

Southwark Council Tax Section 13A (1)(c) Policy – 2024

Southwark Council Tax – Discretionary Relief

1. Background

- 1.1. Section 13A(1)(c) of the Local Government Finance Act 1992 allows the council to reduce the amount of Council Tax payable. It can be used for individual cases or the council may determine classes of case in which liability is to be reduced.
- 1.2. From April 2015 foster carers became a new class of case in this policy where a liability could be reduced subject to the defined eligibility criteria being met and receipt of a properly completed application. From April 2018 the policy was extended to include care leavers aged between 18 and 24 years old as a new class of case subject to a reduction in liability.
- 1.3. However, the council will also continue to consider any and all other claims for relief in individual cases.

2. How to claim a discretionary reduction

- 2.1. The application should relate to the current Council Tax year, unless the liable person has just received an account following late valuation for a previous year(s).
- 2.2. It must be made in writing by the taxpayer or by someone authorised to act on their behalf to the principal Council Tax office and titled “Section 13A Application”.
- 2.3. The council may request any reasonable evidence in support of an application. Separate claims must be made in respect of different dwellings and/or Council Tax accounts.

3. Discretionary Relief Policy

- 3.1. Southwark Council will treat all applications on their individual merits. However some or all of the following criteria should be met for each case:
 - 3.1.1. There must be evidence of financial hardship or personal circumstances that justifies a reduction in Council Tax liability. Where an application is made in respect of financial hardship, evidence of all income and expenditure will be required to enable a full assessment to be undertaken;

- 3.1.2. The applicant must satisfy the council that all reasonable steps have been taken to resolve their situation prior to application;
- 3.1.3. All other eligible discounts/reliefs/benefits have been awarded;
- 3.1.4. The applicant does not have access to other assets that could be used to pay Council Tax;
- 3.1.5. If the situation can be resolved by some other legitimate means, such as the complaints procedure, it is unlikely that an award will be made;
- 3.1.6. The situation and reason for the application must be outside of the applicant's control; and/or
- 3.1.7. The amount outstanding must not be the result of wilful refusal to pay or culpable neglect;

3.2. The power to reduce under this section will be considered taking account of all circumstances and any reduction will take into consideration the borough's Council Tax payers.

4. Classes of reduction

Foster Carers

- 4.1. Since 1 April 2015 discretionary relief has, upon application, been awarded to eligible foster carers who live in Southwark.
- 4.2. To be eligible the foster carer must be liable for Council Tax, be actively fostering, or are actively available to foster, one or more young persons in the financial year under an arrangement with the council.
- 4.3. The relief includes friends and family foster carers who have been to the Fostering Panel with a Regulation 27 assessment and had a subsequent ADM decision to approve them as foster carers for a named child or children.
- 4.4. Carers not eligible are those:
 - 4.4.1. fostering for adoption;
 - 4.4.2. friends and family carers who are temporarily approved and have not been to the Fostering Panel;
 - 4.4.3. family link carers; and
 - 4.4.4. respite carers.
- 4.5. The Council Tax relief will be available for this class from 1 April 2024 to 31 March 2025. Carers living in Southwark who already have a child or children placed with them, or those who do not have a child but are actively available to foster, may apply from 1 April 2024 and relief will be granted from that date.
- 4.6. Carers that become eligible after the 1 April 2024 are able to apply for Council Tax relief seven days after their placement has commenced.

- 4.7. Once Council Tax relief has been granted carers should ensure they remain available to foster even if a placement comes to an end. This will be kept under review by the supervising social worker.
- 4.8. If a carer ceases to be available, including any period or duration when availability is placed on hold, the Council Tax relief will end the day they cease to be available. Should they become available to foster and eligible again later in the year a new application would need to be completed.
- 4.9. Where awarded, the relief will remain in force until 31 March 2025 or, if earlier, the date from which the foster carer's name is removed from the council's foster carers register, or in the view of the council's fostering service, the date from which the foster carer is no longer available to foster children.
- 4.10. An application for relief should be made by eligible foster carers, using the form on the council website, within three months of the date from which their eligibility for relief commences. Eligible claims for relief made outside the three month period will be treated as effective from the date a properly completed application is received by the council.

Care Leavers

- 4.11. Since 1 April 2018 discretionary relief may be awarded to Southwark care leavers aged between 18 and 24 years old who are liable for Council Tax in the borough. To be eligible the care leaver must be liable for Council Tax and have previously been in the care of Southwark Council. Southwark care leavers resident outside of the borough, or care leavers resident in Southwark who have left another authority's care, are not eligible.
- 4.12. The amount of relief is applied after all other discounts have been awarded and there is an amount to pay. If a care leaver is already in receipt of an exemption no relief is awarded. However, should that exemption end the care leaver would then be entitled to care leaver relief if they remain liable for Council Tax.
- 4.13. The relief will be awarded up until the 31 March 2025 or on the care leaver's 25th birthday, whichever is earliest.
- 4.14. Eligible care leavers are identified by the Council and relief is awarded automatically with no application needed. However, any care leaver who believes they qualify but have not received any relief should contact the Council Tax team.
- 4.15. Section 13A(1)(c) of the Local Government Finance Act 1992 allows the Council to reduce the amount payable, but not to amend who is

named on the bill. The relief is applied to the whole Council Tax account and as a result relief would still be applied where a care leaver and a non care leaver are jointly liable for the Council Tax bill.

5. Amount of relief

5.1. The eligibility criteria is set out in paragraph 3. Any relief to be awarded is entirely at the Council's discretion.

5.2. The eligibility criteria for foster carers and care leavers is set out in paragraph 4. Where the applicant is a foster carer or care leaver and meets the eligibility criteria the amount of Council Tax due from the relief date will be reduced to nil.

6. Appeals

6.1. Under Section 16 of the Local Government Finance Act 1992, there is a right of appeal if a customer applying for a discretionary reduction under Section 13A is aggrieved by the council's decision. The appeal must be made in writing to the principal Council Tax office. The council will then consider whether the customer has provided any additional information against the required criteria that will justify a change to its decision. If the original decision is upheld and the customer remains aggrieved, there is a further right of appeal to a valuation tribunal.