



Council Tax Discretionary Relief Policy

In accordance with section 13a (1) (c) of the Local Government Finance Act 1992

Background

Section 13a (1) (c) of the Local Government Finance Act 1992 (as amended by section 76 of the Local Government Act 2003) gives power to a billing authority as follows:

- (1) Where a person is liable to pay Council Tax in respect of any chargeable dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respect the dwelling and the day to such extent as it thinks fit.
- (2) This power includes power to reduce an amount to nil and
- (3) May be exercised in relation to particular cases or by determining a class of cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.

Accordingly Coventry City Council can apply discretionary relief in respect of any amount of council tax liability.

This policy sets out how Coventry City Council will consider and apply relief under section 13a (1) (c).

Purpose of the policy

Section 1 of this policy details the application of section 13 a (1) (c) discretion to certain classes of care leaver.

Section 2 of this policy outlines the conditions that should be satisfied in order for the Council to consider relief under section 13 a (1) (c) for all other cases not covered in section 1.

Section 3 of the policy details eligibility, during the financial year 2023/24, to the Council Tax Support Fund additional support payment.

The policy is intended ultimately to enable the Council to provide relief to those in severe financial hardship.

The Council provides a Council Tax Support (Reduction) (CTS) Scheme in accordance with section 13a of the Local Government Finance Act 1992. The Council's CTS scheme can be downloaded at:

www.coventry.gov.uk/downloads/download/2513/council_tax_support_scheme

This discretionary relief policy is independent of the Council's CTS scheme.

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Section 1 – Section 13a (1) (c) discretionary relief for care leavers

1.1 Eligible care leavers

1.1.1 The Council may reduce to nil the council tax liability of care leavers who satisfy all of the following criteria:

- The person is a Former Relevant care leaver as defined within The Children (Leaving Care) Act 2000
- The person is someone for whom Coventry City Council has acted previously as a corporate parent
- The person has left care and is aged between 18 and 21
- The person resides in Coventry and is liable to pay council tax to Coventry City Council.

1.1.2 Where the care leaver is liable for more than one property the discretionary relief will be awarded in respect of only one property – that being the person's sole or main residence.

1.2 Requesting relief

1.2.1 Requests for a reduction will be made normally by the Council's route 21 team within People Directorate. In which case, requests will:

- Be submitted by email to the council tax team
- Confirm that the care leaver has been informed of the intention to submit the request on their behalf and that information will be shared with the council tax department for this purpose, and has not objected to this
- Confirm that the care leaver satisfies the requirements of entitlement
- Confirm the care leaver's name, address and date of birth

1.2.2 Eligible care leavers may submit requests in writing directly to the council tax team. Requests should include supporting evidence from the Council's route 21 team to confirm that the care leaver satisfies the requirements. Alternatively requests should confirm the applicant's consent for the council tax team to obtain information directly from the route 21 team.

1.3 Decision making and appeals

1.3.1 Decisions in respect of care leaver relief will be made by Revenues Officers within the council tax team. Requests for decisions to be reconsidered will be considered in accordance with the provisions outlined in section 2.5 below.

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Section 2 – Section 13a (1) (c) discretionary relief for persons other than care leavers

2.1 Discretionary relief scheme

2.1.1 The city Council will consider applying discretionary relief if all of the following circumstances are satisfied:

- The applicant has an outstanding council tax balance;
- There is compelling evidence of severe financial hardship;
- No other occupants of the property could contribute towards the council tax payable;
- Enforcing the full council tax liability would result in severe hardship E.g. insufficient money being available for basic and essential needs such as housing, food, heating, lighting or essential medical needs;
- The liable person does not have access to assets or funds of any kind which could be used to meet their council tax liability;
- All alternative means of resolving the outstanding liability have been exhausted – this includes but is not limited to discounts, exemptions, council tax support, valuation office/valuation tribunal application;
- The liable person can demonstrate that they have no available income to pay their council tax;
- If the liability relates to a retrospective period the customer can demonstrate and evidence that arrears did not accrue due to their willful refusal to pay council tax or due to their culpable neglect to pay their council tax. The customer can evidence that each of the criteria set out above was satisfied for the entire period for which they wish to be considered for discretionary relief.

2.1.2 If all of the above circumstances are satisfied the Council will consider granting relief. The Council retains ultimate discretion, in accordance with the discretionary nature of the scheme, and requests will be considered on their individual merit.

