

**Folkestone & Hythe
Council Tax
Discounts
and
Exemptions
Premium Policy**



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1 Background

- 1.1 This policy outlines the Folkestone & Hythe District Council's approach to Council Tax discounts and exemptions.
- 1.2 Council Tax Discounts and Exemptions are legislated by The Council Tax (Discount Disregards and Exempt Dwellings)(Amendment)(England) Regulations 2022 in accordance with the Local Government Finance Act 1992.
- 1.3 Household circumstances determine whether a discount or exemption may be claimed:
- A 25% Council Tax discount can be claimed if only one adult lives in the household You can only claim 25% discount on your sole or main residence.
 - A 25% Council Tax discount can be claimed if one adult lives in a household where everyone else is disregarded for Council Tax purposes (see section 3).
 - A 50% Council Tax discount applies if everyone in the household are disregarded for Council Tax purposes.
 - A 100% exemption applies if your household is an exempt category of household (see section 4) and there is no Council Tax to be paid.

If two or more adults who are not disregarded live in a property, there is no discount.

A discount or exemption must be claimed. A charge payer must continue to pay Council Tax in accordance with the issued bill until an application has been determined. Failure to do so may result in recovery action which could incur costs.

- 1.6 Below is a list of people who may be disregarded for Council Tax purposes:
- Apprentices.
 - Youth-training trainees.
 - Care workers working for low pay, usually for charities.
 - Carer of someone with a disability who is not their husband, wife, partner or child under 18.
 - Persons for which child benefit is paid.
 - Severely mentally impaired.
 - 18- and 19-year-olds who are at or have only just left school.
 - Full time students with a certificate from their place of study.
 - Student nurses.
 - Visiting service personnel.
 - Diplomats and members of certain international organisations.
 - People in hostels or night shelters.
 - Members of religious communities, for example monks and nuns.

1.7 Below is a list of exempt categories of households (occupied properties that are exempt from Council Tax):

- Student Halls of resident.
- Households of full time students all of whom have a valid certificate from their place of study.
- Occupied only by people who are severely mentally impaired.
- Occupied only by members of the armed forces.
- Occupied only by people who are under 18.
- Properties used for charitable purposes (up to six months).
- Annex occupied by a dependent relative if over 65 and classed as substantially disabled or severely mentally impaired (a non-dependent relative living in an annex receives a 50% discount).

1.8 There is also a discount in place for low-income households. This is called Council Tax Reduction and has its own policy held by the Council.

1.9 If the applicant identifies as being a Kent County Council (KCC) care leaver aged over 21 to 25 and they are in receipt of Council Tax Reduction, they would be automatically awarded up to 100% support in Council Tax once Council Tax Reduction has been applied. This is detailed in the Council's Financial Support Payment Policy.

2 Equalities

2.1 The Council is committed to equality and the fair application of the policy, ensuring that people receive fair outcomes in the standard of service they received from the Council and equality of access to Council services. This policy is fully inclusive and could support all members of the community, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability in line with the principles set out in the Equalities Act 2010.

3 Council Tax discounts

3.1 This section details to categories of discounts available for Council Tax:

(a) Apprentices discount

If you or someone living with you is an apprentice, and without them there is only one adult living in your home, you can apply for a 25% discount on your Council Tax.

You will need to send the Council written confirmation from the apprentice's employer to confirm the apprentice is undertaking training to a National Vocational Qualification or accredited qualification, that the salary is less than £195 per week and the start and end date of the apprenticeship.

No discount is applicable if there are already two other adults living in the same household.

(b) Carers discount

You may be entitled to a carers discount (25%) if you are the only adult living in the property other than the person you are caring for. If other adults are also living in the property this discount will not be available.

To qualify for the discount, you must meet the following requirements:

- Live in the same home as the person you provide care for
- The person receiving care is not your Spouse, Partner or child under the age of 18
- You provide at least 35 hours a week of care to a person who is entitled to receive one of the following:
 - any rate of Attendance Allowance
 - the middle or highest rate of the care component of Disability Living Allowance
 - any rate of the daily living activity component of Personal Independence Payment
 - an increase in his or her disablement pension
 - an increase in Constant Attendance Allowance.

