

<b>BCP Section 13A(1c) Policy</b>	
<b>Date: effective from 1<sup>st</sup> April 2019</b>	<b>Policy Author: Diane Milne, Alan Fletcher, Darren Vickers</b>
<b>Review Date: January 2020 or if any change to Legislation/Best Practice</b>	<b>Version: V1.3</b>
<b>Purpose/Introduction</b>	Council Tax: Policy for granting of a Discretionary Discount under Section 13A(1c) of The Local Government Finance Act 1992.
<b>Who the policy applies to</b>	All Staff receiving a request for Discretionary Discount and Revenue staff deciding applications for S13A(1c)
<b>When to use this policy</b>	From 1 <sup>st</sup> April 2019
<b>The policy</b>	<p><b>1.0 Introduction</b></p> <p>1.1 This policy sets out Bournemouth, Christchurch and Poole Council's intentions for dealing with applications for Council Tax discounts under Section 13A (1c) of the Local Government Finance Act 1992 (discretionary/local discounts).</p> <p>1.2 Section 13A (1c) of the Local Government Finance Act 1992 provides the Council with additional discretionary powers to enable it to reduce the Council Tax liability where statutory discounts, exemptions and reductions do not apply.</p> <p>1.3 When deciding on whether to grant a discretionary award, the Council will consider each application on its own merits and in line with the criteria below.</p> <p>1.4 The loss in Council Tax revenue resulting from the granting of a discretionary discount must be met by the Council.</p> <p>1.5 From time to time government may introduce a specific scheme in response to an event such as a natural disaster (e.g. flooding). Where such schemes are introduced, funding is normally fully met by government without any impact on the local Council Tax. Any such schemes that are introduced will be administered in accordance with instruction and guidance set out by government, in accordance with our delegated powers.</p>

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### 2.0 Eligibility Criteria

2.1 Council Tax discretionary discount will **not** be considered where the following criteria apply:-

- a) Where there is an outstanding appeal against the property's entry in the Council Tax Valuation List. (Applicants will in these circumstances be advised that their application can be re-submitted if their appeal is unsuccessful).
- b) Where the event that has resulted in the property being unoccupied may be grounds for an appeal against the property's entry in the Council Tax Valuation List. (Applicants will be advised to contact the Listing Officer at the Valuation Office Agency).
- c) Where the full Council Tax liability is being met by Council Tax Support.
- d) Where there is recourse for financial compensation or where an insurance policy would cover the appropriate liability period.
- e) Where the Council Tax in question has arisen as a result of Council Tax Support / Council Tax fraud.

2.2 The Council will only consider an application/award under sections 2.3 b or c (below) in exceptional circumstances and where it is satisfied that the Council Taxpayer would sustain personal financial hardship if the Council did not do so. In order to determine this the Council Taxpayer will be required to provide details (and evidence where requested) of household income and expenditure, savings, capital, debts etc. The assessment we will make for determining financial hardship will take account of only reasonable priority expenditure\*\* against income but will not take account of any non essential expenditure, as Council Tax is a priority bill. Part of the assessment may include referral to an independent money advice and budgeting advice service.

*\*\* Priority expenditure is based upon Citizen Advice guidance.*

2.3 The decision to grant any Council Tax discretionary discount **will** be considered where any of the following criteria are met:-

- a) Where the dwelling is unoccupied and the liable person has had to vacate the dwelling due to an unexpected event. Although not exhaustive, an unexpected event may include fire, smoke, explosion, lightning, storm, flood, earthquake, collision or impact.

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- b) Where the dwelling is unoccupied and substantially unfurnished and is undergoing, or has undergone within the last six months, major repairs, including structural alterations, to render it habitable, for a maximum period of twelve months or where the dwelling is unoccupied and substantially unfurnished and has been so continuously for a period of less than six months due to exceptional circumstances.
- c) Where the Council Taxpayer has exhausted entitlement to Local Council Tax Support (LCTS) and Council Tax Discounts, but still experiences severe financial hardship (this includes LCTS customers affected by changes in the percentage of charge they need to pay).
- d) Where the Council Taxpayer is subject to a premium and can demonstrate that their property is genuinely on the market for sale or rent, having regard to the market conditions in the area, and has been for a period of at least 12 months, the Council may award a discount under this policy to the value of the premium. The Council may also award a discount to the value of the premium where the Council Taxpayer has been unable to occupy a property due to exceptional circumstances.

