

## **Officers Recommendations**

### **That the Committee:**

1. Approve a change to the Care Leaver Council Tax Discount Policy to ensure:
  - a. All eligible care leavers receive 100% discount on their Council Tax until the end of the financial year following their 25<sup>th</sup> birthday. This will include in and out of Borough placements.
2. Delegates authority to the Executive Director of Strategy & Resources and Executive Director of Children's & Family Services to make minor changes to the policy.

### **1.1 Care Leaver Council Tax Discount Policy**

- 1.1.1. Since April 2018, as an early adopter of an exemption scheme for Care Leavers, the Council has been utilising its powers under Section 13A(1)(c) of the Local Government Finance Act 1992 to provide eligible care leavers with 100% discount from Council Tax for the first two years of independent living. The current policy can be found [here](#).
- 1.1.2. The current cost of providing this support is in the region of £65,000 per annum and if agreed the proposed extension is forecast to cost an additional £50,000 per annum with a total cost of this support c£115,000 per annum.
- 1.1.3. Children's & Family Services have been reviewing the current support provided to Care Leavers to include the extension to the Council Tax discount offering. This concluded with the need to provide support until the end of the financial year following the eligible care leavers 25<sup>th</sup> birthday. This conclusion is in line with a recommendation following a two-day formal visit in September 2022 by the National Implementation Adviser for Care Leavers, Department for Education. The review of support provided to Barnet Care Leavers concluded that the LAs approach was, ambitious, aspirational, with a real sense of passion and commitment to have a better offer for care leavers across the whole service area. Within the recommendations was a specific request to review the Council Tax discount and for it to be extended up to 25years of age and to follow care leavers as they move across Local Authority (LA) boundaries.
- 1.1.4. This proposal is also underpinned by a plethora of research, including work by the Children's Society (2015-2017) who conclude that care leavers are a particularly vulnerable group when it comes to council tax. Often, when care leavers move into independent accommodation, they begin to manage their own budget fully for the first time. The Wolf at the Door (2015) report into council tax debt showed that the pace of escalation of debt by local authorities can be a frightening and traumatising experience for care experienced young people.

- 1.1.5. In Barnet, as in all LAs, care leavers are at high risk of falling into Council Tax debt. What can start out for many as falling slightly behind on repayments can very quickly escalate to a court summons and enforcement action being taken. In addition to the obvious emotional harm, this hinders care leavers' abilities as economically dynamic residents, and can increase their transience in the Borough.
- 1.1.6. The proposed extension would bring the Council into line with 19 other London LAs who at November 2022 offer an 18–25-year-old discount. Extending the Care Leaver Council Tax Discount Policy to ensure that all eligible care leavers receive 100% discount on their Council Tax until the end of the financial year following their 25th birthday will support care leavers as they make the transition to living independently, giving this most disadvantaged group a fairer start to their adult lives.

## **2.1 Legal Implications**

- 2.1.1 S.13A(1)(c) of the Local Government Finance Act 1992 permits a billing authority to reduce council tax payable for any person liable to pay it in respect of a chargeable dwelling to such extent as it sees fit. This is not a function reserved to full council by s.67 of the 1992 Act and can therefore be determined by Policy and Resources Committee. There is no statutory process to follow before making a change to this policy and therefore the Council can decide to change it taking account of relevant information on the need for such a change.

## **3.1 Financial Implications**

- 3.1.1 The additional cost for extending the policy will be funded from existing budgets in the Revenues and Benefits Budgets within Strategy & Resources.

['The Wolf at the Door: How council tax debt collection is harming children The Debt Trap End the damage to children' The Children's Society \(2015\).](#)

['The cost of being care free: The impact of poor financial education and removal of support on care leavers' The Children's Society \(2016\).](#)

['A local offer for care leavers: A practical guide for local authorities developing a local offer for care leavers', The Children's Society \(2017\).](#)