

**Council Tax
Discretionary
Reduction (Relief) For
Care Leavers Policy**

Altogether better



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1. Introduction and Purpose

- 1.1 Some councils have introduced measures to exempt care leavers from Council Tax following the recommendations made in the Government's care leavers strategy, Keep On Caring, published in July 2016, which encouraged local authorities to do so.
- 1.2 While being supported by Children Young Peoples Services, care leavers are faced with a new set of potentially overwhelming responsibilities, often without the family support and wider network that most other young people can rely on.
- 1.3 As a corporate parent, Durham wants to do as much as possible to support care leavers up to the age of 25 years. By granting up to 100% discretionary relief 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.
- 1.4 This policy sets out the Council's approach to the award of discretionary Council Tax relief in respect of Council Tax liability for resident Care leavers living in County Durham. There are two elements to the Policy
 - Care leavers who are solely liable to pay Council Tax in their own right will have their bill reduced to nil.
 - When a care leaver moves into a household, the Council Tax bill will be reduced to 50%.
- 1.5 The discretionary relief will be awarded only after entitlement to other legislative discounts or exemptions have been applied (except Council Tax Reduction) and will apply to all care leavers living in County Durham.
- 1.6 Councils 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 exercised in relation to particular cases or by determining a class of property in which liability is to be reduced to an extent provided for by the determination.

This policy has been written to:

- Set procedures for awarding the relief / exemption to care leavers living in County Durham
- Establish an appeals procedure for customers dissatisfied with a decision made in the determination of entitlement to this relief / exemption
- Safeguard the interest of the local taxpayers by ensuring that funds that are allocated for the award of relief are used in the most effective and economic way

2. Care Leavers - Definition

- 2.1 The term 'care leaver' is defined in The Children (Care Leavers) Act 2000 and refers to eligible, relevant and former relevant children:
 - Eligible children are those young people aged 16-17 who are still in care and have been 'looked after' for a total of 13 weeks from the age of 14 and including their 16th birthday;
 - Relevant children are those young people aged 16 and 17 who have already left care, and who were 'looked after' for at least 13 weeks from the age of 14 and have been 'looked after' at some time while they were 16 or 17;
 - Former relevant children are those young people aged 18, 19 or 20 who have been eligible and/or relevant.

- 2.2 Care leavers can also be classified as 'qualifying' care leaver. This category applies to young people who:
- Left care after 1st October 2001, after they had turned 16, but who are not 'eligible' or 'relevant' because they did not fulfil the 13 week criteria
 - Were accommodated, but in residential education, mental/health provision private fostering or Special Guardianship

For this category of care leaver, local authority help is discretionary, but for the purposes of this policy, 'qualifying care leavers' will be treated in the same way as 'care leavers'.

3. Legislation

- 3.1 Council Tax discretionary reduction (relief) awards are included in Section 13A of the Local Government Finance Act 1992 as amended by Local Government Act 2003.
- 3.2 There is a cost to the Council in respect of any reduction or relief awarded and this is met by the Council's collection fund / General Fund.
- 3.3 There is a series of discounts, disregards and exemptions available under current Council Tax legislation for people and properties in certain circumstances.
- 3.4 Exemption from Council Tax means that there is no liability to pay Council Tax.
- 3.5 A discount from Council Tax usually relates to people, and means that a person is liable for less than the full amount of council tax. For example:
- A liable person living on their own would be entitled to a 25% single person discount
 - A liable person living on their own who is a full time student would be entitled to a full exemption
 - A liable person who is a student but resides with another person would be 'disregarded' and entitled to a 25% discount

4. The Application

- 4.1 An application form will be required, except for cases where 4.6 applies, to be completed by the care leaver (or his/her appointee or a recognised third party acting on his/her behalf), or, the liable person where relevant (i.e. the liable person at the property in which the care leaver resides).
- 4.2 Applications should be made in writing or by telephone, and may be received electronically, currently emailed to counciltax@durham.gov.uk. Postal application forms should be returned to:

Durham County Council
Revenues and Benefits
PO Box 238
Stanley
Co Durham
DH8 1FP

- 4.3 The application form requires only pertinent details to be submitted in order to process the award of this relief. Basic information requirements include:
- Full name

- Date of birth
- Which authority is the corporate parent
- Current address
- Details of any other relevant addresses
- Details of any other adults in the property
- Details of any circumstances that would be relevant to entitlement to legislative discounts, disregards or exemptions
- Contact details

4.4 The application form should be as clear and concise as possible in order to encourage take up and expedite administration.

