

Local Government Finance Act 1992: Council Tax discount for people with severe mental impairment

Executive summary

This guidance encloses a 'Dear Doctor' letter (PL/C0(93)1) which sets out information and procedures doctors should follow when they are approached by applicants or their representatives who are seeking a discount from the Council Tax on grounds of severe mental impairment.

Action

Health authorities and Public Health Directors are asked to arrange for the local reproduction of the 'Dear Doctor' letter as soon as possible to hospital consultants in relevant specialities (eg. psychiatry, psychogeriatrics, and learning disability (mental handicap)). Copies should also be issued to specialists in public health medicine.

It is expected that most applications for discount will be dealt with by the applicant's general medical practitioner to complete the medical certificate. Some applications may, however, give the name of a hospital doctor and in such cases it will be for the hospital doctor to complete the medical certificate as appropriate and send it along with the application and any evidence of qualifying benefits to the local authority.

Any queries from practitioners about this guidance should be addressed to their District Health Authority who will consult with the Regional Health Authority. Regional Health Authorities and NHS Trusts in case of difficulty can contact the Department as indicated in the enclosed letter.

HSG(93)9

Local Government Finance
Act 1992: Council Tax
discount for people with
severe mental impairment

5 March 1993

This cancels EL(89)P/189 and
EL(90)P/113

Addressees

For action:
Regional Health Authorities
District Health Authorities
Special Health Authorities
Regional Directors of Public
Health
District Directors of Public
Health
NHS Trusts

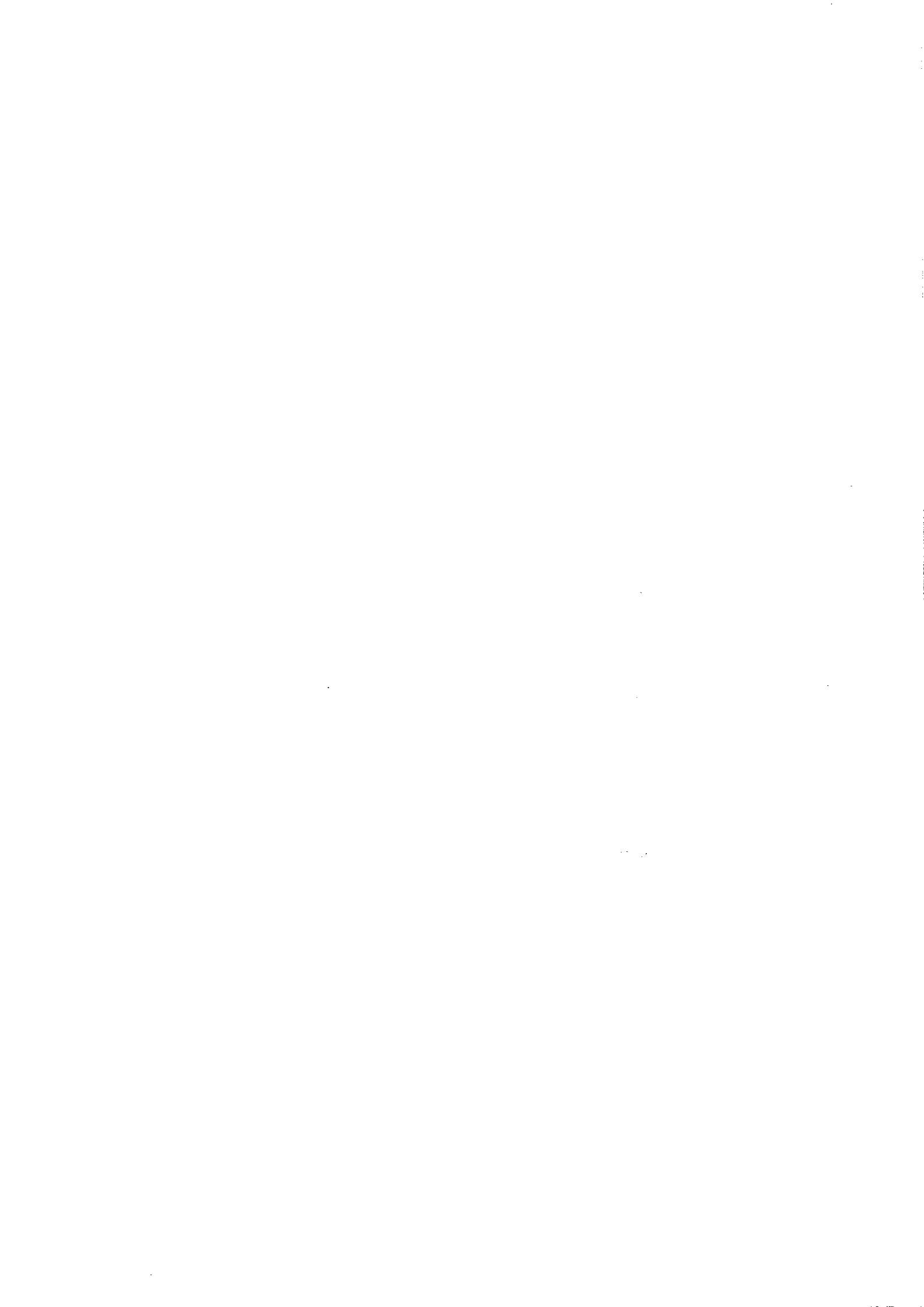
For information:
Family Health
Services Authorities

