



Policy & Resources Committee

13 February 2018

Title	Business Planning – Addendum: Council Tax for Care Leavers
Report of	Councillor Richard Cornelius
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
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Summary

The additional recommendation delegates authority to the Deputy Chief Executive to undertake consultation on a policy for offering care leavers relief from council tax.

Officers' Recommendations

1. That the Policy & Resources Committee authorises the Deputy Chief Executive to consult on a policy for offering council tax relief to care leavers up to age 25 on the basis of automatic relief for their first two years of independent living, and a presumption in favour of granting relief should it be requested by a social worker thereafter; and instructs the Deputy Chief Executive to bring the policy to a future meeting of the committee for approval.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Children's Services Improvement Action Plan recognises the need to improve outcomes for care leavers, and in particular to ensure that they have access to appropriate discretionary funds and reliefs.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The transition to independent living can be a particularly challenging time for care leavers. As the corporate parent, the council must support this transition as fully as possible.
- 2.2 The Government strategy *Keep on Caring – supporting young people from care to independence* (July 2016) confirms that the corporate parenting should apply in relation to provision of all the services that the local authority provides, not just the Children's Services department. The strategy recommends that local authorities consider discounts and exemptions from council tax for care leavers as a way of providing financial support and assisting them with establishing stability in their home lives.
- 2.3 Many care leavers are already granted relief from Council Tax in accordance with the existing discretionary council tax relief policy. However, there is no specific policy for care leavers.
- 2.4 It is proposed that equivalent financial assistance should also be available to Barnet care leavers living outside Barnet.
- 2.5 The policy will apply to Barnet care leavers only, however care leavers from other boroughs living within Barnet can apply for relief under the Council's current discretionary council tax relief policy, as well as seeking support, including financial assistance, from the local authority that formerly looked after them.
- 2.6 In addition to the proposed policy, the Council has duties to care leavers and this includes the power to provide financial assistance if they are struggling to meet housing or other costs.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The council could choose not to create a policy, but this is not in accordance with best practice on the Council's corporate parenting duties for care leavers.
- 3.2 A blanket exemption until age 25 for all care leavers was considered. However, one of the council's key aims is to support care leavers to a position where they can live successful independent lives. A blanket exemption runs the risk that care leavers face a 'cliff edge' aged 25, and that insufficient attention is paid to supporting care leavers to develop financial management and budgeting skills.

4. POST DECISION IMPLEMENTATION

- 4.1 The Deputy Chief Executive will oversee a public consultation exercise and will report a proposed policy to the June meeting of the Committee for a decision.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Improving services to children and young people has the highest priority within the Council following last year's Ofsted judgement that services were inadequate.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 Carers discounts are administered under section 13A(1)(c), which means they are discretionary local reliefs which must be paid fully by the local authority. As such a transfer will be made from the general fund to the collection fund at the end of each financial year to reflect the loss in Council Tax due to the actual awards made in relation to the discount. This will ensure preceptors are not any worse off because of the Council's decision to operate a discretionary local policy.

- 5.2.2 The additional financial impact of the policy is estimated to be negligible, as many care leavers were already eligible for support under the existing discretionary scheme. Any additional cost will be met within the Family Services budget within the General Fund.

- 5.2.3 Financial assistance to Barnet Care Leavers living outside the borough will also be met within the Family Services budget. The relatively low number of care leavers in this position again means that costs are expected to be extremely low (below £10k) relative to the scale of other service costs.

5.3 Social Value

- 5.3.1 Supporting care leavers to achieve successful independent lives provides significant value to the individuals, wider society and the public purse.

5.4 Legal and Constitutional References

- 5.4.1 Constitution Article 7 sets out the terms of the Policy and Resources Committee, which include 'To be responsible for:

- Strategic policy and finance including recommending capital and revenue budget, Medium-Term Financial Strategy and Corporate Plan to Full Council;

- Finance including: treasury management; local taxation; insurance; corporate procurement; grants; writing off debt; virements; and effective use of resources; and
- To be responsible for those matters not specifically allocated to any other committee affecting the affairs of the Council.

5.4.2 There are a number of pieces of legislation and statutory guidance that set out the role of the local authority in respect of cared for children and care leavers. This includes duties under the Children Act 1989 and Children Act 2004. The Children and Social Work Act 2017 contains new duties in relation to care leavers, which if brought into force, will extend some duties to 25 years.

5.4.3 Under Section 13A(1)(c) of the Local Government Finance Act 1992 the Council has the power to reduce (or further reduce) 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. Subsection (6) confirms that such reduction includes the power to reduce the liability to nil. Subsection (7) confirms that the power may be exercised in relation to a particular case or by determining a class of cases.

5.5 Risk Management

5.5.1 No risks have been identified from the decision to consult on this policy.

5.6 Equalities and Diversity

5.6.1 Care leavers are disproportionately likely to be male and from black and minority ethnic backgrounds. As a group the significant challenges they face can typically be much greater than those in the general population, and therefore support to care leavers in general contributes towards the council's Public Sector Equality Duty.

5.7 Corporate Parenting

5.7.1 The proposed policy is part of the council's programme of activity to improve its corporate parenting.

5.8 Consultation and Engagement

5.8.1 Engagement has been undertaken with care leavers and practitioners from several services, including Revenues and Benefits, the Leaving Care Team and Barnet Homes, on the extent to which financial pressures caused by council tax are a barrier to successful independent living, and in particular can lead to rent arrears.

5.8.2 There were a number of key themes that presented which highlighted that care leavers find the transition to independent living challenging and often experience financial hardship as a result of council tax liability, which can lead to rent arrears and loss of tenancy.

5.8.3 A public consultation will be undertaken.

5.9 **Insight**

5.9.1 The council has reviewed its data on care leavers living in and out of Barnet, and the extent to which council tax relief is currently granted.

6. **BACKGROUND PAPERS**

6.1 None