

This report is public	
Council Tax Discretionary Relief policy (Section 13a)	
Committee	Executive
Date of Committee	8 th July 2024
Portfolio Holder presenting the report	Portfolio Holder for Finance and Resources
Date Portfolio Holder agreed report	26 th June 2024
Report of	Assistant Director for Finance & Section 151 Officer, Michael Furness

Purpose of report

To inform Executive of the reviewed policy for Council Tax Section 13a (S13a) and proposed updates.

1. Recommendations

The Executive resolves:

- 1.1 To note the contents of the reviewed policy for Section 13a Council Tax.
- 1.2 To approve the policy for Council Tax Section 13a.

2. Executive Summary

- 2.1 The Section 13a policy has not been reviewed for several years. It is good practice to review policies to ensure they remain relevant and in line with supporting the delivery of the Council's policies.
- 2.2 Section 13a of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012) provides the Council with discretionary powers to reduce the amount of Council Tax payable.
- 2.3 The provision allows the discretion to help Council Taxpayers where either the existing legislation does not provide a discount, exemption, or reduction or in circumstances where The Council has decided that the level of discount, exemption or reduction is insufficient given the circumstances.
- 2.4 There is a financial implication to awarding reductions under Section 13a as the Council must fund all awards from our own funds.
- 2.5 The funds are there to assist vulnerable customers and those who are experiencing exceptional financial hardship with payments of their Council Tax.

2.6 The exceptional hardship awards are discretionary, and Council Taxpayers do not have a statutory right to an award.

Implications & Impact Assessments

Implications	Commentary			
Finance	<p>The financial implications are set out in the report. S13a is funded through Cherwell District Council's own funds. Checked by: Rachel Ainsworth (FBP for Resources) on 4/6/24. Rachel.Ainsworth@Cherwell-dc.gov.uk Comment: We expect the policy to operate within existing budget arrangements</p>			
Legal	<p>The policy meets the provisions of Section 13a Local Government Finance Act 1992 and there are no direct legal implications.</p> <p>Shahin Ismail, interim Head of Legal Services. 31 May 2024. Shahin.Ismail@Cherwell-dc.gov.uk</p>			
Risk Management	<p>There are no risk management issues arising directly from this report. Any arising risk will be managed through the service operational risk and escalated to the Leadership Risk Register as and when necessary. Celia Prado-Teeling, Performance Team Leader, 04 June 2024 Celia.Prado-Teeling@Cherwell-dc.gov.uk</p>			
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact	x			<p>This policy review has been completed in line with the guidelines and commitments established in our Equalities and Diversity Framework. The implementation of this policy will have a positive impact on people within the protected characteristics. Celia Prado-Teeling, Performance Team Leader, 04 June 2024</p>
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?	x			
B Will the proposed decision have an impact upon the	X			

lives of people with protected characteristics, including employees and service users?				
Climate & Environmental Impact				N/A
ICT & Digital Impact				N/A
Data Impact				N/A
Procurement & subsidy				N/A
Council Priorities	Response to Cost of Living Crisis			
Human Resources	N/A			
Property	N/A			
Consultation & Engagement	N/A			

Supporting Information

3. Background

- 3.1 Section 13a of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012) provides the Council with discretionary powers to reduce the amount of Council Tax payable.
- 3.2 There are financial implications to awarding any discounts other than those currently available under the statutory legislation and the financial burden if Section 13a (1) (c) discounts must be met through an increase in the general level of council tax for other payers.

4. Details

- 4.1 S13a is an award that can be made to Council Tax payers who are experiencing extreme hardship. The award is made directly to the Council Tax account and is awarded as a one-off payment per application.
- 4.2 When determining an application, consideration will be made to the individual's personal circumstances and that the taxpayer has taken all reasonable steps to resolve this situation including applying for any discounts, exemptions, council tax reduction and for those in receipt of housing benefit/housing element of universal credit apply for discretionary housing payment.

- 4.3 The Council must be satisfied that any arrears are not due to wilful refusal or culpable neglect.
- 4.4 An award can only be made for the Council Tax element of any charge, any court or enforcement agency costs applied to the account cannot be considered.
- 4.5 A discount cannot be awarded where the council considers that there are unnecessary expenses and debts, and that the applicant has not taken reasonable steps to reduce these, all exclusions are contained within the policy in appendix A
- 4.6 The Council Tax payer has the right to appeal to the Valuation Tribunal if they disagree with the Council's decision.
- 4.7 There will be an application process and the person(s) liable for council tax, or their appointee or representative, will be required to complete and apply for discretionary discount to the Council using the form provided. The application form is available on the Council's website. The application form must be fully completed and submitted with any supporting information or evidence.
- 4.8 The discount will be calculated against the daily council tax liability after deducting any other reliefs, discounts or council tax reduction and will not exceed that figure. The discount to be awarded is entirely at the council's discretion and can be 0%-100%.

5. Alternative Options and Reasons for Rejection

- 5.1 The following alternative options have been identified and rejected for the reasons as set out below.

To not approve the Section 13a policy. In accordance with S13a (2) Local Government Finance Act 1992 each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings situated in its area, by—

- (a) persons whom the authority considers to be in financial need, or
- (b) persons in classes consisting of persons whom the authority considers to be, in general, in financial need.

Therefore, the local authority must have a system in place to allow a person to make the request.

6 Conclusion and Reasons for Recommendations

- 6.1 It is recommended that the policy is endorsed by Executive to conform with legislation.

Decision Information

Key Decision	No
Subject to Call in	Yes
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Appendix A
Background Papers	n/a
Reference Papers	n/a
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