(c) Care worker discount

A care worker is someone who:

- Provides care or support on behalf of a 'relevant body' or was introduced to and is employed by the person they care for by a 'relevant body' (a relevant body is a local authority, central government or a charity),
- Is employed to provide this care for at least 24 hours a week,
- Is paid £44 or less per week; and
- Lives in the property provided by their employer or the relevant body to carry out their duties.

To claim the discount (25%), the following must be provided:

- Full names of all occupants at the property aged 18 or over
- Full address of the property claiming discount for
- Proof that that the person you are providing care for is in receipt of the following:
 - any rate of Attendance Allowance
 - the middle or highest rate of the care component of Disability Living Allowance
 - any rate of the daily living activity component of Personal Independence Payment
 - an increase in his or her disablement pension
 - an increase in Constant Attendance Allowance.

No discount is applicable if there are already two other adults living in the same household.

You will need to send the Council a care worker certificate or written confirmation from the care workers to confirm their status and salary as a care worker.

(d) Child Benefit discount

If someone in the household is 18 and child benefit is paid for them, they can be disregarded for Council Tax. No discount is applicable if there are already two other adults living in the same household.

(e) Children over the age of 18

Generally once a child reaches the age of 18, they will be taken into account for Council Tax.

However, the Council may be able to continue to disregard them in certain circumstances.

If they are at school or college 18 and 19 year olds who are at, or have just left school or college can be disregarded for Council Tax.

(f) Council Tax Reduction

You can apply for Council Tax Reduction whether you own your home, rent, are unemployed or working. You may get Council Tax Support if you:

- Live at the property,
- Pay Council Tax; and
- Have a low income or are entitled to a benefit paid by the Department for Work and Pensions or the Pension Service.

You can't get Council Tax Support if you are:

- Not the householder, or the person responsible to pay Council Tax,
- Have more than £16,000 in savings, unless you receive guaranteed Pension Credit; or
- Are excluded from receiving public funds, due to your status in the UK

Full details of criteria and assessment can be found in the Council's 'Council Tax Reduction Scheme Policy'.

(g) Diplomat discount

If a diplomat lives with a taxpayer but would not be responsible for paying Council Tax, they can apply for a 25% discount. The person on behalf of whom the application is made must not be a permanent resident of the UK, a British citizen, a British subject, or a British protected person.

(h) Hospital or care homes discount

If someone living in your property moves into a care home, a nursing home or hospital (on a permanent basis), and without them there is

only one adult living in your home, you can apply for a 25% discount on your Council Tax.

(i) Members of religious communities' discount

If you are a member of a religious community and apart from you there is only one adult living in your home, you can apply for a 25% discount on your Council Tax.

The principal occupation is one or any combination of prayer, contemplation, education, or the relief of suffering.

Each person must have no income, with the exception of any occupational pension due to former employment, or capital of their own.

All individuals must be dependent upon the community for their material needs.

(j) People in hospitals or night shelters

It is the owners and not the residents of these types of property who are usually responsible for paying the Council Tax. The person responsible for paying the bill can claim a discount if the main or only purpose of the property is to provide housing for people of no fixed abode and no settled way of life. The property must be not in self-contained sets of premises, for people of no fixed abode, and under licences to occupy and not tenancies.

(k) Self-contained annex discount

An annex occupied as the sole or main residence of a relative (as prescribed in the Council Tax (Reductions for Annexes) Regulations 2013) of the main property can qualify for a 50% discount.

To get this discount, the annexe must:

- Form part of a single property; **and**
- Be occupied by a relative of the person who is liable to pay the Council Tax on the main property; **and**
- Be the main or only home of the person living in it.

(l) Severely mentally impaired discount

If someone living with you is severely mentally impaired and without them there is only one adult living in your home, you can apply for a 25% discount on your Council Tax.

