

**REPORT TO:** Cabinet

4 December 2019

**LEAD CABINET MEMBER:** Councillor John Williams

**LEAD OFFICER:** Trevor Roff – Director of Finance

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## **Applications for Council Tax Reduction under s13a of The Local Government Finance Act 1992 – Delegation of Authority for Decision Making**

### **Executive Summary**

1. To consider the current decision making process set out in the current policy, and request that Cabinet delegates authority for the determination of applications for discretionary Council Tax reductions to the Lead Cabinet Member for Finance.
2. This is not a key decision as the principles of the policy itself remain unchanged, other than the delegation for decision making.

### **Recommendations**

3. It is recommended that Cabinet agrees to delegate decision-making authority in such matters to the Lead Cabinet Member for Finance, as outlined in Option 1 pending a review of the policy.

### **Reasons for Recommendations**

4. Residents seeking support under this mechanism require a prompt decision on their applications, as there is a direct financial implication.
5. There is an intention to review and update the policy with a more suitable decision-making timeline, but until that is completed it would be in the interests of residents to delegate authority to the Lead Cabinet Member in order that applications may be determined expeditiously.

### **Details**

6. The Council has discretionary powers to reduce or remit the amount of council tax payable to any amount it sees fit, including reducing the amount payable to zero. This power may be exercised in relation to an individual case, or by determination of a group of cases, perhaps where a number of properties are affected by flooding, for example.
7. In April 2013, the Portfolio Holder adopted a policy relating to the determination of applications via this mechanism. This policy can be found in Appendix A.

8. The Policy sets out a number of factors for consideration, although each case must be considered on its own merits. It is ordinarily expected that there are exceptional circumstances to justify any reduction, which should be intended as short-term assistance only. It is also expected that all other routes are exhausted prior to seeking assistance via this method.
9. Two applications have recently been received for assistance via this mechanism. It is not possible for these matters to be considered until the Cabinet meeting on 8<sup>th</sup> January 2020.
10. It is not considered to be in the interests of the applicants to delay the decision until January, and so delegation is sought for the Lead Cabinet Member to make determinations on these and any other applications falling within this policy, until such time as the policy can be updated to reflect a more streamlined decision-making process.

## Options

1. There are two Options that are available to Cabinet in this matter:

OPTION 1 – delegate authority to the Lead Cabinet Member for Finance. This option would allow a decision to be reached and communicated to the applicant(s) as soon as practicable.

OPTION 2 – Continue to determine such applications at a meeting of the Cabinet.

It is recommended that Cabinet adopts Option 1.

## Implications

11. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:-

### Financial

12. The full cost of any reduction under s13a of The Act falls to South Cambridgeshire District Council. Therefore, consideration should be given as to whether a reduction of Council Tax in this matter is in the interests of local Council Tax payers.
13. The Constitution allows for the Lead Cabinet Member to write off debts above level two.

### Legal

14. Section 13A (1) (c) of the Local Government Finance Act 1992 empowers a billing local authority as follows:

*“(1) Where a person is liable to pay Council Tax in respect of any chargeable*

*dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.*

*(2) The power under subsection (1) above includes power to reduce an amount to nil.*

*(3) The power under subsection (1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination."*

## **Appendices**

Appendix A: Policy and accompanying report, April 2013

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