

COUNCIL TAX DISCRETIONARY RELIEF POLICY

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 4

**PORTFOLIO: CORPORATE SERVICES AND PERFORMANCE
(COUNCILLOR GRAHAM HINCHEY)**

Reason for this Report

1. To seek approval from the Cabinet for a Discretionary Relief Policy for Council Tax to be implemented. The Institute of Rating, Revenues and Valuation (IRRV) has recently advised that each billing authority should ensure that such a policy is in place to ensure consistency of application of the powers under the Act.

Background

2. Under Section 13A (1)(c) of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has the power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine and where other reductions cannot be applied.

Issues

3. This policy has been created to provide assistance to council tax payers where there is clear evidence that an individual or group of individuals have exceptional circumstances which are not as a result of negligence on their part. For example the policy could be applied to individuals who have had to leave their home due to flooding which has been caused by extreme weather. The policy also specifies how the Council will operate this discretionary power and sets out the factors that will be taken into account when making a decision. The Council Tax Discretionary Relief Policy is attached at Appendix 1.
4. All council taxpayers within the city are notified of the availability of the reduction via the explanatory notes that accompany each bill.

Reason for Recommendations

5. The Council has always been willing to accept applications for reduction under Section 13A (1)(c) but without having a Discretionary Relief policy

in place the Council may be exposed to challenge. To date no reductions have been awarded under Section 13A (1)(c).

Financial Implications

6. The cost of awarding Section 13A(1)(c) discounts has to be funded from within the total income generated by council tax. As a consequence of this the Council will only consider using its powers to reduce council tax liability for any council tax payer or class of payer in exceptional circumstances. The Council has recently received three applications for discretionary relief which will be considered once a policy has been adopted.

Legal Implications

7. An Equality Impact Assessment has been carried out and is attached at Appendix 2.
8. There are no other legal implications other than those set out in the report.

RECOMMENDATIONS

Cabinet is recommended to:

- (1) approve the Discretionary Relief Policy for Council Tax, attached at Appendix 1
- (2) agree that the policy will be implemented with effect from 1st January 2016
- (3) approve that the power to determine an application for discretionary relief from council tax be delegated to the Revenues Services Manager and that the Corporate Director Resources will determine any appeals.

CHRISTINE SALTER

Corporate Director
27 November 2015

The following Appendices are attached:

Appendix 1: Council Tax Discretionary Relief Policy
Appendix 2 : Equality Impact Assessment - Council Tax Discretionary Relief Policy



COUNCIL TAX DISCRETIONARY RELIEF POLICY

DATE DOCUMENT PUBLISHED	
APPROVED BY	
APPROVAL DATE	
DOCUMENT OWNER	
DATE FOR REVIEW	

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SECTION 1 – INTRODUCTION

- 1.1 This policy has been created to provide assistance to council tax payers where there is clear evidence that an individual or group of individuals have exceptional circumstances which are not as a result of negligence on their part.
- 1.2 The policy will be administered by Council and all council tax payers will be notified of the availability of the policy within the explanatory notes that accompany each council tax bill.

SECTION 2 – LEGAL BACKGROUND

- 2.1 Under Section 13A (1) (c) of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has the power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine and where other reductions cannot be applied. A summary of Section 13A (1)(c) is set out below :
 - Where a person is liable to pay council tax in respect of any chargeable dwelling, the billing authority for the area in which the dwelling is situated may reduce the amount which he or she is liable to pay to such extent as it thinks fit.
 - The power under subsection 1) includes the power to reduce an amount to nil.

- The power under subsection 1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.
- 2.2 The cost of awarding Section 13A (1) (c) discounts has to be funded from within the total income generated by council tax.
- 2.3 As a consequence of this the Council will only consider using its powers to reduce council tax liability for any council tax payer or class of payer in exceptional circumstances

SECTION 3 - CRITERIA FOR AWARD

- 3.1 All applications will be treated on their own merits although the following principles will be applied in each case :
- There must be clear evidence of exceptional circumstances which are not as a result of negligence on the applicant's part.
 - Any other reductions from the council tax charge that may be applicable must have already been claimed by the applicant.
 - They must have taken reasonable steps to resolve the situation before making the application.
 - The applicant must provide any appropriate information that is requested by the Council in respect of the claim within the required time scale.
 - They do not have access to other assets that could be used to pay the charge.

SECTION 4 – CLAIMING DISCRETIONARY RELIEF

- 4.1 Claims can either be made in writing by the applicant concerned or their advocate/appointee.
- 4.2 The application must relate to the current financial year and be supported by appropriate evidence. Depending on the detail of the request the Council may then write and request supplementary information.

- 4.3 Applications should either be made by post addressed to the Council Tax Manager, PO BOX 9000, CF10 3WD or via email to ctax@cardiff.gov.uk

SECTION 5 – CONSIDERATION OF APPLICATIONS

- 5.1 Through delegated powers the Revenues Services Manager will consider all applications.
- 5.2 If an award is granted it will usually be made from the date that the application is received although the claim maybe backdated if there is evidence to prove that this would be reasonable. Any award that is made will be on a “one off” basis and will either be for part of the charge or the full charge. There will be no continuation of the award beyond the end of the financial year.
- 5.3 Any awards that are made will be directly credited to the council tax account of the individual or individuals concerned.

SECTION 6 – NOTIFICATION

- 6.1 Once all of the appropriate information is received the Council will make a decision within 14 days or as soon as is reasonably practicable thereafter.
- 6.2 The Council will then write to the applicant to notify them either of the award that is to be made or to explain to them why they do not qualify.

