

# **Policy for determining applications for council tax reduction under Section 13A of the Local Government Finance Act 1992 in respect of Care Leavers Relief.**

## **1. Background**

- 1.1 Under section 13A(1)(C) of the Local Government Finance Act 1992 the council has a general discretionary power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine where national discounts and exemptions cannot be applied.
- 1.2 As a response to the Council's Council Tax Support Scheme a sum (currently £10K) has been set aside to provide a hardship provision for council tax.
- 1.3 The purpose of this is to predominantly to support those who are experiencing hardship in paying their Council Tax, the scheme will assist all those who are experiencing hardship whether they are in receipt of Council Tax Support or not based on their financial circumstances.
- 1.4 Slough Borough Council acknowledges that some Council Tax payers may well experience hardship in paying their Council Tax but are not entitled to Council Tax Support.

The intention is that it will be provided to residents at risk who are prepared to work with the council to find a way forward.

- 1.5 As a response to council members' recognition that there is an increased risk of significant debt associated with young people leaving the care system, a class of cases containing all care leavers who are supported under the statutory duty by Slough Borough Council who are younger than 25 has been created. The intention is that no care leaver where there is a statutory duty to support them will have to pay council tax.
- 1.6 Under Section 13A(1)(C) of the Local Government Finance Act 1992 (as amended), the Council has the power to reduce liability for Council Tax in relation to individual cases or class(es) of cases that it may determine. It says:
  - I. 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
  - II. The power under subsection 1) above includes the power to reduce an amount to nil
  - III. 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.
- 1.7 There are financial implications to awarding any discounts 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.

In addition to this:

- The granting of Section 13A discounts would reduce income from Council Tax;
- A wider entitlement to reduced liability would require additional administrative resources to assess requests;

- 1.8 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. The council has decided to support those council tax charge payers leaving its care by reducing their net liability for council tax to Slough Borough Council under the national scheme to zero, until the charge payer's 25th birthday.
- 1.9 In order to provide further support for care leavers Council Members have created a new class of council tax charge payer known as 'Care Leavers' and have decided to reduce the council tax bill for Care Leavers to zero, after any other national reliefs (where applicable) have been applied.
- 1.10 **Class 1** also known as "Care Leavers Relief"; a person or persons younger than 25 years of age who were in the care of Slough Borough Council and the council continues to have a statutory duty to them . With respect to any council tax liability arising on or after 1st April 2018, any person in this class will have the amount of council tax they have to pay reduced to nil.
- 1.11 This policy will apply up to and including the date of the day before the care leavers 25th birthday, where the statutory duty continues to be applied.

## **2 Policy**

- 2.1 Slough Borough Council wishes to support its Care Leavers who have left its care but where the Council continues to have a statutory duty for that Care Leaver.
- 2.2 The statutory duty currently remains until a Care Leaver is 25 years of age, this was previously to 21 but due to the change in legislation in September 2017, this has increased.
- 2.3 Currently there is a transition period, where by Care Leavers remain within the statutory duty once they reach 21 until they are 25 but those Care Leavers who are over 21 and the Council has already discharged its statutory duty do not have the statutory duty reinstated, for the avoidance of doubt such persons in respect of whom the duty is not reinstated will not be a part of the scheme.
- 2.4 Care Leavers who the Council has a statutory duty to and live either within or outside the borough of Slough will be supported, those who live within the borough will have their Council Tax charged reduced to nil.
- 2.5 The award will only be made to those who are deemed to be a jointly or severally liable for Council Tax which means that the Council tax bill must be in their name.
- 2.6 If a Care Leaver is jointly liable they will only be provided with Care Leaver relief to the level of their responsibility for the Council Tax for example if they are jointly liable with one other

person they will receive a maximum of 50% relief , with two other people a maximum of 33% relief.

- 2.7 If a Care Leaver lives in a HMO or other property where they are not the charge payer no relief will be provided.

