

# Cheltenham Borough Council

## Council – 23 February 2024

### Council Tax Discount for Care Leavers

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#### Accountable member:

Councillor Peter Jeffries, Cabinet Member Finance and Assets

#### Accountable officer:

Jayne Gilpin, Head of Revenues and Benefits

#### Ward(s) affected:

All

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**Key Decision:** Yes

#### Executive summary:

In December 2018 this Council approved a council tax discount scheme for care leavers using its discretionary powers under section 13A(1) of the Local Government Finance Act 1992. This report proposes changes to the scheme from April 2024.

#### Recommendations:

- 1. That Council approves the Council Tax Discount for Care Leavers scheme in Appendix 2**
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## 1. Implications

### 1.1 Financial, Property and Asset implications

The Council is responsible for the full cost of any council tax reductions awarded under section 13A (1)(c) of The Local Government Finance Act 1992. Gloucestershire County Council has already agreed to fund its share of any care leaver discounts awarded. Following discussions with Section 151 Officers a further agreement has been made for Gloucestershire County Council to fund its share of the council tax in respect of discounts awarded as a result of the extension to the scheme detailed in this report. This Council will be required to fund its own and the Police share of the cost.

The total cost each year will be dependent on the number of care leavers living in Cheltenham that

meet the eligibility criteria. The cost in 2022/23 and 2023/24 to date are detailed in point 2.5 of this report. The numbers will increase as a result of these recommendations and therefore the cost will increase proportionately.

**Signed off by:** Gemma Bell, Director of Finance and Assets [gemma.bell@cheltenham.gov.uk](mailto:gemma.bell@cheltenham.gov.uk)

## 1.2 Legal implications

2. Section 13A(1)(c) of The Local Government Finance Act 1992 (as amended) gives the Council discretion to reduce the amount of council tax payable to individual cases or by determining a class of case.

**Signed off by:** One Legal, Senior Lawyer, [legalservices@onelegal.org.uk](mailto:legalservices@onelegal.org.uk)

## 1.3 Environmental and climate change implications

There are no environmental and climate change implications arising from the content of the report or recommendations.

**Signed off by:** Maizy McCann, Climate Emergency Officer, [Maizy.McCann@cheltenham.gov.uk](mailto:Maizy.McCann@cheltenham.gov.uk)

## 1.4 Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Ensuring residents, communities and businesses benefit from Cheltenham's future growth and prosperity
- Being a more modern, efficient and financially sustainable council

## 1.5 Equality, Diversity and Inclusion Implications

This report proposes to extend the discount scheme already in place to directly support care leavers by reducing the council tax they would otherwise be expected to pay. Care leavers up to the age of 22 already benefit from this financial support which provides assistance whilst they develop independent lives and life skills. The proposal to extend the age limit to 25 will not impact negatively on people who have Protected Characteristics and as no negative impacts have been identified an equality impact assessment is not required.

## 1.6 Performance management – monitoring and review

The impact of these changes will be monitored closely and reviewed with the other Gloucestershire districts and Gloucestershire County Council

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## 2 Background

- 2.1 Section 13A of the Local Government Finance Act 1992 gives this Council, as a billing authority, 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.

- 2.2 Care leavers are not exempt from paying council tax and In December 2018 this Council approved a policy using its discretionary powers to award council tax reductions to care leavers aged 18 to 21 who were formerly in the care of Gloucestershire County Council.
- 2.3 In conjunction with the county council a common discount scheme was agreed by all six Gloucestershire districts, ensuring consistent support to care leavers across Gloucestershire. The current scheme provides for a full exemption from council tax where care leavers live alone and a 50% discount where they live with others, who are not care leavers.
- 2.4 Legislation dictates that any reduction awarded using Section 13a must be funded in full by the billing authority. However, Gloucestershire County Council agreed to fund its share of the cost of any care leaver discounts awarded, proportionate to its share of the council tax.
- 2.5 In 2022/23 discounts were awarded to 15 care leavers at a total cost of £7,100. This council's contribution was £1,854. So far in 2023/24 15 discount have been awarded totalling £8,900 at a cost to this Council of £2,300.
- 2.6 In May 2023, the Department for Education's National Advisor for Care Leavers undertook a review of Gloucestershire's offer to Care Leavers and made a number of recommendations. The six Gloucestershire districts and Gloucestershire County Council have worked together to incorporate the recommendations into the discount schemes which improves the offer to care leavers and maintains the consistent approach across the county.

### **3 Reasons for Recommendation**

- 3.1 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.
- 3.2 The recommendations made following the review included extending the scheme so that care leavers up to the age of 25 are eligible and to include care leavers who were previously in the care of other local authorities as well as those previously in the care of Gloucestershire County Council. All six Gloucestershire districts are recommending that the care leaver discount scheme is amended from April 2024 to include these changes.
- 3.3 Gloucestershire County Council has agreed to fund its share of all discounts awarded, proportionate to its share of the council tax, including those awarded to care leavers previously in care outside of Gloucestershire.

### **4 Care Leavers Discount Scheme**

- 4.1 The Council Tax Discount Scheme for Care Leavers in appendix 3 sets out the full eligibility criteria and administrative arrangements.
- 4.2 From April 2024 a full exemption will be available for care leavers between the age of 18 and 25 where they live alone. A 50% discount will be available where they live with others, who are not care leavers. The discounts are awarded after any other discounts and council tax support.
- 4.3 The relevant team at Gloucestershire County Council liaises with the Revenues and Benefits teams to provide the necessary information to enable discounts to be awarded. Care leavers from outside of

the area will be asked to provide confirmation from the relevant local authority.

## **5 Alternative options considered**

5.1 None. The Care Leavers Discount Scheme will form part of an overall package to prepare Care Leavers for independence and will 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.

## **6 Consultation and feedback**

7 No direct consultation has been taken in relation to the implementation of this scheme.

## **8 Key risks**

8.1 The risks are in appendix 1

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### **Report author:**

Jayne Gilpin, Head of Revenues and Benefits, [jayne.gilpin@cheltenham.gov.uk](mailto:jayne.gilpin@cheltenham.gov.uk)

### **Appendices:**

- i. Risk Assessment
- ii. Council Tax Discount Scheme for Care Leavers

### **Background information:**

1. The Local Government Finance Act 1992 amended by Section 10 of The Local Government Finance Act 2012 <http://www.legislation.gov.uk/ukpga/2012/17/contents>
2. [https://democracy.cheltenham.gov.uk/documents/s27476/2018\\_12\\_10\\_COU\\_Local\\_Council\\_Tax\\_Support\\_Scheme\\_Appendix%206\\_Equality%20Impact%20Assessment.pdf](https://democracy.cheltenham.gov.uk/documents/s27476/2018_12_10_COU_Local_Council_Tax_Support_Scheme_Appendix%206_Equality%20Impact%20Assessment.pdf)



