Council Tax

Policy Framework for Discretionary (s13a) Discounts

CYNGOR
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Flintshire
COUNTY COUNCIL

VERSION CONTROL

Version	Version Date	Author	Description
1	17/09/2025	David Barnes Revenues & Procurement Manager	Introduction of revised framework

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1.0 Introduction

1.1 This document provides a policy framework on how discretionary discounts may apply in respect of any amount of council tax liability and the criteria and procedures when considering applications for locally defined discounts, otherwise known as section 13a discretionary discounts. This document is a separate policy framework from the s13a discretionary discount scheme that exists for local authority foster carers fostering for Flintshire County Council.

1.2 The Council has the general power to reduce the council tax charge on any chargeable property. This power can be exercised In relation to any individual case or by determining a class of case for which the charge should be reduced.

1.3 There are financial implications in awarding s13a discretionary discounts as the cost of making the awards must be met entirely by the Council through an increase in the general level of council tax for other taxpayers.

1.4 The Council must therefore carefully apply a public interest test to all awards, balancing the needs of the individual taxpayer requiring financial support in the form of a discretionary discount, against the interests of the wider council taxpayers within Flintshire who ultimately subsidise the cost of any awards.

1.5 As a consequence of this, within the context of this policy framework, the Council will only apply discretionary discount awards in exceptional circumstances, such as crisis situations and exceptional financial hardship, and only in circumstances when to other statutory discounts, disregards and exemptions, including CTRS have been submitted and considered. Discretionary awards are intended to offer only temporary, short-term assistance rather than a long term solution.

2.0 Summary of Legislative Framework

2.1 In accordance with section 13a 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 council tax in relation to individual cases or class(es) of properties that it may determine and where statutory discounts and exemptions cannot be applied.

2.2 A class of property is typically where several people who are liable for council tax would fall into a group because their circumstances are similar, for example, council tax payers that have had to leave their homes due to flooding.

2.3 The Act states:

- Where a person is liable to pay council tax in respect of any chargeable dwelling and day, the billing authority for the area in which the dwelling is situated may reduce the amount which he/she is liable to pay in respect of the dwelling, and the day to such extent as it thinks fit,
- The power also includes the power to reduce an amount to nil
- The power (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.

2.4 This means that Flintshire County Council can apply a discretionary discount in respect of any amount of council tax liability, including reducing any balance left payable after any means tested Council Tax Reduction (CTRS), statutory discount, disregard or exemption has been granted to the applicant.

2.5 Unlike the council tax statutory discount, disregard and exemption schemes which are incorporated in the Tax Base calculations, locally funded s13a discretionary discounts are specifically excluded from the Tax Base calculations. This is because any decrease in the Tax Base made because of such discretionary discounts would lead to an increase in entitlement to Revenue Support Grant (RSG) and hence the cost to the discretionary discounts would be funded by Welsh Government rather than the Council.

2.6 To comply with good accounting practice, the Council must therefore have a sufficient budget provision set aside to meet the cost of any discretionary awards, and recognise it is other council tax payers who ultimately fund the discretionary awards.

3.0 Eligibility Criteria

3.1 When deciding on whether to grant a discretionary discount, the Council will consider each application on its own merits based on the evidence and circumstances as set out in the application.

3.2 The classes of properties which may be granted a discretionary discount, and the proposed amount of discount are set out as follows:

a) **Damage to Property**

- **Properties damaged by fire**, where the main property (excluding outbuildings, sheds or gardens) is incapable of any occupation, due to extensive damage, and where active steps are being taken to bring the property back into use at the earliest opportunity.

  A discretionary discount of up to 100% will be awarded for a period not exceeding 12 months in circumstances where the council tax liability on the fire damaged property is not covered by the household insurance, or where a household insurance policy was not in place at the time of the fire.

- **Properties damaged by flooding**, where the main property (excluding outbuildings, sheds or gardens) is incapable of any occupation due to extensive flooding to the main residential dwelling itself, but not including damage restricted to outbuildings, sheds or gardens.

  A discretionary discount of up to 100% will be awarded for a period not exceeding 12 months in circumstances where the council tax liability on the flood damaged property is not covered by the household insurance, or where a household insurance policy was not in place at the time of the flood.

- **Properties unsafe due to gas or oil leak, storm damage or subsidence**, where the main property (excluding outbuildings, sheds or gardens) is incapable of any occupation due to extensive damage.

