

POLICY NOTE

THE COUNCIL TAX (EXEMPT DWELLINGS) (SCOTLAND) AMENDMENT ORDER 2018

SSI 2018/45

1. The above instrument is made in exercise of the powers conferred by sections 72(6) and (7) of the Local Government Finance Act 1992. It is subject to the negative procedure.

Policy Objective

2. The policy objective for this instrument is to exempt dwellings occupied by one or more care leavers from Council Tax. The instrument references the definition of care leaver which is being inserted in the Council Tax (Discounts) Regulations 2012. A care leaver is a person who is at least 18 years old but not yet 26 years old and who was previously in the care of a local authority (at age 16 or subsequently). Dwellings jointly occupied by one or more care leavers and other specified persons (which include students and persons under 18) will also be exempt from Council Tax.

Consultation

2. Key stakeholders, including The Children's Society, Barnardo's Scotland and the Convention of Scottish Local Authorities (COSLA) publicly support a change in legislation to allow for young people who have left the care of a local authority be exempt from Council Tax. These Regulations compliment the Council Tax (Discounts) (Scotland) Amendment Regulations 2018 in delivering that policy. Given the breadth of support for the measure, the Regulations have not been the subject of a formal consultation exercise, although the views of local authorities have been sought during their development.

Financial Effects

3. Official statistics suggest that around 4,000 young people are eligible for after care services in Scotland and would therefore potentially be eligible for the Council Tax exemption this instrument provides. However, the proportion of this population who have a Council Tax liability is not known, and the likelihood is that many will either already be exempt, by virtue of their status as a student or apprentice, or, be entitled to a Council Tax Reduction because they are in receipt of a particular benefit or are low waged. For these reasons, the overall financial effect, in terms of Council Tax revenues foregone, from this Order is expected to be de minimis.

Impact Assessments

4. As there is no impact on business or the third sector, and no impact on the environment or on environmental issues, no Business and Regulatory Impact Assessment or Strategic Environmental Assessment is required.

Local Government and Communities
Scottish Government
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