4.5 A new application may need to be completed, except where 4.6 applies, if the care leaver moves, to confirm any change in circumstances

4.6 An application form is not required where the authority has been able to establish all the conditions of entitlement to discretionary relief from existing evidence.

5. The Procedure

System

5.1 Administration of the discretionary relief within the system (Open Revenues) will utilise the Discretionary Awards Module, as opposed to the functionality used to apportion discounts, disregards and exemptions.

5.2 This will ensure that the Tax Base and the awarded discretionary relief is reported correctly and accurately. The relief will also be detailed separately to any other appropriate discount, disregard or exemption on the actual Council Tax demand notice (bill).

5.3 The system will work to award discretionary relief on a percentage basis, i.e. 25%, 50%, 75% or 100% where appropriate, and prior to the calculation of Council Tax Reduction therefore CTR will be assessed using the net charge.

Administration

5.4 Applications will be administered by the Awards Team. Children and Young Peoples Services will be requested to confirm the care status of the applicant, this will need to be confirmed with:

- The Children and Young Peoples Service, where Durham is the corporate parent (protocol to be agreed between the two services)
- Where the corporate parent is another authority, written confirmation must be sought from the relevant council

5.5 The general principles of awarding the discretionary relief are as follows:

- Care leavers who are the liable person to pay council tax and live alone will receive a 100% discretionary relief, only after any other appropriate legislative discounts or exemptions are applied (e.g. Single Persons Discount or Student Exemption)
- Care leavers who are jointly liable with one or more residents in the property, who are not care leavers, will receive 50% discretionary relief on the total charge, only after any other appropriate legislative discounts or exemptions are applied
- Where a property is occupied only by care leavers, 100% discretionary relief will be applied.

- Where the care leaver lives in a household and the Council Tax would be subject to either a 25% discount or disregard, if the care leaver did not reside there, the bill will be reduced to 50%.
- Where the care leaver lives in a household and the liable person is would be exempt if the care leaver did not reside with them, full discretionary relief will be applied.
- Where a care leaver lives in a household and the council tax would not be subject to a discount or disregard if the care leaver did not reside there, the bill will be reduced to 50%.

5.6 Awards will be made directly by a reduction in liability on the Council Tax account only and notification of the award of discretionary relief will be by way of the Council Tax bill.

5.7 The care leaver (or his/her appointee or a recognised third party acting on his/her behalf) or the liable person where relevant (i.e. the liable person at the property in which the care leaver resides) must advise of any change of circumstances which may impact the Council Tax charge within 21 days.

5.8 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.

6. Exclusions

6.1 Houses in Multiple Occupation (HMOs) where occupants:

- Do not constitute a single household
- Are a tenant or a have licence to occupy only part of the dwelling
- Share living space
- Are not the liable party to pay council tax

6.2 HMOs are generally ran as a business with the liable party for Council Tax being the landlord(s). For that reason, these properties and respective liable parties are excluded from this Policy.

7. Review of Decision/Appeals

7.1 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) or the liable person where relevant (i.e. the liable person at the property in which the care leaver resides), 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.
- The re-determination will be reviewed by a senior officer within the service.
- In the case where the customer has been notified of a decision and they exercise their rights to appeal, payment cannot be withheld pending an appeal decision. In the event that an appeal is successful, any interim overpayment 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). You have two months to do this from the date of our reply.

Valuation Tribunal
Hepworth House

Trafford Court
Doncaster
DN1 1PN

Email: vtdoncaster@vts.gsi.gov.

8. Monitoring and Reporting

- 8.1 Discretionary awards made under this policy will be monitored and all awards made will be subject to regular quality assurance checking / annual reviews as appropriate

9. Policy Review

- 9.1 This Policy will be reviewed on an annual basis alongside the review of the Local Council Tax Reduction Scheme, with any changes being reported to Cabinet for consideration.