From

Department of Health
Community Services 1B
Room 220
Wellington House
133-155 Waterloo Road
London SE1 8UG
Tel: 071-972 4441

Further copies of this
document may be obtained
by writing to
DoH Store
Health Publications Unit
No 2 Site
Manchester Road
Heywood Lancs. OL10 2PZ
Please quote serial number
appearing at the top of this
column. Telephone enquiries
will not be accepted.

© Crown copyright 1993





DEPARTMENT OF HEALTH

To: All General Medical Practitioners

Copies to General Managers/Chief Executives of:

Regional Health Authorities
 Family Health Services Authorities
 District Health Authorities
 Regional Directors of Public Health
 District Directors of Public Health
 Special Health Authorities
 NHS Trusts

March 1993

Dear Doctor

LOCAL GOVERNMENT FINANCE ACT 1992: COUNCIL TAX DISCOUNT FOR PEOPLE WITH SEVERE MENTAL IMPAIRMENT

SUMMARY

1. Under the Local Government Finance Act 1992 the community charge (poll tax) will be replaced by the council tax from 1 April 1993 as the way in which people contribute towards the cost of council services. This letter provides information and guidance for doctors in dealing with requests from people seeking a discount of the council tax on grounds of severe mental impairment. Such people may receive special treatment in determining both the size of the council tax bill and the identity of the person who is liable to pay it.

2. The definition of severe mental impairment, and requirement for free certification has not changed from that under community charge arrangements.

DEFINITION OF SEVERE MENTAL IMPAIRMENT AND CONDITIONS FOR DISCOUNT

3. The definition of severe mental impairment under the Act is exactly the same as for community charge purposes (under the Local Government Finance Act 1988 as amended). For the purposes of the Act a person is severely mentally impaired "if he has a severe impairment of intelligence and social functioning (however caused) which appears to be permanent." This definition applies only for the purposes of the Local Government Finance Act 1992. The definition is not the same as the definition of "severe mental impairment" in the Mental Health Act 1983.

4. A severely mentally impaired person will satisfy the conditions for a discount from the council tax (and may be absolved of liability for the council tax) where:

- i. he is severely mentally impaired as defined in 3 above; and
- ii. he satisfies at least one of a number of benefit conditions (see Annex A); and
- iii. he is stated to be severely mentally impaired in a certificate provided by a registered medical practitioner.

5. In making a judgement on whether someone is severely mentally impaired it may be helpful for doctors to know the reason for discount from the council tax. The aim of the council tax is to give taxpayers a direct stake in the spending decisions of local authorities. Clearly this kind of accountability is much less successful in the case of someone who is severely mentally impaired to the extent that he or she does not have an understanding of local issues.

6. Doctors may wish to be aware that being classified as severely mentally impaired for the purpose of the Local Government Finance Act 1992 does not affect the right to vote, or to be included in the electoral register which is compiled separately and with different qualifying criteria.

PROCEDURE FOR CLAIMING COUNCIL TAX DISCOUNT

7. When a local authority has been notified of a possible claim on behalf of a person with severe mental impairment (referred to as the applicant) the local authority will give or send an application form similar to that at Annex A to the applicant or person acting on his behalf together with the local authority's certificate for completion. The applicant or person acting on his behalf should complete the form and pass it on to the applicant's medical practitioner. The application form requests:

- a. evidence of the applicant's entitlement to one of the qualifying benefits (or evidence that he was receiving a benefit which ceased to be paid by reason of his reaching pensionable age);
- b. the name of the applicant's general practitioner or other registered medical practitioner with knowledge of the applicant;

8. Where a doctor is satisfied that an applicant is severely mentally impaired, he should complete the certificate and send it to the local authority direct, together with the completed application form and any documents relating to the applicant's entitlement to benefits that are presented to him by the person acting on behalf of the applicant. The procedure for completing and returning the papers is similar to the existing practice with regard to exemption from community charge. The doctor may retain a copy of the certificate.

