



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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V1.0	Head of Revenues and Benefits	Draft	02/2023	Policy refresh, and review for 2023/24 including CT Support Fund (CTSF) scheme
			24/02/2023	Review and Approval Deputy Chief Executive – Corporate Development (\$151) Portfolio Holder – Finance
V1.1	Head of Revenues and Benefits	Final	02/11/2023	Updated to include new class of case for flooding from Storm Babet.
V1.2	Head of Revenues and Benefits	Draft	29/02/2024	2024/25 review including removal of Council Tax Support Fund scheme

Approval Control

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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.

Addendum 1 - Flooding

The government activated its Flood Recovery Framework on 25 October 2023, to support households in areas worst affected by flooding caused by Storm Babet between 19 October and 25 October 2023.

East Lindsey will deliver support for eligible households, in line with government guidance, under the provisions of this policy. The scheme details are set out in Addendum 1.

This scheme has closed to new applications.

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, East Lindsey District Council, The Hub, Mareham Road, Horncastle, Lincolnshire LN9 6PH;
- by e-mail, with the subject title "Section 13A Application, Council Tax" and sent to counciltax@e-lindsey.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

East Lindsey 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.

Long Term Empty Properties

The Council will consider exceptional circumstances presented by owners faced with an additional Council Tax charge (premium) under Section 11B of the Local Government Finance Act 1992. This may include new owners of long-term empty property who can demonstrate a genuine purchase and intention to return the dwelling to use.

Any award under these grounds shall not exceed the value of the additional charges for any particular day.

The Council will not make any award if it considers that the sale of the property was contrived in order to reduce the liability to pay Council Tax.

Decision making process

Applications demonstrating exceptional circumstances in respect of long-term empty property where a Council Tax premium is being charged will be decided by the Section 151 Officer and Portfolio Holder for Finance.

All other 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.

Addendum 1 - Flooding – Storm Babet

The Flood Recovery Framework was activated by government on 25 October 2023 to support households and businesses in areas worst affected by Storm Babet.

Eligible Impact Period

Flooding caused by Storm Babet, between 19 October 2023 and 25 October 2023.

Eligibility and Duration

East Lindsey will grant discretionary discounts in line with government guidance, in the following circumstances:

- 100% discount for a minimum of 3 months, or while any household is unable to return to their primary residence; if longer, as a result of the relevant severe weather event:
 - flood water entered into the habitable areas; or
 - flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered unliveable for a period of time

and

- 100% council tax discount on temporary accommodation for any household unable to return to their home, in parallel with the discount on their primary residence where applicable

Second homes and empty homes will not be eligible.

Instances where households might be considered unliveable could include:

- where access to the property is severely restricted (e.g. upper floor flats with no access)
- key services such as sewerage, water and power supplies are severely affected
- the adverse weather has resulted in other significant damage to the property such that it would be, or would have been, advisable for residents to vacate the premises for a period of time, regardless of whether they do vacate or not
- flooded gardens or garages will not usually render a household eligible, but there may be exceptions where it could be demonstrated that such instances mean effectively that the property is unliveable

How to Apply

The council will administer the discount in relation to eligible properties where it is already aware and has sufficient information to make a decision.

Applications for flooding discount can be made to the Council tax team by email counciltax@e-lindsey.gov.uk (Type 'Flooding' in subject field), or by phone 01507 601111.

The council will need to establish appropriate levels of evidence to support the award of discounts in individual cases.

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. The discount will be shown on a revised Council Tax bill.

Reporting Change in Circumstances

The Council Tax payer must report any change in their circumstances to the Council Tax team, in particular where they no longer meet the eligibility criteria for the discount.

Funding

Under the provisions of the Flood Recovery Framework, the Department for Levelling Up, Housing and Communities (DLUHC) will refund eligible local authorities for granting discounts awarded in line with the criteria set out in guidance.

Relationship to the main Section 13A (1) (c) Policy

The following sections contained in the main policy apply equally to this Council Tax Support Fund 2023/24 scheme.

[Appeals](#)

[Reductions in Council Tax liability granted in error or incorrectly](#)

[Fraud](#)

The government guidance can be found here: [Flood recovery framework: guidance for local authorities in England - GOV.UK \(www.gov.uk\)](#)