To get this discount or exemption the person must be entitled to one of the following benefits:

- Attendance Allowance
- Constant Attendance Allowance

- the high or mid rate care component of Disability Living Allowance (DLA)
- an increase in the rate of Disablement Pension
- Incapacity Benefit
- Employment and Support Allowance
- Income Support (which includes a disability premium)
- the daily living component of Personal Independence Payment (PIP)
- Severe Disablement Allowance
- Unemployability Supplement
- Unemployability Allowance
- Universal Credit (that includes an element for limited capability for work or limited capability for work and work related activity)

A doctor must also certify severe mental impairment.

(m) Sole Occupier Discount

If you are the only person aged 18 or over living in a property, you may be entitled to a single adult discount. This discount entitles you to 25% off a Council Tax bill.

(n) Student/student nurses discount

If the property is occupied by both students and non-students, then a reduction of 25% may apply.

You will usually be considered a full-time student if:

- You are enrolled to undertake a full-time course of education at a college, university or other institutional establishment providing courses of further higher education for at least one academic or calendar year,
- Your attendance is required for at least 24 weeks in the year,
- Study for at least 21 hours per week during term time.

Or:

- If you are under 20 years of age undertaking a qualifying course of education up to (but not above) A-level standard or equivalent,
- It must be more than three months and undertaken for at least 12 hours per week.

If you have someone staying with you for a short period of a few weeks, then you do not need to inform us. If they are staying with you long term, then you should notify our office as soon as possible.

(o) Visiting Forces discount

If a member of a visiting force lives with the taxpayer but would not be responsible for paying Council Tax, they can apply for a 25% discount.

A person is classed as a member of a visiting force if they are a member of that force, or a member of a civilian component of the force; or a dependant of a member, provided that the dependant is not a British citizen or normally resident in the UK.

(p) Youth training discount

If someone living in a property is a youth trainee, and without them there is only one adult living in the home, you can apply for a 25% discount on your Council Tax.

A youth trainee is someone who:

- Is under 25 years old; and
- Is training under an individual training plan funded by the Skills Funding Agency or Young People's Learning Agency.

Youth Credit, Options, Future and Next Step trainees are also eligible if they meet the above criteria.

4 Council Tax Exemptions

4.1 Some properties, whether occupied or not occupied, are exempt from Council Tax. These are listed below:

(a) Class B: Unoccupied property owned by a registered charity

The property must be unoccupied, but need not be unfurnished and must be owned or leased by a registered charity. It must also have been last occupied by the charity for the purpose of the charity's objectives.

The exemption will apply for a maximum of six months from the date last occupied.

(b) Class D: Empty as liable person being in prison or detained in hospital

Property must be unoccupied but does not need to be unfurnished. The liable person is in prison or in detention elsewhere (i.e. in a hospital) for the period related to the claim and the property must previously have been his/her sole or main residence.

(c) Class E: Empty property previously occupied by a person now residing in a care home, hospital or hostel

The empty property must previously have been the sole or main residence for the absent person. The absent person must have been living in a care home, hostel or hospital for the entire period since he or she was last living in the property on a permanent basis.

(d) Class F: Liable person deceased

When a property had been occupied by a single person, who either owned or rented the property and that person dies, the property is

exempt from Council Tax payment for as long as it remains unoccupied, and until probate is granted.

Following a grant of probate or letters of administration, a further six months exemption is possible as long as the property remains unoccupied and has not been sold or transferred to someone else.

It is important that the executor(s) keep the Council informed of:

- the date probate is granted, details of the transfer or sale of the property or the end date of the tenancy,
- when the estate is settled.

There are rules about sole beneficiaries and how Council Tax is charged.

During this time the Council may contact the executors periodically to review entitlement to the exemption.

Six months from the date probate is granted the full Council Tax will be due to be paid by the executors of the estate.

When a property was previously occupied by two adults the Council Tax charge might have been in both names or only in the name of one of the occupants.

