

Council Tax Discretionary Discount Policy for Care Leavers

This Policy is effective from 1st April 2018

Care Leavers

Introduction and purpose

Wiltshire Council wants to improve the lives and life chances of our care leavers. We recognise that care leavers are among the most vulnerable groups in our society, and by granting up to 100% discretionary discount from council tax, the Council will be providing practical help and financial assistance to care leavers whilst they are developing independent lives and their life skills.

Wiltshire Council aims to provide financial assistance with council tax bills to support our care leavers from the age of 18 until their 25th birthday.

The discretionary discount will be awarded only after entitlement to other legislative discounts or exemptions have been applied (except Council Tax Reduction) and will be awarded to all Wiltshire care leavers living within the county of Wiltshire with effect from xxx irrespective of the date of their application.

Legislation sets out statutory exemptions which the council must apply but also permits the local authority to introduce its own exemptions under discretionary powers provided by Regulation 13a of the Local Government Finance Act 1992. Councils therefore have the power to reduce the amount of council tax a person has to pay. This includes the power to reduce an amount to nil, and may be applied to individual cases or by determining a class of case in which liability is to be reduced. The purpose of this policy is to confirm the creation of a new class of council tax discount and the basis on which that discount can be awarded.

This policy outlines:

- the procedures for awarding the relief to Wiltshire care leavers living in the county.
- the appeals procedure for citizens dissatisfied with a decision made for this relief

Definition

A care leaver, for the purposes of this policy, is a young person aged 18 – 25 who was formerly a child in the care of Wiltshire Council and then became a ‘care leaver’ as defined by The Children (Leaving Care) Act 2000 and is liable for council tax on a dwelling within the county of Wiltshire or is living in a household which would have qualified for a single person’s discount. The definition includes young people who were in the care of the council by voluntary agreement or because of a court order.

Estimated cost of the scheme

Analysis of records confirms there are currently 120 care leavers, 40 of whom are liable to pay council tax. Based on the average council tax charge for a band B property in 2018/19 (£1,382.83) offering 40 households a 100% discount would cost £55,313 per annum.

In addition to the £55,000 a further cost will be incurred by awarding a 25% council tax discount to approximately 12 single adult households currently housing a care leaver with an estimated cost of £4,148 per annum.

Based on current numbers of care leavers and current council tax charges it is estimated that the scheme would cost in the region of £60,000 per annum in 2018-19.

Legal Provision

There are a number of statutory discounts, disregards and exemptions available under council tax legislation for people and properties in certain circumstances.

In addition to these, a council can award discretionary relief under section 13A(1)(c) of the Local Government Finance Act 1992 (as amended in 2012):

“(1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13)-

...

(c) in any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.”

....

(6) The power under subsection (1)(c) includes power to reduce an amount to nil.

(7) The power under subsection (1)(c) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.”

This therefore allows the council to reduce the amount of council tax payable, after statutory discounts and exemptions, by any amount. This provision is separate to and distinct from the published Council Tax Reduction Scheme.

Criteria

Care leavers that meet the definition above will be eligible to apply for a local discount. The scheme will incorporate a hierarchy of liability. Where a Care Leaver is recorded as liable to pay council and regardless of whether the Care Leaver lives alone or not, the household will be awarded 100% discount on the amount of council tax they are liable to pay after statutory discounts and exemptions have been applied.

Where a Care Leaver joins a household comprising of one adult who is recorded as liable for council tax we would look to award a discount of 25% where a care leaver or care leavers join that household as a sub-tenant; however, each case will be treated on its facts.

No reduction will be made for care leavers of other authorities living within the county boundary, but separate arrangements will be provided for Wiltshire care leavers who are living outside the Wiltshire area.

Application process

A care leaver (or his/her appointee or a recognised third party acting on his/her behalf) will complete an application form, or provide sufficient detail to enable the discount to be processed.

Forms will be available from the care leaver's Personal Advisor or from the Revenues Service.

An application should provide the following information:

- Full name
- Date of birth
- Current address
- National Insurance Number
- Details of any other adults in the property and relationship to them
- Details of any circumstances that would be relevant to entitlement to legislative discounts, disregards or exemptions
- Contact details
- Name of personal advisor, if known

Upon receipt of an application, a member of the Revenues Service will verify the status of the care leaver from council records and assess the award.

Awards will be made directly by a reduction in liability on the council tax account and notification of the award of discretionary relief will be by way of the council tax bill.

The Revenues Service will undertake periodic reviews appropriate to the individual circumstances of each case. Children's Services will provide a quarterly list of all care leavers between the ages of 18 and 25.

The care leaver (or his/her appointee or a recognised third party acting on his/her behalf) must advise of any change of circumstances which may impact the council tax charge within 21 days.

Any overpaid discretionary relief will be reclaimed through the relevant council tax account and collected and recovered under the Council tax (Administration and Enforcement) Regulations 1992.

Review of Decision/Appeals

The council will accept a written request from a care leaver (or his/her appointee or a recognised third party acting on his/her behalf) for a re-determination of its decision.

- Re-determination of the decision will be made by an officer who has not previously been involved with the award.
- In the case where the customer has been notified of a decision and they exercise their rights to appeal, they must make payment to their council tax account as requested. In the event that an appeal is successful, any credit on the account will be refunded.
- The council will consider whether any additional information has been provided that will justify a change to its original decision.
- The council will notify the council tax payer of its final decision within 21 days of receiving a request for a re-determination.
- Whilst every effort will be made to meet the deadline outlined above, failure by the council to do so does not qualify the applicant for relief.
- If an applicant remains dissatisfied with refusal of their application they may appeal to the Valuation Tribunal for England (VTE).