leavers living in independent accommodation be exempt from Council Tax until the age of 25 from April 2020. To note that from January 2020 Everyone Active, who operate Spelthorne and Sunbury Leisure Centres, will provide free swimming for children in care and care leavers up to age of 25.		
Reason for Recommendation	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.		

1. Key issues

- 1.1 Corporate Parenting means that the local authority pursues the same outcomes for children in care (looked after children) as a parent. The County Council retain the legal responsibility for 'Looked After' Children and care leavers. However, The Children and Social Work Act 2017 brought about change in 2017 when it determined that all local authorities have a responsibility to be "good corporate parents". The above Act introduced seven principles of corporate parenting. One of these principles is the need to prepare children and young people for adulthood and independent living. The County's Corporate Parenting Strategy is outlined in appendix 1.
- 1.2 Care leavers have often had their childhoods punctuated by instability and trauma, they leave home earlier and have less support than other young people. As a result they have some of the worst life chances in the county. 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.

- 1.3 At a recent meeting of the Borough and District (B&D) Safeguarding Members and Lead Officers Group, the County Council asked all B&D's if they would consider a council tax exemption for care leavers in order to have a consistent offer across all B&D's throughout Surrey. Subsequently, on 17 September, all local councils received a letter from the Children's Commissioner for England requesting that we consider a Council Tax exemption.
- 1.4 On 16 July Surrey County Council agreed that they would cover their 75.8% proportion of the Council Tax for care leavers aged 18-25. In addition, care leavers are supported to live independently until the age of 25 by Surrey County Council Social Workers.
- 1.5 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. This discretionary power allows an authority to reduce the Council Tax liability to Zero.
- 1.6 There are 6 care leavers between the ages of 18 and 25 currently living in independent living or semi-independent living in Spelthorne.
- 1.7 There are already a number of opportunities for people to pay lower amounts of Council Tax such as single occupier discount (25% discount), council tax support (up to 100% of the liability) and student discount (offered to households where everyone living there is a full time student).
- 1.8 Woking, Mole Valley, Surrey Heath and Elmbridge B&D's have agreed a council tax exemption for care leavers. The other Surrey B&D's are considering this and it was discussed at Surrey Treasurers in September. The Children's Society are aware of around 100 authorities in England who have introduced a Council Tax exemption for care leavers.

2. Options analysis and proposal

- 2.1 The proposal is for Spelthorne Borough Council to provide a council tax exemption to care leavers living in independent accommodation from 18 up until the age of 25.
- 2.2 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.
- 2.3 The risk of the proposal (2.1) is that the numbers of care leavers could increase, therefore increasing the cost to the council (see 3.3). The risk of the other options (2.2) is mainly reputational as we would be seen to be not supporting care leavers to the same extent or not at all. The aim is to have a consistent offer of council tax exemption for all B&D's throughout Surrey.

3. Financial implications

- 3.1 Surrey County Council (SCC) have committed to paying their proportion (75.8%). Spelthorne would therefore have to contribute 24.2% to each care

leavers' council tax bill (The police have not confirmed a contribution as yet, so their element is incorporated into the Spelthorne element).

- 3.2 There are currently 6 care leavers between 18 and 25 living in independent living or semi-independent living in Spelthorne. A band C premises is currently charged £1,703 per annum for council tax. The Spelthorne element would be £412 per property. The total cost to Spelthorne would therefore be £2,472 per annum for 6 care leavers. This is outlined in the table below. The council Hardship Fund will be used to cover this cost.

Based on Council Tax band C premises - £1703 per annum 2019

How will the cost be split	Spelthorne 24.2%	Surrey 75.8%
Total cost for 1 care leaver	£412.13	£1290.87
Total cost for 6 care leavers	£2,472	£7,745.22

- 3.3 There is a risk that the number of care leavers living independently could increase, therefore increasing the cost. Surrey suggest that the number of care leavers are expected to increase by about 10% within the next couple of years due to the new duty to support care leavers until the age of 25 and the work to keep looked after children in Surrey.

4. Other considerations

- 4.1 To note that as part of the proposals for young people in care and leaving care, Everyone Active who operate Spelthorne and Sunbury Leisure Centres will provide free swimming for care leavers and children in care from January 2020.

5. Timetable for implementation

- 5.1 It is proposed that the council tax exemption would be implemented from April 2020.
This scheme will be reviewed regularly at the Borough and District Lead Members and Safeguarding Officers Group. This is led by County Council Officers and members.

Background papers: There are none

Appendices:

Appendix 1 The County's Corporate Parenting Strategy