9. Discount from the council tax is expected to be a life time discount. The severely mentally impaired person or his representative may be required to present a copy of the certificate to the local authority in a different area should he move at a later date.

MEDICAL CERTIFICATE

10. Doctors should note that the decision as to whether a person is severely mentally impaired is not consequent on any specific diagnosis. A person is severely mentally impaired if he has a severe impairment of intelligence and social functioning however caused which appears to be permanent. A decision about the presence of severe mental impairment will, in all cases, depend on the doctor's clinical judgment as to whether the applicant meets these criteria.

11. If a doctor is uncertain whether an applicant's intelligence and social functioning are such as to constitute severe mental impairment he may wish to seek information and advice from appropriate medical colleagues or from colleagues in other professions, or from carers, who may be able to help with information based on their knowledge of the applicant. If, after such consultation, a doctor is still uncertain whether or not an applicant is severely mentally impaired he or she should not sign the certificate.

PROCEDURE WHERE NO CERTIFICATE IS ISSUED

12. Where the doctor is unable to issue a certificate, it is important that he should return it, together with the application for discount and any documents relating to the applicant's entitlement to benefits to the local authority. In that event the local authority will return the documents to the applicant or his representative who may choose to nominate another doctor who may have knowledge of the applicant.

CHARGING FOR CERTIFICATE

13. The General Medical Services Committee of the BMA has agreed that for the purpose of the Act medical certificates should be issued without charge to the applicant or his representative. It is intended that regulations will be amended to add the certificate to Schedule 9 of the NHS (General Medical Services) Regulations 1992 with effect from 1 April 1993.

APPEALS

14. The person liable for the council tax has a right of appeal against the calculation of his or her bill. This includes appeals about non-application of discounts. The first step is the making of representations to the local authority; there is no time limit on the making of such representations. In considering the representations, the authority may seek further information from the doctor. If the authority does not reverse its decision, or the person is dissatisfied with steps taken by the authority, or the authority does not notify the person of its decision within two months, there is a further right of appeal to an independent Valuation Tribunal.

HOSPITAL DOCTORS

15. Copies of this letter have been sent to all general medical practitioners on Family Health Services Authorities' medical lists. It is expected that most applications for discount will name the applicant's general medical practitioner as the doctor to be requested to complete the medical certificate if he has

sufficient knowledge of the applicant to enable him to do so. Some applications may, however, give the name of a hospital doctor and in these circumstances it will be for a hospital doctor to complete the medical certificate as appropriate and send it, along with the application and any evidence of qualifying benefits to the local authority concerned.

GENERAL INFORMATION

16. The council tax can be seen as consisting of a property element and a personal element each comprising 50% of the total bill. The full council tax bill is payable if there are two adults living in a dwelling. If only one adult lives in the dwelling the bill will be reduced by 25%; if no one lives in the dwelling the bill will generally be reduced by 50%. People who are severely mentally impaired (and certain other groups) will not be counted when assessing the number of adults to be disregarded. So a household consisting of one severely mentally impaired person and one other adult would receive a 25% discount; a household where all residents were severely mentally impaired would receive a 50% discount, and a household where one severely mentally impaired person lives with two other adults would pay a full bill.

17. Responsibility for paying the council tax bill for a dwelling will normally fall on whichever resident owns or rents the dwelling. Joint owners or tenants will be jointly liable. However, where a joint owner or tenant is severely mentally impaired, he or she will not be held liable for the tax unless all the other joint owners or tenants are also severely mentally impaired. The spouse or partner of a liable owner or tenant will also be jointly liable, but a person who is severely mentally impaired can not be made liable in this way.

18. Local authorities have a duty to take reasonable steps to identify the person who will be liable for the council tax in each dwelling, and to establish whether a discount should apply, before calculating the amount of tax due. In some cases they will know from information relating to the community charge register that a resident is likely to qualify as severely mentally impaired. Many authorities have also carried out surveys to identify further cases.

CANCELLATION OF PREVIOUS LETTERS

19. This letter replaces previous 'Dear Doctor' letters PL/CO(89)12 and PL/CO(90)7.

ENQUIRIES

Enquiries about this letter should be made as follows:

Medical enquiries:

Dr D Kingdon
HC(M)3
Room 315, Wellington House
133-155 Waterloo Road
LONDON SE1 8UG
(Tel: 071 972 4615)

General enquiries:

Mr R Parikh
CS1B
Room 220, Wellington House
133-155 Waterloo Road
LONDON SE1 8UG
(Tel: 071 972 4441)

Yours faithfully



JOHN REED
Senior Principal Medical Officer

