

Torbay Council

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Discretionary Reduction in Council Tax for Care Leavers Policy

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Version Control

Version	Date	Notes
1	August 2017	Draft
2	December 2017	Draft updated
3	January 2018	Draft updated
4	February 2018	Final
5	March 2019	Reviewed and updated

1.0 Background

- 1.1 The council recognises that young people's transition out of care and into adulthood is extremely difficult. Managing money for the first time, without support from family, leaves care leavers at real risk of falling into debt.
- 1.2 Under Section 13A(1-3) of the Local Government Finance Act 1992 (as amended), the Council has discretionary powers to reduce liability for Council Tax in relation to individual cases or class(es) of cases that it may determine. It states:
- *Where a person is liable to pay council tax in respect of any chargeable dwelling and day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit. This allows for a further reduction where a reduction under council tax support has been applied*
 - *The power under subsection 1) above includes the power to reduce an amount to nil*
 - *The power under subsection 1) 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.*
- 1.3 The Council has decided that it will exercise its discretionary powers by offering a Council Tax discretionary reduction of up to 100% for Torbay care leavers that are liable in full or in part to pay Council Tax. This will apply to care leavers that are resident in Torbay or outside the district until the charge payers 25th birthday.
- 1.4 Providing this support would help care leavers manage the social and financial transition from local authority care to independent living.

2.0 Discretionary Reduction

- 2.1 There are financial implications to awarding any reduction in Council Tax other than those currently available under the statutory legislation and the financial burden of Section 13A discounts has to be met through an increase in the general level of Council Tax for other payers or from the general fund.
- 2.2 In order to provide further support for care leavers a new class of Council Tax charge payer known as 'Care Leavers' will take effect from 1 April 2018.
- 2.3 The level of reduction applied will be 100% of Council Tax liability after any entitlement to any national reliefs, exemptions or other discounts including entitlement to Council Tax Support have been calculated and awarded.
- 2.4 Where there is a shared liability for the Council Tax due the reduction will only be paid to cover the share that the care leaver would be liable for.
- 2.5 If subsequent to an award, the care leaver's liability for Council Tax reduces during the period of the award, for example if the care leaver becomes entitled to a single person discount, the care leaver's reduction will be amended to ensure the award does not exceed the care leaver's Council Tax liability.
- 2.6 The reduction will apply up to and including the date of the day before the care leavers 25th birthday or ceases to become responsible for Council Tax whichever date occurs first.

- 2.7 The Council Tax bill will confirm that the care leavers reduction has been awarded. If refused, a letter will be issued detailing the reasons for this.
- 2.8 If subsequent to an award the charge payer's liability for Council Tax reduces during the period of the award, any discount in excess of this reduced liability will be an overpayment of Care Leavers reduction. This will be recovered in line with the council's current recovery policy.

3.0 Eligibility Criteria

3.1 To be eligible for this reduction the care leaver:

- would have been in the care of Torbay Council (being "looked after") for at least 13 weeks since the age of 14 and in care on their 16th birthday;
- is liable to pay Council Tax in Torbay or another local authority; and
- under 25 years old.

3.2 Torbay Council's Children's Services or other public body or professional organisation has confirmed that the care leaver was in the care of Torbay council.

4.0 Application Process

4.1 The council's Children's Services department will identify care leavers and refer details to the Council's Revenue and Benefits Service.

4.2 The council's Revenue and Benefits Service will process the award and inform the care leaver of the outcome.

5.0 Care Leavers Living Outside Torbay

5.1 For care leavers living outside the Torbay district and liable to pay Council Tax the reduction will only be awarded when a copy of the relevant Council Tax bill is provided by the care leaver.

5.2 The reduction will be paid directly to the relevant local authority by the Council's Children's Services Department.

6.0 Right of Appeal

6.1 Under Section 16 of the Local Government Finance Act 1992, there is a right of appeal if a person applying for a discretionary reduction under Section 13a (1) (c) is not happy with the Council's decision. The appeal must be in writing to the Revenues and Benefits service. The Council will then reconsider the discount request, together with any additional information provided, against the policy criteria.

6.2 If the original decision is upheld and the applicant remains dissatisfied, or the Council does not make a decision within two months, there is a further right of appeal to the Valuation Tribunal. The Valuation Tribunal for England is an independent body which adjudicates on disputes between taxpayers and the Council. Appeals must be made directly to the Valuation Tribunal.

7.0 Policy Review

- 7.1 The Council will review the Care Leavers policy on an annual basis but the Council reserves the right to review and revise the policy at any time as a result of information gained as a result of operating the policy.
- 7.2 The Head of Finance, in consultation with the Executive Lead Member for Customer Services Revenue and Benefits are authorised by the Council to agree any revisions to the policy.