



Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Discretionary Discount from Council Tax under Section 13A of the Local Government Finance Act 1992

Background

This policy outlines the Council's approach to granting discretionary reductions in liability for Council Tax under Section 13A (1) (c) of the Local Government Finance Act 1992 (LGFA), as amended. The Council has the ability to reduce the liability for Council Tax in relation to individual cases or classes that it may determine where national and other local discounts and/or exemptions cannot be applied.

In November 2019 the Council approved to award care leavers up to the age of 25 council tax discounts under Section 13A (1) (c) of the LGFA. This scheme is in partnership with the 4 Oxfordshire District and City Councils and supported financially by Oxfordshire County Council. This scheme falls outside of this policy.

There are financial implications to awarding any discounts other than those currently available under the statutory legislation and the financial burden of Section 13A (1) (c) discounts must be met through an increase in the general level of council tax for other payers.

Eligibility

When determining an application consideration will be made to:

- The applicant's personal circumstances
- The Council Taxpayer not having access to assets, any equity on owned property, excess income or savings that could be realised and used to pay Council Tax
- The taxpayer must satisfy the council that all reasonable steps have been taken to resolve their situation prior to the application including for those in receipt of Housing Benefits/Housing cost element of Universal Credit must apply for discretionary housing payment (DHP) first.
- Any other eligible discounts, relief or exemptions that could be awarded.
- The council tax account and if it is in arrears the Council must be satisfied that non-payment is not due to wilful refusal or culpable neglect.
- The Council's finances allow for a discount to be made.
- It is reasonable for the Council to award a discount having regard to the interests of other local Council Tax payers who must meet the cost of any discount awarded.
- 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.

Exclusions

Discount under this policy will not be awarded in the following circumstances:

- Where the full council tax liability is being met in full by council tax reduction.
- For any other reason, other than to reduce the council tax liability.
- Where the council considers that there are unnecessary expenses and debts, and that the applicant has not taken reasonable steps to reduce these.
- To cover any increase in the council tax payable due to the failure by the applicant to notify changes in their circumstances in a timely manner or where the applicant has failed to act correctly or honestly.
- Where a council tax or council tax reduction penalty has been imposed at any time during the financial year where discount is being requested.

Application Process

The person(s) liable for council tax, 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.

The applicant must provide details of any special circumstances being experienced and provide evidence to support their application. Evidence required may include, but is not limited to:

- Full details of income and expenditure, including details of any savings or capital
- Bank statements
- Confirmation of outgoings, including debt repayments, outstanding loans, and credit card debt
- Utility and household bills
- Details of personal illness confirmed by a GP.

Failure to provide any supporting evidence and information that is requested will lead to the discretionary application being refused, unless there are mitigating circumstances which led to that failure. There may be some occasions where discounts can be considered based on information already available to officers in the Revenues and Benefits team.

Decision making process.

Individual applications will be determined by the Revenues Services Manager.

The application will be reviewed once all evidence submitted, and the Revenue Services Manager will determine initially if there are grounds for seeking approval from the Assistant Director of Finance and Section 151 Officer or whether the application should be refused.

If approval is sought, the application will be passed to the Assistant Director of Finance and Section 151 Officer. If a recommendation is made to grant a discretionary discount this should specify the amount in monetary terms and for what period, this award covers.

Amount of discount

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%.

Period of the award

A section 13A discount award will not normally be used to provide long term support for individuals. They will be used to provide short term support to allow people the time to resolve their current financial difficulties and to move to a position which is financially sustainable for them in the longer term.

The length of time over which an award is made is at the discretion of the Council but will not normally exceed a six-month period and in all cases will not automatically continue to reduce a future year's liability.

The applicant will be notified of the amount and period of the award and any specific end date.

The discretionary discount will be granted for a specific period. Should the applicant wish for debts for previous financial years to be considered, the applicant must detail the reason for the delay in applying for the discount sooner.

