

Appendix C



BCP Council

Care Leaver's Council Tax Discount Policy

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Introduction

Under section 13A (1) of the Local Government Finance Act 1992 the Council has a general discretionary power to reduce liability for Council Tax for individuals or class(es) of cases.

BCP Council is proposing to introduce a discount from 1 April 2020 to exempt specified care experienced young people from Council Tax. This is being implemented to reflect challenges faced by many young people when they leave care as they learn to budget their finances independently.

National research shows that care experienced young people are a particularly vulnerable group for Council Tax debt, and as they move into independent accommodation and begin to manage their own budget, it can be a challenging time, exacerbated if they fall behind with Council Tax.

BCP Council, as a good corporate parent doing their best for their children, wants to support our young people as they leave the care of BCP Council up to the age of 25. Support will be provided to care experienced young people, where BCP is the corporate parent (they have been in the care of BCP Council as defined in the next section) and the young person is resident in the BCP area or resident in the Dorset Council or New Forrest District Council areas only. A discretionary discount will be granted of up to:

- 100% of the Council Tax liability for eligible care experienced young people aged 18 to 23 and
- 50% of the Council Tax liability for eligible care experienced young people aged 24. The discount will end on their 25th birthday.

The reduced level of discount in place from age 24 is intended to prepare them for the reality of paying the Council Tax themselves when they reach 25. This means that BCP Council will be providing financial support to care leavers whilst they develop independent lives and life skills, and while they have the support of a Personal Advisor (who provide practical and emotional support for care experienced young people to make a successful transition to adulthood).

The costs of support for care experienced young people resident in the BCP area will be met by the Collection Fund. The support for care experienced young people resident outside the BCP area cannot be awarded as a Council Tax discount under section 13A (1) of the Local Government Finance Act 1992 and the cost of these payments will be met from the General Fund.

This policy sets out BCP Council's approach to the award of this discretionary Council Tax discount

There are 2 parts to the scheme which apply whether the young person is resident in the BCP area or resident in Dorset Council or New Forrest District Council areas:

Part 1 - Care experienced young people aged up to 23 who are solely liable for Council Tax at the property will have their bill reduced to nil. For those aged 24 it will be reduced by 50%.

Part 2 - Care experienced young people who are jointly liable for Council Tax will have a reduction based on their “assumed” proportion of the bill. See examples below:

- a care experienced young person aged 21 renting a flat with 2 other joint tenants will have the overall bill reduced by 33.33% to reflect that the care leaver’s third of the liability has been paid. If they are aged 24 this would be 16.66%
- a care experienced young person aged 21 rents a flat with their partner. They will receive a reduction of 50% to reflect that the care leaver’s half of the liability has been paid in full. If they are aged 24 the discount would be 25%

It should be noted that whilst the above discount is granted the care leaver will remain jointly and severally liable for the liability. The discretionary discount will be applied after the entitlement to other legislative discounts or exemptions have been applied but before Council Tax Support is considered.

Definition of a care experienced young person for the purposes of this scheme

Care experienced young people are ‘care leavers’, as defined in The Children (Care Leavers) Act 2000 and refers to eligible, relevant and former relevant children:

- Eligible children are those aged 16 and 17 who are still in care and have been “looked after” for a total of 13 weeks from the aged of 14 and including their 16th birthday by BCP Council or the relevant preceding authority and in cases where the preceding council was Dorset County Council only those young people who were ordinary resident in Christchurch;
- 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 by BCP Council or the relevant preceding authority and in cases where the preceding council was Dorset County Council only those young people who were ordinary resident in Christchurch;
- Former relevant children are those young people aged 18, 19 or 20 who have been eligible and/or relevant.

Care leavers can also be classified as a ‘qualifying’ care leaver. This category applies to young people who:

- Left the care of BCP Council or the relevant preceding authority, and in cases where the preceding council was Dorset County Council only those young people who were ordinary resident in Christchurch, 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 by BCP Council or the relevant preceding authority, and in cases where the preceding council was Dorset County Council only those young people who were ordinary resident in Christchurch, 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 a ‘care leaver’.

Additionally, former care leavers born before 2001 will be designated as a qualifying care leaver for the purposes of this policy.

Discounts for care experienced young people falling into Part 1 of this scheme

BCP Council under this policy will reduce the amount of Council Tax payable to nil for those aged 18 to 23 and by 50% for those aged 24, where BCP is the Corporate Parent. The discount will be applied after the application of all other national discounts, exemptions but before entitlement to local Council Tax Support, where:

- A care experienced young person, as defined in this policy, is liable for Council Tax, and any other occupants aged 18 or over also meet the definition of care experienced young person as described in this policy.

