

## SPSO decision report

**Case:** 201202994, Perth and Kinross Council  
**Sector:** local government  
**Subject:** local housing allowance and council tax benefit  
**Outcome:** some upheld, recommendations

### Summary

Ms C, a mature student, started a postgraduate degree. She had been living on her own in a two bedroom private let and had previously received 25 percent single person's council tax discount. When she started studying, she applied for, and was granted, exemption from council tax during her studies. In November 2010, with the written consent of her landlord she sublet the extra bedroom to a lodger. The lodger was not a student but applied for, and was granted, housing benefit which continued until August 2011. Ms C did not ask the council about how having a lodger might affect her student exemption. In July 2011 after completing her second year of studies, Ms C herself applied for housing benefit, and it was then held that she as tenant was responsible for full council tax (less 25 percent single person's discount) dating back to when her lodger arrived. By the time that the council had calculated this and told Ms C about it, however, her lodger had left. Ms C also moved out in November 2011 but the council then pursued her for substantial arrears of council tax for 2010/11 and 2011/12 and for an amount of overpaid housing benefit.

When Ms C pursued this with the council before submitting a complaint, they told her that they had issued a demand for the council tax in January 2011. They could not, however, provide a copy of the relevant demand or covering explanatory letter. Ms C made two complaints about the council: that they unreasonably failed to remove a student exemption from her council tax and notify her at the time of the revised council tax charge; and that they did not make it clear to her that subletting a room in her flat would affect her claim for housing benefit.

Although it is generally a claimant's responsibility to tell the council about potentially relevant changes, we considered that the council's delay in notification meant that Ms C could not realistically pursue her lodger for the amount due. We upheld this complaint and made a recommendation to put this right. We did not uphold the second complaint, as it was clear that Ms C's claim for housing benefit was made some seven months after her lodger's housing benefit claim.

### Recommendations

We recommended that the council:

- apologise to Ms C for their omission in not removing her student exemption earlier and in informing her of this; and
- credit Ms C's council tax accounts for 2010/11 and 2011/12 with an ex gratia sum of half the council tax liability incurred during the period of her lodger's occupation of the flat.