Providing only one person continues to live in the property we will transfer the Council Tax name solely into their name and grant a 25% single adult occupier discount.

If the property is rented liability remains for the deceased until the tenancy end date; then the liability would transfer to the relevant owner/landlord.

(e) Class G: Occupation prohibited by law

The property must be unoccupied and unfurnished.

Occupation must be prohibited by law (including a closing order or demolition order) or kept unoccupied by reason of action taken under powers granted by or under any Act of Parliament with a view to prohibiting its occupation or to acquiring it such as a compulsory purchase order).

The exemption does not apply to actions between individuals or companies under contract law such as restriction orders and does not apply if the property is occupied by squatters who choose to occupy even though prohibited by law.

(f) Class H: Held for Minister of religion

The property must be unoccupied but does not need to be unfurnished. It must be held available for occupation by a Minister of any religious

denomination, for the purpose of allowing him or her to perform the duties of office.

(g) Class I: Person living elsewhere to receive personal care

The property must be unoccupied but does not need to be unfurnished and the person liable to pay must have been absent for the whole period since the dwelling last ceased to be his/her sole or main residence.

Sole/main residence must be in another place which is not an NHS (Health Service) hospital, registered care home, mental nursing home or hostel and must have moved in order to receive personal care by reason of old age, disablement, illness, past or present mental disorder.

(h) Class J: Person living elsewhere to provide personal care

Property must be unoccupied but does not need to be unfurnished and must have previously been the liable persons sole/main residence.

The liable person must have changed main residence for the purpose providing care for someone else and be better able to provide this care from their new home. The reasons care is required are same as class I (section 4.1(g))

(i) Class K: Left empty by a student

Property must be unoccupied but does need to be unfurnished and an exemption only applies where the last resident was a student or if more than one, they were all students, and the owner is a student.

The property must have been the sole or main residence of the owner up to the date it was last occupied. However, an exemption does not apply if any non-students lived in the property.

(j) Class L: Mortgagee in possession

Property must be unoccupied but does not need to be unfurnished and must have been repossessed by the mortgagee (the lender of money).

(k) Class M: Students' halls of residence

Property must be provided predominantly for the accommodation of students and owned or managed by an educational institution.

(l) Class N: Occupied only by students or students and their non-British spouses or dependants

Property must be occupied by one or more residents all of whom are students and/or school/college leavers.

The liable person(s) must hold a freehold or leasehold interest or a licence to occupy the whole or part of the dwelling and must be living in the property as term-time address accommodation or have been

previously used or have intention to use the dwelling as term-time accommodation.

The exemption includes non-British spouses, civil partners or dependants of students who are prevented by the terms of their entry visa to the UK from taking paid employment or claiming benefits.

(m) Class O: UK armed forces accommodation

This applies to living accommodation for UK armed forces which is owned by the Secretary of State for Defence and must be held for the purposes of armed forces accommodation. The exemption applies whether the property is occupied or not.

(n) Class P: Visiting forces accommodation

The property will be exempt where members of visiting forces would be liable for Council Tax if property is occupied or unoccupied.

The exemption also applies to their dependants where they are neither British Citizens or ordinarily resident in the UK.

(o) Class Q: Liable person is a trustee in bankruptcy

Property must be unoccupied but does not need be unfurnished.

Must be in hands of a qualifying person in his/her capacity as a Trustee in Bankruptcy under the Bankruptcy Act 1914 or the Insolvency Act 1986.

Exemption applies to property even if it is jointly owned however it does not cover unoccupied dwellings where the liable person is a company in liquidation or receivership.

(p) Class R: Unoccupied caravan pitch or boat mooring

Caravan pitches and moorings for boats may be dwellings for the purpose of Council Tax. A pitch or mooring which is not occupied by a caravan or boat is exempt for the whole of any period during which the situation exists.

(q) Class S: Occupied by under eighteen-year-olds only

With effect from 1 April 1995 a property that is occupied only by under eighteen-year-olds is exempt so the owner will not be liable to pay in these circumstances.

