

## **NORTH LINCOLNSHIRE COUNCIL**

### **FINANCE AND GOVERNANCE CABINET MEMBER CHILDREN AND FAMILIES CABINET MEMBER**

#### **COUNCIL TAX SUPPORT: CARE LEAVERS**

#### **1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To consider an enhancement to the scheme which assists young people leaving care with financial support towards their Council Tax liability.

#### **2. BACKGROUND INFORMATION**

- 2.1 Support for care leavers in helping them meet their council tax liabilities is currently provided through the Council Tax Support Scheme (CTSS). The scheme contributes to the council's priority of keeping people safe and well and role in prioritising the most vulnerable. The specific CTSS provisions for care leavers form an integral element of the council's corporate parenting pledge.
- 2.2 The current provision provides an additional discretionary payment up to the age of 22 where a care leaver has a council tax liability. It provides a reduction on the 50% charge which would otherwise be due once council tax support and single person discount are considered. Essentially it provides a further reduction of approximately £450 each year on the 50% of the outstanding balance.
- 2.3 Presently 42 care leavers are in receipt of this support with around 12 new applicants each year.
- 2.4 Under the existing scheme financial support is only available to care leavers who meet the threshold for entitlement to CTSS; this means that the application and claim must be managed by the young person directly.
- 2.5 Care leavers in employment are often outside of the thresholds to gain council tax support and this can lead to financial difficulties. Various economic and employment factors mean that young people periodically may not have consistent employment and income, impacting upon their eligibility for CTSS.
- 2.6 Engagement with this group can sometimes be difficult meaning that applications are often not completed, or the service is not kept updated on changes which may lead to overpayments and additional financial pressures for a young person.

#### **3. OPTIONS FOR CONSIDERATION**

##### **Option 1**

- 3.1 Maintaining the current provision would continue to place the responsibility on

the young person to ensure that they have applied for support and maintain their CTSS claim in respect of any changes.

## **Option 2**

3.2 An alternative option would be to enhance the process to allow support to be provided automatically as part of a section 13a discretionary reduction in the council tax liability. This would be undertaken outside of the council tax support process and would be made available to care leavers whether in or out of work. The reduction would provide a 100% reduction if sole occupier and 50% if living with a non-care leaver up to the age of 22. The support would be put in place under instruction from the care leaver support / social worker.

## **4. ANALYSIS OF OPTIONS**

### **Option 1**

4.1 The process has created some challenges for a number of young people who are at a crucial stage of transitioning to adulthood, in relation to navigating the application process in a timely manner, and also ensuring that the CTSS is updated with any changes in their personal circumstances. For some young people who are reliant upon temporary/agency employment, the current process can mean that eligibility for support can change on a weekly basis, making forward planning and budgeting extremely difficult. It has also created some barriers to young people engaging in employment opportunities.

### **Option 2**

4.2 The implementation of Option 2 would provide access to the scheme to an additional 6 to 12 care leavers a year who would otherwise not have been able to access the support though being in work. Such a process would ensure that we offer effective support to all young people as corporate parents during these crucial stages of transition to adulthood.

## **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

5.1 The cost based on the current cohort of recipients is c. £43k which covers both council tax support and care leaver support on the council tax liability.

5.2 The additional cost associated with implementing Option 2 is estimated to be around £7k compared to Option 1 with ongoing costs until the care leaver reaches 22. The costs are currently met though awarding council tax support; this will shift to being treated as a discretionary council tax discount from the S13a policy, and thereby reduce the level of spend on the council tax support scheme. This will consequently reduce the level of the council tax collection fund.

## **6. OTHER RELEVANT IMPLICATIONS e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

6.1 The recommended option contributes to the council's corporate parenting commitments and the enablement of its council plan priorities through progressive local taxation and benefits policy and administration.

- 6.2 Care Leavers are defined in legislation and relevant regulation as a child who is:
- (a) looked after
  - (b) aged 16 or 17, and
  - (c) has been looked after by a local authority for a period of 13 weeks, or periods amounting in total to 13 weeks, which began after they reached 14 and ended after they reached 16.

## **7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

7.1 Not applicable.

## **8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

8.1 Consultation has taken place with Children's Services who support the recommendation to implement Option 2

8.2 No conflicts of interest have been identified.

## **9. RECOMMENDATIONS**

9.1 That the Cabinet Members approve the enhancement to the council tax support for care leavers as set out in Option 2 above; and

9.2 That the Care Leavers Financial Policy and Council Tax Support Scheme are updated to reflect the change, with effect from 1 July 2021

**DIRECTOR OF GOVERNANCE AND PARTNERSHIPS**

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### **Background Papers used in the preparation of this report**

Council Tax Support Scheme  
Care Leaver Financial Policy