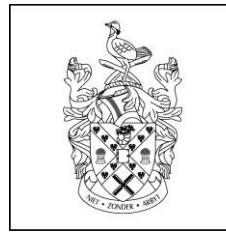




Council Tax Discretionary Reduction Policy

(Reductions under s13a (1) of
The Local Government Finance Act
1992)

April 2020



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1. Introduction

- 1.1 Under section 13A (1) (c) of The Local Government Finance Act 1992, The Council has a general discretion to reduce the council tax payable for any person liable to pay council tax, either on a case by case basis or by class of case, for example, where multiple council tax payers fall into a group because their circumstances are similar.
- 1.2 In order to ensure fair and consistent decision making, the Council is required to adopt a policy setting out the factors for consideration, and the process by which an application for reduction can be made. This policy updates the previous version, "*Protocol and guidance for the granting of local discounts for Council Tax*" that was adopted in April 2013.
- 1.3 Whilst this policy sets out the general principles and factors for consideration, it is important that each case is considered on its merits.
- 1.4 The full cost of any discretionary reduction under s13A (1) (c) falls to the billing authority, and so when considering making an award under this policy, the council should be satisfied that it is reasonable to do so, having regard for its council tax payers.

2 Legal Background

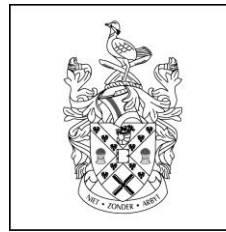
- 2.1 Section 13A (1) (c) of The Local Government Finance Act 1992 (as amended) provides the following discretionary powers to a billing authority:

(1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13)—

(a) in the case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme (see subsection (2));

(b) in the case of a dwelling situated in the area of a billing authority in Wales, is to be reduced to the extent, if any, required by any council tax reduction scheme made under regulations under subsection (4) that applies to that dwelling;

(c) in any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.



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3 Key Principles

- 3.1 In considering any application for a discretionary council tax reduction, consideration should be given to the following principles:
- The Council would expect to see evidence of financial hardship or exceptional personal circumstances in order to justify any reduction.
 - The Council must be satisfied that all reasonable steps have been taken to resolve or improve the situation prior to making an application. This would include, but may not be limited to, applying for any other eligible discounts, exemptions or reductions, or exhausting routes of appeal such as via the Valuation Office Agency or Valuation Tribunal.
 - The applicant should not have access to any other assets or savings that could be used to pay the council tax
 - The Council's finances must allow for a reduction to be made, when considering the effect on council tax yield
 - The Council must be satisfied that it is reasonable to make such an award, having regard to the interests of other local tax payers
 - A discretionary reduction should not normally be awarded where the outstanding council tax has arisen as a result of fraud by the taxpayer, or where the taxpayer has failed to provide information promptly.

4 Application Process

- 4.1 Any application for discretionary reduction under this policy must be made in writing, including via email. However, the Council may waive the requirement for a written application at its discretion, where it is satisfied that it has sufficient information to support such a decision.
- 4.2 Applications must be made by the council tax payer, or by any party authorised by the council tax payer.
- 4.3 Applications must state the reason for the request and detail the circumstances, and supply supporting evidence. The application should also state the period and value of reduction being sought.
- 4.4 Applications must include a full income and expenditure breakdown for the applicant and any other members of the household.



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- 4.5 Applicants are required to provide all information reasonably requested by the Council in support of their application. No reduction will be awarded in cases where sufficient information to reach a decision is refused or not provided.

5 Decision Making

- 5.1 Individual applications will be determined by one of the following postholders:

- Revenues Manager
- Benefits Manager

- 5.2 Applications which relate, or could potentially relate, to a class or classes of case (for example, a group of properties affected by flooding) will be determined by Cabinet following consideration of a report from the Chief Finance Officer and the Lead Cabinet Member.

- 5.3 All decisions will be notified to the applicant in writing as soon as practicable, and the Council will normally determine applications within 6 weeks from receiving all required information.

6 Period of Award

- 6.1 The award of a discretionary reduction is normally considered to be a source of temporary assistance and should not be considered as a way of reducing council tax liability indefinitely.

- 6.2 The award would normally cease at the end of the financial year unless an earlier date is specified, but this would not preclude the application from seeking further awards in subsequent years.

- 6.3 Any award under this policy would not normally be backdated more than 12 months, although consideration would be given if the applicant can demonstrate good reason for not applying sooner.

7 Requirement to maintain payments

- 7.1 The receipt of an application or request for review will not in any way negate the obligation to pay the council tax, and there is no entitlement on the applicant to withhold payment pending a decision. As such, action to recover unpaid council tax by the Council would not be paused on receipt of an application.



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7.2 In the event that an application is granted and a reduction is awarded, any amount overpaid for the award period will be refunded.

8 Overpayments

8.1 If the Council becomes aware that information contained within an application falling under this policy was incorrect or not declared, intentionally or otherwise, and that the information may affect the decision to award a discretionary reduction, the award may be reversed and the balance recoverable via the normal council tax collection process.

8.2 Supplying false or incorrect information in support of an application under this policy may be considered to be an offence under The Fraud Act 2006. If the Council suspects that fraud may have occurred, the matter will be investigated as appropriate.

9 Review of Decision and Appeals

9.1 Where the applicant is not satisfied with the decision, they may request a review within one calendar month of the decision notice. The review will be carried out by the Chief Finance Officer, in conjunction with the Lead Cabinet Member, and their decision will be final.

9.2 The request for review must set out the reasons why the applicant believes the decision should be amended. New or additional information can be provided, and the decision maker will consider if sufficient information is provided to justify a change to the original decision.

9.3 If the applicant remains dissatisfied with the decision, an appeal can be made to the Valuation Tribunal where either:

- a) The aggrieved person is notified in writing by the council that the council believes the request for review is not well founded, but the person is still aggrieved;
- b) The aggrieved person is notified in writing by the council that steps have been taken to deal with the request for review but the person is still aggrieved;
- c) The period of two months, beginning with the date of service of the aggrieved person's notice, has ended without him being notified under paragraph (a) or (b)

Further information can be found on the Valuation Tribunal website by visiting www.valuationtribunal.gov.uk



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10 Covid-19 Hardship Fund

- 10.1 In response to the COVID-19 emergency, The Government provided funding to Local Authorities to provide to a hardship fund discount, to be delivered under the Council's discretionary powers under section 13a(1)(c) of the Local Government Finance Act 1992.
- 10.2 South Cambridgeshire District Council will award a hardship payment to all working age LCTS claimants who are entitled for LCTS for any part of 2020-2021 a hardship fund discount of £150 or less if their liability for the remainder of the financial year after LCTS is less (basic award).
- 10.3 Those claimants who are working age and in receipt of an award of Localised Council Tax Support (LCTS) for any part of the council tax liability for 2020-2021 may receive an a reduction in LCTS as a result of the increased awards of UC or WTC.
- 10.4 The Covid Hardship fund will be used to compensate for any reduction in LCTS as a result of this extra income to ensure claimants receiving LCTS will not be financially disadvantage as a result. This additional award will be a supplement to the basic award
- 10.5 The award of any hardship fund discount as detailed will not require a written application those claimants who qualify will be awarded the discount. The total award of hardship awards will not exceed the residents' total liability.