(r) Class T: Unoccupied annexe

With effect from 1 April 1995 an unoccupied property of the sort commonly referred to as 'granny annexes' but can extend to other types of dwelling, is exempt. This type of property relates to those that form part of premises which included another property and where the unoccupied annexe cannot be let separately from the other property without a breach of planning control. The property need not be

unfurnished and will continue even if the other property becomes empty.

- (s) Class U: Occupied by severely mentally impaired persons only
A property that is wholly occupied by a liable person(s) who is severely mentally impaired is exempt.

The relevant person(s) must be in receipt of one of the qualifying benefits as listed on the application form and a doctor must certify severe mental impairment. This exemption only applies where the severely mentally impaired person would be liable for Council Tax. If someone else is liable, e.g. a property classed as a House in Multiple Occupation (HMO) or care homes, the exemption does not apply.

- (t) Class V: Property which is the main residence of a person with diplomatic privilege or immunity
Properties where one of the liable persons is a diplomat or member of an international organisation headquartered in the UK. An exemption can only be granted if the liable persons status is verified by the Foreign and Commonwealth Office (FCO).

This exemption came into effect from 1 April 1997.

- (u) Class W: Annexe occupied by dependant relative
This exemption applies to a dwelling which forms part of a single property including at least one other dwelling and is the sole or main residence of a dependant relative living in that other dwelling.

The property must be occupied by a dependent relative who is defined as; a person aged 65 years or more, a person who is substantially and permanently disabled or severely mentally impaired for the purpose of council tax.

This exemption came into effect from 1 April 1997.

4.2 Some discounts and exemptions are no longer applicable within the district of Folkestone and Hythe. These are listed below for information.

- (a) Class A: Properties undergoing (or undergone) major structural repair work
This exemption was removed for properties in the district from 1 April 2014. This was passed by Council on 20 November 2013.
- (b) Class C: Unoccupied and unfurnished properties
This discount was removed for properties in the district from 1 April 2014. This was passed by Council on 20 November 2013.

5 Disabled Band Reduction

5.1 The Council will give you a reduction on the amount you have to pay if you or, someone who lives with you is disabled and certain conditions are met.

5.2 The property must be the disabled person's sole or main residence. The reduction may also be claimed if the disabled person is a child. The person must be substantially and permanently disabled, whether by illness, injury, congenital deformity or otherwise.

To qualify, the property must provide one or more of the following as essential or of major importance to the well-being of the disabled person:

- A room that is not a bathroom, kitchen, or lavatory, that is mainly required for meeting the disabled person's needs. The room must be directly linked with the disabled persons disability, for example a room used especially for kidney dialysis treatment.
- An additional bathroom or additional kitchen for meeting the needs of the disabled person.
- Sufficient floor space for a disabled person who has to use a wheelchair around the home.

5.3 If a reduction is granted, the Council Tax due for the property is charged on the basis that the property is placed one band lower, for example if the property had been placed in Band 'D' when it was valued, the charge would be based on a Band 'C' property. Anyone living in a property that is already placed in Band 'A', cannot be banded any lower. However, from 1 April 2000 a reduction of one-ninth of the amount payable for a Band 'D' property will be granted.

5.4 Like other discounts this relief will be reviewed annually, and any charge payer should tell the Council about any changes that would impact the reduction within 21 days if any change.

6 Ukrainian refugees

6.1 On 18 March 2022 the Government opened the Homes for Ukraine Scheme for visa applications from individuals from Ukraine who had named people in the UK willing to sponsor them. The scheme was open to Ukrainian nationals who were residents in Ukraine prior to 1 January 2022, and included their immediate family members and family members of such Ukrainian nationals: a spouse, a civil partner, an unmarried partner (must have lived together in a relationship for two years), children under-18, parent if you are under-18, fiancé(e) or a proposed civil partner, irrelevant of nationality.

Eligible Ukrainian nationals who were granted a visa meant they could live, work and claim benefits in the UK for three years.