Discounts for care experienced young people falling into Part 2 of this scheme

BCP Council under this policy will reduce the amount of Council Tax payable, by applying a discretionary discount of up to 50% for those aged 18 to 23 and up to 25% for those aged 24. The discount will be applied after the application of all other national discounts, exemptions but before entitlement to local Council Tax Support, where:

- One or more care experienced young person, as defined in this policy, are liable for Council Tax, and other adults occupy the property who are not care experienced young people.

Exclusions

The following exclusions will apply:

- This discount will only apply where BCP is the corporate parent and the young person is resident in either the areas of BCP Council, Dorset Council or New Forest District Council.
- This discount will only apply where the property is occupied. If the property is empty, the level of discount is as determined by the Council for Second Homes, Long Term Empty Properties and determining discounts for certain dwellings.
- Where the care experienced young person is liable for more than one property, this discount will only be awarded in respect of their sole or main residence.
- Where the young person earns more than £44,804 per annum (the nation annual salary nationally plus 20%).

Publication of the changes

BCP Council, in accordance with the legislation, will publish the changes within 21 days of making such a resolution.

Application process

Resident in the BCP area

The 'care leaver' will be provided with an application form by the Children in Care and Care Leavers Service to claim the discount. They will support the young person to complete and sign the form. The team will then:

- check that the young person meets the criteria in the policy to be treated as a 'care leaver'
- check that their income is below the maximum threshold
- check their date of birth
- explain to the care leaver that they are liable for Council Tax, but they will be given a discount to reduce the amount they pay
- advise that they must notify Revenues & Benefits of any changes to the number of occupiers at the property or if they move address. This should be done within 21 days of the change occurring
- advise that the discount will end on their 25th birthday
- send the verified form to Revenues & Benefits Services

Revenues & Benefits will apply the discount from 1st April 2020 or the date of occupation whichever is the later and send the young person revised Council Tax bills. They will also create prompts to change the discount at age 24 and remove it from their 25th birthday.

Resident in Dorset Council or New Forest District Council areas

The young person should contact the Children in Care and Care Leavers Service with their bill. The team will support them to make the claim for the discount and then check:

- they meet the criteria to be treated as a care leaver
- whether the Billing Authority where they reside offer a care leaver discount – this should be applied first
- that they are receiving any national discounts that they might be entitled to such as student discount/exemption and Council Tax Support from their Billing Authority
- that their income is below the maximum threshold
- if they are solely or jointly liable (in this case they will need to apportion the charge according to their age and the number of joint tenants to ensure that BCP is only paying the care leaver's element)

Once the above has been confirmed the team will make payment direct to the Billing Authority where they reside.

Changes in circumstances

BCP Council may revise any discretionary reduction in liability where the applicant's circumstances or situation has changed. The young person agrees that he/she must inform the Council within 21 days either by phone or in writing about any changes in their circumstances which might affect the claim for under this policy.

Failure to do so may result in the withdrawal of the discount granted for the year and the requirement to repay any outstanding amount to the Council. All changes in circumstances should be notified within 21 days in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 as amended.

The award and duration of a reduction in liability

Both the amount and the duration of the award are determined at the discretion of the Council and will be done so based on the evidence supplied and the circumstances of the claim.

The start date of such a payment and the duration of any payment will be determined by the Council. This will usually be 1st April 2020 or the date of occupation whichever is the later.

In line with legislation, any award shall be granted as a percentage reduction in the liability of the Council Tax payer thereby reducing the amount of Council Tax payable.

The award will end the day before the young person's 25th birthday.

Notifying the Council Tax payer of any award decision

Discounts will be administered by the Council's Revenues & Benefits Services, and the discount award will be notified to the Council Tax payer via the issue of a Council Tax bill which will include details of the discretionary discount.

Where an application for this discretionary discount does not meet the policy's eligibility criteria, the applicant will be advised by LAC that their application has been rejected and will be provided with an explanation of the decision.

Appeals

BCP Council will accept an appeal in writing from a care leaver, or their appointees or recognised third party acting on their behalf, or the liable party where relevant for a re-determination of its decision. The appeal will be reviewed by the Children in Care and Care Leavers Service in conjunction with the Revenues Manager.

BCP Council will provide its response to any appeal within one month of receiving any request. If the applicant remains dissatisfied, following the appeal process, they may appeal to the Valuation Tribunal for England.

Fraud

BCP Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully eligible to them. An applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006. Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.