

TONBRIDGE & MALLING BOROUGH COUNCIL
FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

07 January 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 POLICY IN RESPECT OF DISCRETIONARY COUNCIL TAX AWARDS

Members are asked to consider a draft policy under s.13A of the Local Government Finance Act 1992, whereby a local authority has the power to reduce the amount of Council Tax due ‘as it sees fit.’

1.1 Introduction

- 1.1.1 Under s.13A of the Local Government Finance Act 1992, a local authority has the power to reduce the amount of Council Tax due ‘as it sees fit.’ This section (as amended by the Local Government Finance Act 2012) also allows a local authority to create a ‘scheme’ to reduce the Council Tax for persons or a class of persons that it considers being in financial need.
- 1.1.2 There is no statutory requirement to set a policy; but the Council still has an obligation to consider ‘applications’ in the absence of a policy. Management Team are of the view that in order to ensure that any such applications are dealt with consistently and equitably, it is appropriate for Members to agree a policy.

1.2 Council Tax ‘Section 13A’ Discretionary Relief Policy

- 1.2.1 A draft policy is attached at **[Annex 1]** for Members’ consideration.
- 1.2.2 As Members will note, it is proposed that applications will only be granted in ***exceptional or unforeseen circumstances*** that threaten a taxpayer’s ability to discharge their liability for council tax and may threaten their ability to stay in their home. I would expect to see, as a pre-requisite, that other eligible discounts, reliefs and exemptions have been considered and exhausted.
- 1.2.3 All applications will be considered on their own merits, whilst having regard to this policy. Members will note that I propose that decisions on eligibility (or not) for an award will normally be delegated to me (or an officer nominated by me). This is consistent with the arrangements for the award of Discretionary Housing Payments.

1.3 Legal Implications

- 1.3.1 A local authority has the power to reduce the amount of Council Tax due under s.13A of the Local Government Finance Act 1992 and therefore has an obligation to consider any requests.

1.4 Financial and Value for Money Considerations

- 1.4.1 The cost of any reduction awarded under Section 13A(1)(c) must be met by Tonbridge and Malling Borough Council. Therefore, any awards made will have an impact on the Council's general fund budget. Numbers of applications and the costs associated with any reliefs awarded (if any) will be monitored and reported to Members as appropriate.

1.5 Risk Assessment

- 1.5.1 Although there is no statutory obligation to set a policy, there are risks of not having a policy. In the absence of a policy, it will be more difficult to consider applications that are received consistently and equitably and this could lead to external challenge.
- 1.5.2 Regardless of whether we have a policy or not, it is not possible to forecast the numbers of applications and the likely cost to the authority should any applications be successful.

1.6 Equality Impact Assessment

- 1.6.1 Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this paper directly impact on end users. The impact should not vary between groups of people.
- 1.6.2 The council has circa 50,000 council tax payers. All groups of taxpayers have equal access to apply for relief through this policy.
- 1.6.3 The aim is to use the powers to assist council taxpayers in exceptional cases where they may still suffer financial hardship despite being in receipt of the maximum amount of discounts and exemptions due to them, and have exhausted all other reasonable steps to mitigate the situation. The desired outcome is the prevention of financial hardship arising from liability for council tax.
- 1.6.4 We shall monitor this by keeping a record of applications and decisions against the protected groups.

1.7 Policy Considerations

1.7.1 Customer Contact

1.7.2 Equalities/Diversity

1.8 Recommendations

1.8.1 Members are **REQUESTED** to **RECOMMEND** to Cabinet to approve the s13a Policy

Background papers:

Nil

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