The government passed regulations to protect council taxpayers whose bills might have increased as a result of helping out under the scheme.

This applies to all Ukrainian refugees who have permission to enter or to stay in the United Kingdom granted under the Governments Homes for Ukraine Scheme.

- 6.2 It has also issued legislation to reduce the amount of council tax a refugee may have to pay if they have moved into a property under the Homes for Ukraine Scheme.
- 6.3 The Council will still need the names of the refugees, the date they moved in and evidence that they have permission to stay in the UK under the scheme to ensure the correct discount is applied or exemption is continued.
- 6.4 If there is only one adult aged 18 or over living in a property and already receiving the 25% single person discount and then share your home with a Ukrainian refugee(s) the taxpayer will continue to receive a 25% discount. The refugee(s) will be disregarded for Council Tax purposes.
- 6.5 Some occupied properties that are exempt:
- Class N – occupied only by students.
 - Class S – Occupied only by persons under 18.
 - Class U – Occupied only by people who are severely mentally impaired.

If someone is already receiving an exemption for one of these reasons and they share their home with a Ukrainian refugee(s), they will continue to receive the exemption and the name of the taxpayer will remain unchanged.

- 6.6 Some empty properties that are exempt:
- Class B – Owned by a charity that is unoccupied for less than 6 month.
 - Class D – Left empty by someone who is in prison or detained.
 - Class E – Left empty by someone who has permanently moved into a hospital or care home.
 - Class F – Left empty where the former owner has died and awaiting grant of probate.
 - Class H – Left empty awaiting occupation by a minister of religion.
 - Class I – Left empty by someone who lives elsewhere to receive personal care.
 - Class J – Left empty by someone who has moved out to provide personal care.
 - Class K – Left empty owned by a student.
 - Class L – Repossessed property.
 - Class Q – Left empty by bankrupt individual.
 - Class T – Unoccupied property forming part of a property (annex) which cannot be let separately.

If someone is receiving an exemption for one of these reasons and they let their property to a Ukrainian refugee(s), they will continue to receive the exemption and the name of the taxpayer will remain unchanged.

- 6.7 Some unoccupied furnished or unfurnished properties where no exemption applies are also impacted. If someone is paying the full rate of Council Tax for an empty property and they let the property to a Ukrainian refugee(s) who are still under the Homes for Ukraine scheme the Council Tax charge will be reduced by 50%.

The Council will need the names of the refugees, the date they moved in and evidence that they have permission to stay in the UK under the scheme.

The refugee(s) will be the Council Taxpayer as the Council Tax Regulations require the Council to issue bills in the name of the residents.

The bill will be reduced by 50% as the refugees will be disregarded as occupiers.

7 Notification

- 7.1 Where a taxpayer is granted a discount or exemption, a revised demand notice will be issued. Where a discount or exemption is applied for but not granted, the Council will provide a notification of its decision in writing via email or post.

8 Publicity

- 8.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

9. Appeals

- 9.1 Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.
- 9.2 The taxpayer must in the first instance write to the Council outlining the reason for their appeal. Once received the Council will then consider whether any additional information has been received which would justify a change to the original decision and notify the taxpayer accordingly.
- 9.3 Where the taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be found on the Council's website or from the Valuation Tribunal Service website.

10. Fraud

- 10.1 The Council is committed to protect public funds and ensuring that premiums are correctly charged.
- 10.2 A taxpayer who tries to reduce their Council Tax 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.

- 10.3 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.

11. Complaints

- 11.1 The Council's Complaints Procedure (available on the Council's website) will be applied in the event of any complaint received about the application of this policy.

12. Policy review

- 12.1 This policy will be reviewed in line with any changes in legislation and as a minimum on an annual basis. Alterations to the policy will be approved by Folkestone & Hythe District Council's Corporate Services Director or Chief Financial Services Officer in consultation with the Cabinet Member responsible for Finance & Governance. Any substantive alterations to the content of the policy will be approved by Cabinet.

March 2024