  A discretionary discount of up to 100% will be awarded for a period not exceeding 12 months in circumstances where the council tax liability on the damaged property is not covered by the household insurance, or where a household insurance policy was not in place at the time of the damage.

b) **<u>Exceptional Financial Hardship</u>**

The Council operates a Council Tax Reduction Scheme (CTRS), in accordance with section 13a (1) (b) of the Local Government Finance Act 1992. The means-tested scheme provides support, through a council tax reduction up to 100%, to those who need assistance to meet their council tax costs. The scheme is designed to take account of the financial and household circumstances.

It is not envisaged that many applications will be made for a discretionary council tax discount under exceptional financial hardship grounds, as the CTRS should support those on low incomes who have a council tax liability to pay, but there may be exceptional circumstances where an application is made.

Receipt of CTRS, or ineligibility for CTRS, does not prevent an application for a council tax discretionary discount, although applicants would be expected to have submitted an application from the CTRS prior to having a discretionary discount being considered under this policy framework.

To determine whether to award a discretionary discount on the grounds of exceptional financial hardship, the Council will take into account the following considerations:

- A full analysis of the applicants income and expenditure has been submitted with appropriate evidence to support the information contained in their application
- Whether the applicant can change their spending pattern on non-essential items and what steps have been taken to manage their finances to ensure council tax payments are maintained
- Whether a deferred, or lower payment arrangement has been offered and maintained as an alternative
- Exploring whether the applicant has access to other assets that could be used to pay the outstanding council tax, either in the short or long term.
- The amount outstanding must not be the result if deliberate non-payment or a failure to make payments as required through neglect
- The applicant must satisfy the Council that all reasonable steps have been taken the resolve the exceptional financial hardship prior to making the application
- The Council will consider the household's overall financial capability when determining the application

3.3 The Council will consider applications from taxpayers for a s13a discretionary discounts for exceptional circumstances not specifically mentioned within this policy framework. However, the Council must be of the opinion that the circumstances relating to the application are exceptional and it must always be in the interests of other council tax payers, and the wider public interest to grant a discretionary discount.

4.0 Process for making an application

4.1 Applications will be submitted by completing an on-line form available at www.flintshire.gov.uk/ctforms

4.1 The on-line application can be submitted by the applicant concerned or their advocate or appointee. Where a taxpayer is unable to submit an online application, the Council will accept other forms of written application.

4.2 The application must be made promptly and relate to the current financial year, unless the applicant can show good cause as to why they did not apply at the relevant time.

5.0 Determination and Decision Making

5.1 Whilst the discretionary discount policy framework is by definition ‘discretionary’, the Council has a duty to make decisions in a transparent way, and to act fairly, reasonably and consistently.

5.2 The initial assessment and recommendation of applications in accordance with the policy framework will be undertaken by the Revenues Manager, although the final determination of each application will be considered on its own merits, and approved, or rejected through delegated powers by the Chief Officer (Governance) and the relevant Cabinet Member with responsibility for the Revenues function.

5.3 The following criteria will be used to assess all application:

- It must be in the interests of Council Tax payers and the wider public interest to grant a discretionary discount

- Requests for discretionary discounts will be required in writing, normally via the on-line application form with documentary evidence in support of the need for the discount
- The applicant must satisfy the Council that all reasonable steps have been taken to resolve the situation prior to the application
- The Councils finances allow for a discretionary discount to be made
- The applicant does not have access to other assets that could be used to pay council tax
- All other eligible statutory discounts/exemptions have been considered prior to seeking the discretionary discount
- The situation and reason for the application must be outside of the applicant’s control
- The application must not be the result of deliberate non-payment or a failure to follow advice that has previously been given by the Council

6.0 Communication with Applicants

6.1 The Council will notify in writing all applicants for discretionary discounts of its decision.

6.2 Where a discretionary discount is granted, the notification will include:

- The amount of discretionary granted and the effective date of the award
- The start and end date of the award
- The new chargeable amount (if any)
- A requirement that the applicant should notify the Council of any relevant change in circumstances that may affect the award

6.3 Where applications are unsuccessful the Council will provide a decision letter to properly inform the taxpayer of the reason for the application being unsuccessful. The decision letter will explain the appeal rights if the taxpayer is unhappy with the outcome of the decision.

7.0 **Appeals Process**

7.1 Under the Local Government Finance Act 1992, there is no right of appeal against the Council's use of discretionary powers. However, 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 where the opportunity will be available to provide additional information, where appropriate.

7.2 If the initial decision is not reversed, the applicant can make an appeal to the Valuation Tribunal for Wales (VTW) who are independent from the Council. This further appeal should be made within 2 months of notification of either the original decision of the Council, or the outcome of a further review not to grant a discretionary discount. Further information about the role of the VTW can be found at www.valuation-tribunals-wales.org.uk