

Executive
10 December 2020

**Title: Council Tax: Discretionary Reduction Policy – Section 13A(1)(c)
Local Government Finance Act 1992**
Lead Officer: Paul Town
Portfolio Holder: Councillor Richard Hales
Public report / ~~Confidential report~~
Wards of the District directly affected: N/A

Contrary to the policy framework: No

Contrary to the budgetary framework: No

Key Decision: No

Included within the Forward Plan: No

Equality Impact Assessment Undertaken: Yes 1,155

Consultation & Community Engagement: No - Consultation not undertaken as it is a requirement under Section 13A of the Local Government Finance Act 1992 that Billing Authorities have a policy in place for the Section 13A(1)(c) Council Tax Discretionary Reduction Policy

Final Decision: Yes

Accessibility Checked: Yes

Officer/Councillor Approval

Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	2/11/2020	Andrew Jones
Head of Service	2/11/2020	Mike Snow
CMT	9/11/2020	Chris Elliott, Andrew Jones, Bill Hunt
Section 151 Officer	2/11/2020	Mike Snow
Monitoring Officer	2/11/2020	
Finance	2/11/2020	Paul Town
Portfolio Holder(s)	9/11/2020	Cllr Richard Hales

1. Summary

- 1.1. This report seeks approval for a policy to be introduced, in order to provide clear instructions and guidance when dealing with an application for discretionary relief to Council Tax and to satisfy the Council's requirements to hold such a policy for Section 13A(1)(c).

2. Recommendation

- 2.1. The Executive recommend to Council that it approves the Council Tax section 13a Discretionary relief policy statement, as set out at Appendix 1 to the report.
- 2.2. That, subject to the approval of recommendation 2.1, the Executive recommend to Council that delegated authority be given to the Head of Finance to provide discretionary relief as set out within the Council tax section 13a discretionary relief policy statement.

3. Reasons for the Recommendation

- 3.1. Section 13A(1)(c) of the Local Government Finance Act 1992 allows a billing authority to reduce the 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.
- 3.2. All billing authorities are required to have a policy for this scheme and Warwick District Council does not currently hold a policy for this.
- 3.3. The proposed Policy looks to support only the most vulnerable and those in severe financial difficulties. This is proposed recognising not only the current financial challenges faced in the community but also those faced by the Council because any relief awards will be at cost to the Council.
- 3.4. In the absence of a policy previously, requests for support have been minimal. These have been considered on their own merits, and where necessary, a report has been taken to the Executive for approval. This has only happened once and WDC has never had any other cause to award or consider relief using this discretionary power. However, it is felt that it would now be appropriate to set a clear policy to guide decisions should they be required.
- 3.5. Recommendation 2.2 is included to ensure that explicit authority is in place for the scheme to be implemented.

4. Policy Framework

4.1. Fit for the Future (FFF)

- 4.1.1. The FFF Strategy has 3 strands, People, Services and Money, and each has an external and internal element to it, the details of which can be found [on the Council's website](#). The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

4.2. **FFF Strands**

4.2.1 **External impacts of proposal(s)**

People - Health, Homes, Communities – This policy can provide help to those tax payers in severe financial difficulties and subsequently finding themselves in a state of vulnerability.

Services - Green, Clean, Safe – no impact

Money- Infrastructure, Enterprise, Employment – The use of discretionary powers within this policy will reduce the payable amount of Council Tax for vulnerable tax payers and may enable them to continue within the realms of their financial constraints.

4.2.2. **Internal impacts of the proposal(s)**

People - Effective Staff – This policy will provide 'permitted' staff with the guidance and ability to make decisions based on a sound policy with regards to using discretion to reduce the chargeable Council Tax on a property.

Services - Maintain or Improve Services - This policy addresses the needs of those customers in the most severe financial difficulties in relation to Council Tax.

Money - Firm Financial Footing over the Longer Term – As Warwick District Council have not held a policy for this discretionary relief in the past, there has been no cost associated with the provision of this relief. This is not expected this to change dramatically now that a policy is in place because of the procedures already in place that are used to support people in this position.

4.3. **Supporting Strategies**

4.3.1. This report does not directly impact on any of the supporting strategies of Fit for the Future.

4.4. **Changes to Existing Policies**

4.4.1. This report does not bring forward any changes to any existing Council Policies.

4.5. **Impact Assessments**

4.5.1. There are no impacts identified as a result of this report.

5. **Budgetary Framework**

5.1. Under the legislation the cost of reliefs grants must be borne by the District Council, being a charge on the General Fund. If any relief is awarded, this will be funded out of the Council's Contingency Budget using existing delegations which allow for up to £10,000. If any relief was proposed above this, the funding would need to be agreed by the Executive.

6. Risks

- 6.1. By not having a policy in place if a case were escalated to the Valuation Tribunal, Warwick District Council would automatically lose if we did not have a policy in place. This would also lead to reputational damage of Warwick District Council.
- 6.2. Not having a policy in place would lead to Warwick District Council not being able to support those most vulnerable and in severe financial difficulties within the district.

7. Alternative Option(s) considered

- 7.1. Warwick District Council does not have the option to not hold a policy for Council Tax Discretionary Reduction under Section 13A(1)(c) of the Local Government Finance Act 1992. This is a statutory requirement.
- 7.2. There is the option to change the wording on the policy, however the policy designed is in line with other Councils and provides the ability for the relevant officers to make a sound decision when considering any applications.