

CABINET

Date of Meeting	Tuesday, 17 th December 2019
Report Subject	Council Tax Discount Scheme for Foster Carers
Cabinet Member	Cabinet Member for Corporate Management and Assets Cabinet Member for Social Services
Report Author	Chief Officer (Governance) Chief Officer (Social Services)
Type of Report	Operational

EXECUTIVE SUMMARY

The introduction of a Discretionary Council Tax Discount scheme for Local Authority Foster Carers forms part of the Council Plan for 2019-2023 and a strategy to enhance fostering service models by improving local placements for children whose families are unable to look after them.

One of the key objectives for the Council is also ensuring there is a sufficient and resilient provision of in-house Foster Carers to provide care for local children.

Growing the number of in-house Foster Carers is critical to supporting looked-after-children and offering a Council Tax Discretionary Discount scheme, from April 2020, will now form a key part of a wider package of support for in-house Foster Carers.

To administer the Council Tax Discretionary Discount scheme the approval of the policy framework, as attached in this report, will set out the Council's approach for awarding Discretionary Council Tax Discounts to Local Authority Foster Carers.

RECOMMENDATIONS

1	Approve the introduction of the Council Tax Discretionary Discount scheme for Local Authority Foster Carers, to take effect from April 2020.
2	Approve the Policy Framework, as contained in the appendix to this report, which sets out the Council's approach to the award of discretionary Council Tax discounts for Local Authority Foster Carers.

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL TAX DISCRETIONARY DISCOUNT SCHEME FOR LOCAL AUTHORITY FOSTER CARERS
1.01	In July 2019, Cabinet approved, in principle, the introduction of a Council Tax Discretionary Discount scheme for Local Authority Foster Carers, at a 50% discount level and to take effect from April 2020.
1.02	Foster Carers sometimes choose to foster for private fostering agencies because those agencies can offer a better rate of payment. It is difficult for the Council to compete against these rates so offering a Discretionary Council Tax Discount is aimed at providing a more competitive financial package to Local Authority Foster Carers and ultimately bring savings to the Council by reducing reliance of private sector fostering agencies.
1.03	The initial cost of offering the 50% discount to Local Authority Foster Carers will equate to £92k per annum but this can be recouped if only three children are placed with in-house carers for a 12 month period rather than external fostering agencies.
1.04	The introduction of the Council Tax Discretionary Discount scheme for Local Authority Foster Carers is permitted by utilising section 13a (1) (c) of the Local Government Finance Act 1992. This provision enables the Council to reduce the amount of Council Tax a person has to pay.
1.05	To ensure the Council Tax Discretionary Discount scheme is administered effectively and consistently, the creation of a Policy Framework (as set out in Appendix 1 to this report) will enable officers to award discounts to relevant households that may qualify for the 50% discount from April 2020.
1.06	<p>There are two elements within the policy framework for awarding Discretionary Council Tax Discounts to Local Authority Foster Carers who Foster for Flintshire:</p> <p style="text-align: center;">1. Local Authority Foster Carers resident in Flintshire and registered for Council Tax in Flintshire</p> <p>Foster Carers who are on the Councils own approved list of Local Authority Foster Carers, are resident in Flintshire and liable to pay Council Tax and have fostered a child in the relevant tax year preceding the current tax year for which they are claiming will receive a 50% discount of their net Council Tax liability.</p> <p style="text-align: center;">2. Local Authority Foster Carers resident outside of Flintshire and registered for Council Tax at another local authority</p> <p>Foster carers who are on the Councils own approved list of Local Authority Foster Carers, are resident out of the County of Flintshire and liable to pay Council Tax at another local authority and have fostered a child in the relevant tax year preceding the current tax year for which they are claiming will be awarded financial assistance in the form of a monthly grant equivalent to a 50% discount of their net Council Tax liability.</p>

1.07	The Policy Framework, as set out in Appendix 1, outlines the full qualifying conditions for Local Authority Foster Carers to receive the 50% Council Tax Discount.
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2.00	RESOURCE IMPLICATIONS
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2.01	The introduction of the Council Tax Discretionary Discount scheme for Local Authority Foster Carers from April 2020 is not incorporated into the Tax Base since locally-funded discretionary discounts or exemptions made by billing authorities under section 13a of the Local Government Finance Act 1992 are specifically excluded from the Tax Base calculations. This is because any decrease in the Tax Base made as a result of such discounts or exemptions would lead to an increase in entitlement to Revenue Support Grant (RSG) and hence to the discounts being funded by central rather than local government.
2.02	The initial cost of introducing this scheme from 2020/21 will be £92k per annum but the cost of awarding Discretionary Discounts will be cost neutral if only three children are placed with in-house carers for a 12 month period rather than external fostering agencies.
2.03	Budget provision has been set aside for 2020/21 in order to offer this scheme.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
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3.01	Although the scheme is financed by the Council, and ultimately by local Council Tax payers, it is seen to be very much in the public interest to introduce this scheme, providing a more competitive financial package to Local Authority Foster Carers, growing the number of in-house carers and ultimately reducing reliance on private fostering agencies.
3.02	To ensure discounts are only offered to eligible taxpayers, Children's Services will provide the Council Tax service with an annual report of all Local Authority Foster Carers together with a monthly report of newly approved Foster Carers, including those Foster Carers who cease to be on the list of Local Authority Foster Carers.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
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4.01	The introduction, in principle, of the Council Tax Discount scheme for Foster Carers was discussed and approved at the Cabinet meeting in July 2019.
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5.00	APPENDICES
5.01	Appendix 1 to this report contains the Policy Framework that is required to award Discretionary Council Tax Discounts to Local Authority Foster Carers fostering for Flintshire.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Local Government Finance Act – section 13a (1) (c)

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: David Barnes, Revenues Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
	<p>Tax Base: is a measure of the Councils 'taxable capacity' taking into account the number of chargeable properties after exemptions and discounts.</p> <p>Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to partly fund services, alongside revenue from Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.</p> <p>Local Authority Foster Carers: Local Authorities (Councils) are legally responsible for the safeguarding and outcomes of all children in the care system, who are sometimes referred to as 'looked after children'.</p> <p>Local Authority Foster Carers are those members of the community who look after children and young people with a caring and nurturing environment, during a period where their own family is unable to look after them.</p>