### **3.0 Administering the scheme**

- 3.1 As well as establishing if any other discounts/ reductions/ exemptions apply, before any application can be made for 2.3 b & c (above) it is expected that the taxpayer contacts the Council to explore whether changing payment methods, re-arranging Council Tax instalments or setting alternative payment arrangements in order to make them more affordable would be possible.
- 3.2 Discretionary Council Tax discounts must be applied for in writing from the Council Taxpayer, their advocate/appointee or recognised third party acting on their behalf. The Council will provide the applicant with the appropriate form when 3.1(above) has been reviewed.
- 3.3 When considering an application the following factors will be taken into account:
  - There must be evidence of financial hardship or unforeseen, exceptional circumstances to justify any reduction.
  - Whether the Council Taxpayer has failed to maximise their income through the application for other welfare benefits or income that would be available to them if they made a claim for it.

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- An award may not be made until the Council Taxpayer has accepted assistance either through the Council or a third party such as the Citizens Advice Bureau or other similar organisations, to enable them to manage their finances more effectively, including the termination of non-essential expenditure.
- The Council Taxpayer must satisfy the Council that all reasonable steps have been taken to resolve their situation prior to an application.
- All other eligible discounts/reliefs have been explored prior to an application being made (3.1 above).
- The Council Taxpayer does not have access to other funds/assets that could be used to pay Council Tax.
- All other legitimate means of resolving the situation have been investigated and exhausted by the applicant. If they have not been, it is unlikely that an award will be made.
- The payment record history of the Council Taxpayer.
- The amount outstanding must not be the result of wilful refusal to pay or culpable neglect (i.e. funds or assets were available but in the opinion of the Council have been used for non-essential means).
- Discretionary discounts will only apply to Council Taxpayers sole or main residence. Consideration may also be given if they have moved their sole or main residence due to exceptional circumstances.

3.4 The application should normally relate to the current Council Tax year unless the Council Taxpayer has only recently received a bill following a retrospective change to a previous year(s).

3.5 It is expected that the Council Tax payer will need to provide:

- a) The period and amount of reduction being sought
- b) Reasons why a discretionary reduction should be given, and how this meets our policy
- c) What action(s) the applicant has taken to alleviate the situation

3.6 BCP may request any reasonable evidence in support of an application

3.7 All applications will be determined in accordance with the Councils Scheme of Delegation.

3.8 Discretionary Council Tax discounts will be withdrawn if:

- a) The conditions or circumstances on which the reduction was granted changes or fails to materialise.
- b) The information submitted as part of the application proves to be false or misleading.
- c) The applicant ceases to be the Council Taxpayer

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### **4.0 Notification**

- 4.1 Successful applicants will be notified in writing of the amount and period a Discretionary Council Tax reduction has been awarded for. Any entitlement is applied to the Council Tax account and a revised bill is sent. Awards are limited to the end of the financial year in which the application is made.
- 4.2 At the end of any award period a re-application will be required before any further award can be considered by the Council
- 4.3 Unsuccessful applicants will be notified in writing together with the reasons for the decision.
- 4.3 The Council will aim to make a decision within 21 days of receiving sufficient information to make a decision or within a reasonable period thereafter.

### **5.0 Appeals**

- 5.1 The Council Taxpayer must in the first instance write to the Council outlining the reason for their Appeal. Once received the Council will reconsider its decision and notify the Council Taxpayer accordingly. Where the Council Taxpayer remains aggrieved, a further Appeal can then be made to the Valuation Tribunal Service.

### **6.0 Change of Circumstances**

- 6.1 The Council may revise its decision to award a discretionary reduction in liability at any time where the applicant's circumstances or situation has changed.
- 6.2 Any such change that highlights an increase in liability will be recovered in accordance with the Council's Collection and Debt Recovery Policy.

### **7.0 Fraud**

- 7.1 The Council is committed to protecting public funds and ensuring funds are awarded to those genuinely entitled. An applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances, providing a false statement/evidence in support of their application may have committed an offence under The Fraud Act 2006.

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	7.2 Where the Council suspects that such fraud may have been committed, the matter will be investigated as appropriate and may lead to proceedings being instigated.
<b>How to use the policy</b>	<p>This policy is a public document, reflecting how this Discretionary Discount will be considered.</p> <p>Internal use: this Policy should be used alongside accompanying guidance and processes.</p>
<b>Roles and responsibilities</b>	<p>Collection Services Manager (SVPP), Operations Manager (SVPP) + Revenues Manager (Bournemouth) are responsible for reviewing this policy.</p> <p>Collection (SVPP) and Revenue (SVPP + Bournemouth) are responsible for ensuring this Policy (and supporting processes) is followed when processing applications</p>
<b>Enforcement and sanctions</b>	Occasional checks may be undertaken (as part of any appeal) to ensure Policy is being applied. Feedback and lessons learnt will be given as/when necessary.
<b>Further information and evidence</b>	<p><i>Link to Policy &amp; Application form will be put on council website(s).</i></p> <p>Approved by Corporate Board 25.03.2019 and Programme Board 28.03.2019</p>