SECTION 7 – APPEALS

- 7.1 Under the Local Government Finance Act 1992, there is no right of appeal against the Council's use of discretionary powers. Despite this the Council will accept an applicant's written request for a further review of its decision as long as this is received within 28 days of the original decision. The Corporate Director Resources will undertake this review.

**Equality Impact Assessment
Corporate Assessment Template**



Appendix 2

Policy Title: Council Tax Discretionary Relief Policy
New :

Who is responsible for developing and implementing the Policy?	
Name: Gary Watkins	Job Title: Operational Manager
Service Team: Revenues	Service Area: Resources
Assessment Date: 16 th October 2015	

1. What are the objectives of the Policy?

Cardiff Council is to introduce a policy to provide assistance to council tax payers where there is clear evidence that an individual or group of individuals have exceptional circumstances which are not as a result of negligence on their part.

2. Please provide background information on the Policy and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]

1. Under Section 13A (1)(c) of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has the power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine and where other reductions cannot be applied.
2. The cost of awarding Section 13A (1)(c) discounts has to be met through an increase in the general level of council tax for other charge payers.
3. As a consequence of this the Council will only consider using its powers to reduce council tax liability for any council tax payer or class of payer in exceptional circumstances which are not as a result of negligence on their part.
4. Many other Council's have developed Discretionary Relief Policy for council tax and some of these have been researched before the policy was formulated.

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**Equality Impact Assessment
Corporate Assessment Template**

3 Assess Impact on the Protected Characteristics

3.1 Age

Will this Policy have a **differential impact [positive/negative/]** on younger/older people?

	Yes	No	N/A
Up to 18 years		X	
18 - 65 years		X	
Over 65 years		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is no differential impact for these groups

What action(s) can you take to address the differential impact?

3.2 Disability

Will this Policy have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment		x	
Physical Impairment		x	
Visual Impairment		x	
Learning Disability		x	
Long-Standing Illness or Health Condition		x	
Mental Health		X	
Substance Misuse		X	
Other		x	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

There is no differential impact for these groups.

What action(s) can you take to address the differential impact?

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**Equality Impact Assessment
Corporate Assessment Template**

3.3 Gender Reassignment

Will this Policy have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
Transgender People (People who are proposing to undergo, are undergoing, or have undergone a process [or part of a process] to reassign their sex by changing physiological or other attributes of sex)		x	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact has been identified.

What action(s) can you take to address the differential impact?

3.4. Marriage and Civil Partnership

Will this Policy have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage		X	
Civil Partnership		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact has been identified

What action(s) can you take to address the differential impact?

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**Equality Impact Assessment
Corporate Assessment Template**

3.5 Pregnancy and Maternity

Will this Policy have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy		X	
Maternity		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact has been identified

What action(s) can you take to address the differential impact?

3.6 Race

Will this Policy have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White		X	
Mixed / Multiple Ethnic Groups		X	
Asian / Asian British		X	
Black / African / Caribbean / Black British		X	
Other Ethnic Groups		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact has been identified.

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What action(s) can you take to address the differential impact?

3.7 Religion, Belief or Non-Belief

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist		X	
Christian		X	
Hindu		X	
Humanist		X	
Jewish		X	
Muslim		X	
Sikh		X	
Other		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact on these groups has been identified

What action(s) can you take to address the differential impact?

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3.8 Sex

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on men and/or women?

	Yes	No	N/A
Men		X	
Women		X	

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Equality Impact Assessment Corporate Assessment Template

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact on these groups has been identified

What action(s) can you take to address the differential impact?

3.9 Sexual Orientation

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
Bisexual		X	
Gay Men		X	
Gay Women/Lesbians		X	
Heterosexual/Straight		X	

Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact on these groups has been identified

What action(s) can you take to address the differential impact?

3.10 Welsh Language

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on Welsh Language?

	Yes	No	N/A
Welsh Language		X	

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Please give details/consequences of the differential impact, and provide supporting evidence, if any.

No differential impact has been identified

What action(s) can you take to address the differential impact?

4. Consultation and Engagement

What arrangements have been made to consult/engage with the various Equalities Groups?

The availability of this reduction will be publicised to all council tax payers via the explanatory notes which accompany each council tax bill.

5. Summary of Actions [Listed in the Sections above]

Groups	Actions
Age	No action necessary
Disability	No action necessary
Gender Reassignment	No action necessary
Marriage & Civil Partnership	No action necessary
Pregnancy & Maternity	No action necessary
Race	No action necessary
Religion/Belief	No action necessary
Sex	No action necessary
Sexual Orientation	No action necessary
Welsh Language	No action necessary
Generic Over-Arching [applicable to all the above groups]	<ul style="list-style-type: none">• The availability of this reduction will be publicised to all council tax payers via the explanatory notes which accompany each council tax bill

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Equality Impact Assessment Corporate Assessment Template

6. Further Action

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

7. Authorisation

The Template should be completed by the Lead Officer of the identified Policy and approved by the appropriate Manager in each Service Area.

Completed By : Mike Taylor	Date: 16 th October 2015
Designation: Council Tax Manager	
Approved By: Gary Watkins	
Designation: Revenue Services Manager	
Service Area: Corporate Services	

- 7.1 On completion of this Assessment, please ensure that the Form is posted on your Directorate's Page on CIS - *Council Wide/Management Systems/Equality Impact Assessments* - so that there is a record of all assessments undertaken in the Council.

For further information or assistance, please contact the Citizen Focus Team on 029 2087 3059 or email citizenfocus@cardiff.gov.uk