Council Tax

Section 13A Discount

Policy Statement

**1. INTRODUCTION**

1.1 Section 13A of the Local Government Finance Act 1992 (as amended) provides the Council with discretionary powers to reduce the amount of council tax liability in exceptional circumstances, where national discounts and exemptions cannot be applied.

1.2 This would only be applied in exceptional circumstances and would then be considered on a case-by-case basis or for several taxpayers who may fall into a group due to similar circumstances e.g. those who have had to leave their home due to flooding or fire, care leavers or foster carers.

1.3 Council tax legislation provides a wide range of discounts, exemptions and reductions that have the effect of reducing the level of council tax due. Applicants will therefore be expected to have exhausted all other options before making an application under this policy.

1.4 Prior to applying this policy, consideration should be given to whether alternative actions should be undertaken. Therefore, this policy will only consider exceptional circumstances, where it is appropriate and fair to provide a discretionary discount.

**2. STATEMENT OF OBJECTIVES**

2.1 Section 13A discount awards will be awarded when tax payers experience unforeseen or exceptional circumstances that threaten their ability to pay their council tax.

2.2 Given that the cost of any such award has to be met by the Borough’s council taxpayers, any applications must meet the underlying principle of offering value for money to council tax payers. This will be achieved by asking for a range of information to support each application.

2.3 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 impact upon the local council taxpayer.

2.4 Any such schemes that are introduced, in so far as they fall to be administered under Section 13A of The Local Government Finance Act 1992 (as amended), will be administered in accordance with instructions and guidance set out by Government.

2.5 The Council will consider making a Section 13A award to applicants who meet the qualifying criteria set out below. All applicants will be considered on their individual merits.

2.6 Sections 3 and 4 of this policy details specific groups of taxpayers who may be entitled to a reduction in accordance with Section 13A.

**3. CARE LEAVERS**

3.1 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 has left care and is aged between 18 and 25
* The person resides within Halton and is liable to pay council tax to Halton Borough Council with effect from 1st April 2018.

 3.2 Any award given to an individual case will end on the day before their 25th birthday

3.3 Where the Care Leaver is liable for more than one property the discretionary discount will be awarded in respect of only one property, that being the person’s sole or main residence.

3.4 The amount of discount granted will be the amount of council tax the Care Leaver still has to pay after any existing statutory discounts and council tax support has been taken into account.

3.5 Any award given will be automatically granted and any change to the Care Leaver’s circumstances during the financial year will be taken into consideration.

3.6 Where the Care Leaver is jointly and severally liable with one or more residents, who are not Care Leavers, the amount of council tax payable will be reduced by 50%.

**4. FOSTER CARERS**

4.1 The Council may reduce to nil the council tax liability of Foster Carers who satisfy all of the following criteria:

* The person is available to provide or currently provides foster care services directly on behalf of the Council.
* The person resides within Halton and is liable to pay council tax to Halton Borough Council from 1st April 2019 onwards.

 4.2 This discount will not apply to Foster Carers who provide services via an Independent Fostering Agency.

4.3 Where the Foster Carer is liable for more than one property, the council tax discount will be awarded in respect of only one property, that being the person’s sole or main residence.

4.4 The amount of discount granted will be the amount of council tax the Foster Carer still has to pay after any existing statutory discounts and council tax support has been taken into account.

4.5 Where a person commences providing foster care services on behalf of the Council during the financial year and continues to do so for at least three months, they will be awarded the council tax discount for the full financial year.

4.6 Any award given will be automatically granted and any change to the Foster Carer’s circumstances during the financial year will be taken into consideration.

**5. APPLICATION PROCESS**

5.1 The features of the Council’s Section 13A Discount Policy are that:

* It is discretionary;
* An applicant does not have the statutory right to a payment;
* The operation of the scheme is for the Council to determine;
* The Council may choose to vary the way in which funds are allocated according to community needs;
* Other than the normal appeal against the application of discretionary function by Judicial Review, there is no right to a statutory appeal of any application decision. In the interest of fairness the Council will operate an internal review procedure for appeals in a non-discriminatory way;

5.2 In order for an application to be considered, there is no formal application form. All applications shall be made in writing, written or by email, by the Council Taxpayer or by somebody authorised to act on their behalf. It should be submitted to the Council Tax Team under the title of Section 13A Discount application. Applications should relate to the current council tax year, and should include the following information:

* The reason for the request;
* How long the discount is wanted for;
* The steps that have been take to meet or mitigate the council tax liability;
* The cost of such a discount.

**6. ELIGIBILITY CRITERIA**

6.1 There are no pre-set criteria for the award of a Section 13A council tax discount. Each application will therefore be considered on its individual merits.

6.2 In deciding whether to award a Section 13A discount, the Applicant’s particular circumstances will be considered. The Applicant will therefore be asked to provide supporting evidence to substantiate the answers that they give to the questions above. This may include, but is not limited to:

* Income and expenditure statements;
* Any sources of credit such as debit cards, credit cards, store cards, overdraft facilities and loan arrangements;
* Any financial assistance which is likely to be available to the Applicant from other sources.

6.3 Decisions on eligibility for an award will be made by the Operational Director Finance. All awards will be made by crediting the award value to the council tax account to which it applies.

6.4The Council will notify the Applicant in writing of the outcome within 20 working days of the date the decision is made. Where the request for an award under Section 13A is unsuccessful or is not met in full, the Council will explain the reasons why the decision was made.

**7. THE RIGHT TO APPEAL**

7.1 Section 13A awards are administered under the Local Government Finance Act 1992 (as amended) and are not subject to a statutory appeals process. Appeals will therefore be decided by the Council.

7.2 The Council will operate the policy for dealing with appeals about either the decision not to make an award or the amount of an award.

7.3 An applicant who requires further explanation of a Section 13A Discount decision must request this in writing within 20 days of notification of the decision.

7.4 An applicant who disagrees with a decision may appeal the decision within 20 days of the original decision. Where possible, the Council will initially try to resolve the matter by explaining the reasons for the decision to the Applicant in writing.

* 1. Decisions on appeals will be made by the Council’s Appeals Panel. If it is decided to reject the appeal, the reasons for the decision will be provided to the Applicant in writing within 20 working days.

**8. OVERPAYMENTS**

8.1 If the Council becomes aware that the information contained in an application for a Section 13A Discount award was incorrect or that relevant information was not declared, either intentionally or otherwise, the Council may seek to recover the value of any award made as a result of that application.

8.2 The award will be removed from the relevant council tax account and any resulting balance will be subject to the normal methods of collection and recovery applicable to such accounts.

**9. FRAUD**

9.1 The Council is committed to prevent fraud. Any applicant who tries to fraudulently claim a Section 13A discount might have committed an offence under the Fraud Act 2006. If the Council suspects that fraud may have occurred, the matter will be investigated as appropriate and this could lead to criminal proceedings.