### **3 How to Apply**

- 3.1 This can be accessed through the identification and nomination of a care leaver by the Council's Children's Services to the Council's Council Tax Service  
or  
through the identification and nomination by any other public body or professional organisation that confirms that the care leaver was in care of Slough Children's Services Trust (being 'looked after' as a result of a statutory obligation) in the borough of Slough, confirmation will be sought from the Slough Children's Services Trust.
- 3.2 For Care Leavers entitled to the reduction in class 1, where it is possible for the Council to award relief without application it shall do so.
- 3.3 For this provision, identification by the Council that a person would be entitled to this reduction by virtue of relevant detail already held by the Council, may be enough to constitute a claim and to enable the award of a reduction.
- 3.4 If a reduction cannot be awarded by the Council automatically under class 1, it shall be the responsibility of the person or persons with a council tax liability to claim this using the application process prescribed on the Slough Borough Council website, and this application shall be required to be received in the council tax year for which the reduction applies.

### **4. Period of Award**

- 4.1 The award can be made for any period from 1st April 2018 where the care leaver is liable for council tax.
- 4.2 Any award given to an individual case will end on the day before their 25th birthday where the council continues to have a statutory duty to them or by March 31st of the financial year whichever date comes first
- 4.3 Further applications may be needed for additional periods of council tax liability that occur after the end of the financial year determined above but before the care leaver's 25th birthday.

### **5. Eligibility Criteria**

- 5.1 The following will be assessed when making a decision:
- Whether the care leaver has applied for any national reliefs, exemptions or discounts they would be entitled to. These must be assessed before Carer Leavers relief is awarded.
  - The date of the day before the care leaver's 25th birthday or when the Council's statutory duty ends determines the last day of the period of the award

- Slough Borough Council's Children's or Social Services or other public body or professional organisation has confirmed that the care leaver was in the care (being 'looked after').

5.2 Whether Slough Borough Council is the council tax billing authority to whom the care leaver is liable to make council tax payments

5.3 If subsequent to an award the charge payer's liability for council tax reduces during the period of the award, any Care Leavers Relief in excess of this reduced liability will be an overpayment of Care Leavers Relief. The Council may recover this overpayment by any legal means at its disposal including offsetting this amount against any future periods of Care Leavers Relief or by adding the excess amount to any further council tax liability demanded for subsequent periods.

## **6 Care Leavers not living in Slough**

6.1 Slough Borough Council wishes to support all Care Leavers that it has a statutory duty to and acknowledges that some Care Leavers may have left the borough of Slough and therefore cannot claim Care Leavers Relief in the borough.

6.2 Slough Borough Council also acknowledges that in these instances the borough where the Care Leaver has moved to may not offer Care Leavers Relief to people that they do not have a statutory duty to and therefore this Care Leaver will find themselves outside of both scheme's

6.3 Slough Borough Council cannot offer support under section 13a of the Local Government Finance Act 1992 but it will support these Care Leavers if the borough they are living in does not provide support.

6.4 A separate procedure is available for those living outside of the borough of Slough.

## **7 Financial Implications**

7.1 The Council's finances will allow for the reduction to be made (we have allocated £75,000 per annum for this).

## **8 Policy Review**

8.1 This policy can be reviewed at any stage in the financial year.

# **Care Leavers who Slough Borough Council has a Statutory Duty but do not live within the Slough Borough Council Boundary**

## **1. Background**

- 1.1 Section 13A of the Local Government Finance Act 1992 cannot be used to apply Care Leavers Exemption by Slough Borough Council if the Care Leaver does not live within the borough, however Members wish to support all Care Leavers that Slough Borough Council has a statutory duty to.

## **2. The Scheme**

- 2.1 Care Leavers who Slough Borough Council has a statutory duty to but no longer live in the borough of Slough will be treated in the same way as those who remain living in the borough though an actual Council Tax exemption cannot be awarded
- 2.2 Members therefore have set up a budget to assist those Care Leavers who live outside the borough.
- 2.3 Members will expect that those living outside the borough and who are Council Tax payers to make an application for any national reliefs, exemptions or discounts they would be entitled to, to apply for Council Tax support in the borough in which they are living. These must be assessed before Carer Leavers relief is awarded.
- 2.4 The Care Leaver will then provide Slough Borough Council with an application form and the net Council Tax bill from their Local Authority.
- 2.5 Slough Borough Council will then award a grant for the net bill, this will be paid direct to the issuing authority unless the Care Leaver can provide the evidence that the bill has been paid in which case the amount will be paid to the Care Leaver.

## **3 Financial Implications**

- 3.1 The Council's finances will allow for the reduction to be made, the budget is incorporated in the allocation for the Care Leavers scheme above.