



Council Tax - Discretionary Reduction Policy

(Section 13A (1) (c), Local Government Finance Act 1992)

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Document Control

Version Control

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V1.1	Head of Revenues and Benefits	Draft	Feb 2024	2024/25 review including removal of Council Tax Support Fund scheme

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Introduction

Section 13A (1) (c) of the Local Government Finance Act 1992 allows a billing authority council to reduce the amount of council tax payable after taking into account any discounts, disregards, reliefs and exemptions. It can be used for individual cases or the Council can determine classes of case in which liability is to be reduced.

Police Special Constables

The Council determined, from financial year 2021/22, that Police Special Constables are a class of case who will receive a discount for any day on which the following conditions are met:

- the Council has been notified that by the Police and Crime Commissioner for Lincolnshire that they were a Special Constable;
- they are liable for the Council Tax at their sole or main residence within the District;
- they are not already subject to two 25% discounts from their council tax;
- they are up to date with payment of their Council Tax.

The discount will be 25% and applied in addition to any other discounts (up to a maximum of 50%). In the event that more than one Special Constable is liable for the Council Tax at a property, more than one discount can be applied, but all the discounts cannot exceed 50%.

The discount will be awarded at the end of the financial year for the preceding year.

Legislation

The relevant legislation, S13A of the Local Government Finance Act 1992 (as amended) states: -

Reductions by 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;
- (b) (not relevant to English Billing Authorities)
- (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.

Finance

Any amounts granted under Section 13 A (1) (c) are normally financed through the Councils general fund and do not form part of the collection fund and would fall to be paid by the Council itself.

The Council would expect therefore that there would be evidence of exceptional, unforeseen circumstances to justify any reduction and that any discretionary reduction would be intended only as short-term assistance, and not a means to reduce Council Tax liability indefinitely.

Applying for a discretionary reduction

Applications can be made by the Council Tax payer, or by someone authorised to act on their behalf:

- in writing and sent, clearly headed 'Section 13A Application' to Council Tax, South Holland District Council, Council Offices, Priory Road, Spalding, PE11 2XE;
- by e-mail, with the subject title "Section 13A Application, Council Tax" and sent to counciltax@sholland.gov.uk

The application should: -

- Usually relate to the current council tax year, unless, for example, the liable person has just received an account following late valuation for a previous year(s)
- Clearly set out the circumstances on which the application is based, and any hardship or personal circumstances relating to the applicant.

We may request any reasonable evidence in support of an application. Separate claims must be made in respect of different dwellings and/or council tax accounts.

Criteria

South Holland District Council will only use its powers to reduce council tax liability for a council taxpayer or class of payer in exceptional circumstances or when failure to make an award is likely to lead to exceptional financial hardship.

We will treat all applications on their individual merit, however we will have regard to the following criteria for each case: -

- Evidence of financial hardship or personal circumstances of an exceptional nature;
- Whether the taxpayer has taken all reasonable steps to resolve their situation prior to application;
- That all other eligible discounts/reliefs/benefits have been awarded;
- The taxpayer does not have access to other assets that could reasonably be used to pay council tax;
- The interests of the wider taxpayers who will ultimately bear the cost of the award;

- Whether the taxpayers of the District would consider it reasonable and fair to make an award in the circumstances.

Where a situation could be resolved by some other legitimate means, such as the complaints procedure, it is unlikely that an award under this policy would be made.

The situation and reason for the application must be outside of the taxpayer's control, and the amount outstanding must not be the result of wilful refusal to pay or culpable neglect.

For the purpose of this policy, the Council considers that a circumstance or set of circumstances is exceptional if it is one that:

- a taxpayer would not expect to encounter in their normal lifetime; and
- only affects a small number of taxpayers.

Decision making process

Decisions will be made by senior officers.

Amount and period of relief

The amount of any relief awarded will be at the council's discretion, taking into account the amount of the debt and the extent to which the criteria is met.

The period of reduction will generally be a maximum of 6 months. Taxpayers may apply for further reductions after the initial award has expired, but they will need to persuade the Council that their circumstances remain exceptional and it is in the interests of the wider taxpayers to make a further award.

Notification of Decision

The Council will endeavour to notify a Council Tax payer in writing within 14 days of receiving sufficient information to make a decision.

Appeals

If an applicant is dissatisfied with the decision, a request for a review must be made in writing, stating why they are aggrieved by the decision.

The letter of appeal should be accompanied by any additional information that the applicant feels might justify a change in the original decision. The appeal will be considered by a senior officer who is independent of the original decision.

If, following the submission of a letter of appeal, the taxpayer is still unhappy with the Council's decision, they may make a further appeal to the Valuation Tribunal for England. Any such appeal must be made within 2 months of the letter of appeal to the Council or the Council's response to that letter, whichever is the later.

Reductions in Council Tax liability granted in error or incorrectly

Where a reduction in liability has been granted incorrectly or in error, either due to a failure to provide the correct or accurate information to the Council, or some other circumstance, the Council Tax payers account will be adjusted and the tax payer billed in the normal way.

Fraud

The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully eligible to them.

An applicant who tries to fraudulently claim a reduction in liability by false declaration of their circumstances, providing a false statement or evidence in support of the application, may have committed an offence under The Fraud Act 2006.

Where the Council suspects that such a fraud may have been committed, this will be investigated as appropriate and may lead to criminal proceedings being instigated.