

# Cumbria Care Leaver Council Tax Exemption



## Policy

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## **1. Introduction and Purpose**

- 1.1 A number of 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 and 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 In Cumbria the corporate parent is Cumbria County Council.
- 1.4 The Six District Councils and the Police and Crime Commissioner for Cumbria want to do as much as possible to support Cumbria County Council and care leavers up to the age of 25 years. By granting up to 100% discretionary relief from Council Tax, the Council's will be providing practical help and financial assistance to care leavers whilst they are developing independent lives and their life skills.
- 1.5 This policy sets out the Councils approach to the award of discretionary Council Tax relief in respect of Council Tax liability for resident Care leavers living in Cumbria. 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.
  - Care leavers who are jointly liable to pay Council Tax will have the bill reduced in proportion. A half (50%) (if 2 adults), a third (33%) (if 3 adults), a quarter (25%) (if 4 adults).
  - There will be no discount where the care leaver is not liable to council tax, except where the liable person to council tax is exempt (eg Student).
- 1.6 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 Cumbria.
- 1.7 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 Cumbria.
- 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.
- 1.8 The policy will apply retrospectively from the 1<sup>st</sup> April 2018, awards can be made back to this date without restriction providing the relevant circumstances apply.
- 1.9 This costs arising from this policy will be shared in proportion to the precept between by Cumbria County Council, the Police and Crime Commission for Cumbria and the Six Billing Authorities (Allerdale, Barrow, Carlisle, Copeland, Eden and South Lakeland in relation to their own specific area).

## **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 For the purposes of this policy support will be offered up until the 25<sup>th</sup> Birthday of the Care leaver.

## **3. Legislation**

- 3.1 Council Tax discretionary discount (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 discount or relief awarded and this is met by the Council's 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, to be completed by the care leaver (or his/her appointee or a recognised third party acting on his/her behalf), or, another 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, and may be received electronically, details of the contact details for each authority party to this scheme are detailed below:

Allerdale BC  
Allerdale House  
Workington  
CA14 3YJ  
[revenues@allerdale.gov.uk](mailto:revenues@allerdale.gov.uk)

Carlisle CC  
Civic Centre  
Rickergate  
Carlisle  
CA3 8QG  
[ctax@carlisle.gov.uk](mailto:ctax@carlisle.gov.uk)

Eden DC  
Town Hall  
Corney Square  
Penrith  
Cumbria  
CA11 7QF  
[ctax@eden.gov.uk](mailto:ctax@eden.gov.uk)

Barrow BC  
Town Hall  
Duke Street  
Barrow  
LA14 2LD  
[counciltax@barrow.gov.uk](mailto:counciltax@barrow.gov.uk)

Copeland Borough  
Council  
Market Hall  
Market Place  
Whitehaven  
Cumbria  
CA28 7JG  
[Ctax@copeland.gov.uk](mailto:Ctax@copeland.gov.uk)

South Lakeland DC  
South Lakeland House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DQ  
[Counciltax@southlakeland.gov.uk](mailto:Counciltax@southlakeland.gov.uk)

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, if the care leaver moves, to confirm any change in circumstances.

## **5. The Procedure**

### **System**

5.1 Awards under this scheme are Local Discounts and therefore will have no financial impact upon the collection fund or the Council Tax Bases of the billing authorities.

Administration of the discretionary relief within the system will utilise Local Discount Functionality. 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 individual Local Authorities. 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 Cumbria is the corporate parent (protocol to be agreed between the districts and county council).
- Where the corporate parent is another authority, written confirmation will be sought from the relevant council.

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

- Care leavers who are solely liable to pay Council Tax in their own right will have their bill reduced to nil.
- Care leavers who are jointly liable to pay Council Tax will have the bill reduced in proportion. 50% (if 2 adults), 33% (3 adults), 25% (4 adults).
- There will be no discount where the care leaver is not liable to council tax.
- Where the care leaver lives in a household and the liable person would be exempt if the care leaver did not reside with them, full discretionary relief will be applied.

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 run 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). They have two months to do this from the date of our reply.

Valuation Tribunal  
Hepworth House  
Trafford Court  
Doncaster  
DN1 1PN  
[vtndoncaster@vts.gsi.gov.uk](mailto:vtndoncaster@vts.gsi.gov.uk)

## **8. Costs of the Scheme**

8.1 The scheme will be funded in proportion to the precept between the District Councils, Cumbria County Council and the Police and Crime Commissioner for Cumbria as agreed.

8.2 The district council will reimburse the full cost of the scheme to the collection fund in accordance with legislation.

8.3 District councils will submit an invoice annually to the County Council and Police and Crime Commissioner as soon as is practicable after the 1<sup>st</sup> April for the preceding year.



**9. Monitoring and Reporting**

- 9.1 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.
- 9.2 Quarterly monitoring figures will be provided via the Cumbria Revenues and Benefits Heads of Service Group.

**10. Policy Review**

- 10.1 This Policy will be reviewed on an annual basis.