Notification of decisions

The Council will aim to consider the application and notify the customer of the outcome within one calendar month from receipt of the claim and all supporting documentation.

If the application for a discount is successful, the award will be made directly by way of a discount applied to the Council Tax account. This will be confirmed in writing and the Council's decision letter will include the following:

- The reason for the award
- The amount of the award
- The period of the award
- The applicant's duty to report any changes in circumstances.
- Any conditions associated with the award.
- Details of the right of review

If the application is unsuccessful, this will be confirmed in writing and the Council's decision letter will include an explanation of how the decision has been reached and details of the right to request a review.

Duty to notify changes in circumstances

Where a discount is granted, applicants are required to notify the council of any relevant changes in their circumstances that could affect the award.

Examples of these changes include, but are not limited to:

- If the applicant changes address;
- If the applicant or a member of their household leaves or joins their home temporarily or permanently;
- If an applicant's or a member of their household's income or capital changes;
- If the number and/or circumstances of others in the household changes.

In addition, the applicant must inform the council tax and or benefits team:

- Of a change to any factor that caused or contributed towards their hardship;
- If their hardship ends;
- If the severity of their hardship changes;
- Of a change to any of the circumstances that were included in the application for the discount.

Impact of the payment

All payments made under the Council Tax Section 13a Discretionary Policy will be credited to the Council Tax account.

If the amount of Council Tax Reduction awarded increases, this will result in a corresponding adjustment being made to the Section 13a award. Section 13a awards will not be refunded to a customer.

Appeals

Section 13A awards are administered under the Local Government Finance Act 1992 and are subject to a statutory appeals process. However, in the first instance, the Council will accept a taxpayer's request for a reconsideration of a decision where the Council has not awarded a discretionary relief or where the taxpayer feels the award should be increased.

Requests for reconsideration should be:

- Made in writing to the Cherwell District Council's Council Tax department or via email to council.tax@cherwell-dc.gov.uk
- Received within 21 days of receipt of the initial decision for the discretionary relief.
- Signed (or digitally signed on an email) by the applicant or their authorised representative.
- Include full reasons for the reconsideration request.

Upon receipt of a request for reconsideration, the Council's Assistant Director for Finance will consider whether the customer has provided any additional information against the criteria to justify a change in decision.

The Council will notify a customer of its decision within 21 days of receiving a request for reconsideration. If after receiving a reconsideration decision, a customer still disputes the decision, they can appeal to the Valuation Tribunal. The Tribunal will consider these appeals on their merits and is not restricted to inquiring whether the billing authority has exercised its discretion lawfully and reasonably. The Tribunal may substitute its view for that of the authority.

Where possible the Council will try to resolve the matter by explaining the reasons for the decision to the applicant or their representative. If your argument is not accepted; you are not satisfied with the reply; or, after two months you have not had a reply, you can appeal to the Valuation Tribunal for England. Details of how to appeal to the Valuation Tribunal can be found here: - <https://www.valuationtribunal.gov.uk/>

Equalities

The Council is committed to equality and the fair application of the policy, ensuring that people receive fair outcomes in the standard of service they received from the Council and equality of access to Council services. This policy is fully inclusive and could support all members of the community, regardless of their age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex and/or sexual orientation in line with the principles set out in the Equalities Act 2010.

Fraud

If it is subsequently identified that a discretionary discount has been awarded because of false or fraudulent information, the council reserves the right to withdraw the award and recover the resulting sum (which may include interest) due. The council also reserves the right to prosecute the applicant for false representation.

Examples of circumstances where the council will seek recovery of an overpaid discount include, but are not limited to:

- Misrepresentation or failure to disclose a material fact, whether fraudulently or otherwise
- Failure to notify any relevant change in circumstance whether fraudulently or otherwise
- An error made in the provision of information or evidence or the interpretation of that information or evidence which led to an incorrect award.

Overpayments will generally be recovered directly from the applicant's council tax account, increasing the amount of council tax payable.