2.1.3 The Council will make decisions in accordance with principles of good decision making; in particular, the Council will act fairly and reasonably. The Council will have regard to all the relevant circumstances.

2.2 Requesting a reduction under section 13a (1) (c)

2.2.1 Requests for reductions in Council Tax liability should be made in writing (including email) by the customer claiming the reduction, or a party authorised by the applicant.

2.2.2 The request must set out the circumstances upon which the application is based.

2.2.3 Details of the applicant's financial circumstances are required. Where an initial request is deemed to merit further consideration, the Council will issue a financial

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circumstances form and make further enquiries regarding the income and expenditure of all household members.

2.2.4 Evidence may include, but is not limited to:

- household income and expenditure details (using an Income and Expenditure form such as the National Debt Line budget form)
- utility and household bills.

2.2.5 Evidence may be requested that is relevant to the application (e.g. income and expenditure details, evidence of illness). Where information or evidence requested has not been received within 21 days the Council will determine the application on the basis of the evidence and information in its possession. The Council may refuse to grant relief where the absence of information and evidence prevents the Council from reaching an informed decision regarding the applicant's circumstances.

2.2.6 The applicant will be notified of the decision in writing normally within 21 days of submitting the request. The notification will include the decision and details of any amount of relief to be awarded and details of the period to which the award relates.

2.3 Amount of relief

2.3.1 The amount of discretionary relief to be awarded will be at the Council's discretion. Any amount of relief granted will be credited to the council tax account and should not result in a positive balance on the council tax account.

2.4 Period of relief

2.4.1 The Council retains ultimate discretion over the period for which relief may be granted. Relief will only be granted on liability for the financial year in which the request is made or for such prior period as the Council deems appropriate. Relief will not be awarded for subsequent financial years unless a further successful request is made.

2.4.2 The Council retains the right to withdraw relief at any time, including for retrospective periods, where the claimant's circumstances have changed to the extent that the relief is no longer appropriate.

2.4.3 The customer must advise the Council of any such relevant change to their circumstances within 14 days of the change occurring.

2.5 Responsibility for decision making and appeals

2.5.1 Any relief granted in accordance with this policy must be approved by the Head of Revenues or equivalent Head of Service following consultation with the Cabinet Member Strategic Finance and Resources.

2.5.2 Customers can request that the Council reviews a decision in respect of discretionary relief.

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- 2.5.3 Requests for reconsideration should be made in writing within 21 days of notification of the original decision and should detail the reasons for the request.
- 2.5.4 Upon receipt of a request for reconsideration the Director of Finance and Corporate Services, or equivalent Director, will, following consultation with the Cabinet Member Strategic Finance and Resources, review the original decision and consider whether there are grounds to change the decision.
- 2.5.5 The Council will notify a customer of its decision within 21 days of receiving a request for reconsideration.
- 2.5.6 Customers have the right to challenge a decision through the Valuation Tribunal or by Judicial Review.

Section 3 – Council Tax Support Fund 2023/24

3.1 Council Tax Support Fund

- 3.1.1 For the 2023/24 tax year Local Authorities have been provided with a section 37 grant by the Department for Levelling Up Housing and Communities (DLUHC). Local Authorities are directed to use the funding to provide a reduction of up to £25 in council tax liability for recipients of council tax support.
- 3.1.2 The council tax support fund is intended to support low income households with the increased cost of council tax during the current period of rising living costs.
- 3.1.3 Eligible households will receive the reduction automatically and will not need to make an application for the reduction.
- 3.1.4 The reduction will be applied to the council tax liability of any recipient of council tax support during the period 1 April 2023 to 31 March 2024. The award will be applied directly to the relevant council tax account after the award of council tax support. If, after the award of council tax support, a tax payer's balance is less than £25 then the liability will be reduced to zero. The award of council tax support fund cannot exceed £25 or the amount of net liability on a tax payer's account after the award of council tax support and other discounts and exemptions.
- 3.1.5 The award of council tax support fund cannot be claimed as a refund or cash payment. If there is subsequently a change in circumstances affecting council tax support entitlement then the council tax support fund award may be reduced or removed as appropriate.

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Section 4 - Equalities and Monitoring

- 4 The Council is committed to its responsibility to equality and fairness. The Council will ensure that people are treated fairly and given fair chances. This scheme aims to give the fairest outcomes to everyone regardless of race, gender reassignment, age, disability, pregnancy and maternity, religion or belief, sex or sexual orientation, marital or civil partnerships status and/or disability.