

Report for: Cabinet Member Signing

Title: Section 13A amendments

Report authorised by: Jon Warlow, Director of Finance

Lead Officer: David Graaff, Head of Service Delivery

Ward(s) affected: All wards

**Report for Key/
Non-Key Decision:** Key Decision

1. Describe the issue under consideration

1.1. This report summarises the proposed changes to the Haringey Council Tax Discretionary Relief Policy for the Award of Discretionary Reductions in Council Tax Liability under Section 13A(1)(c) Local Government Finance Act 1992 to be introduced from 1st November 2023. The report recommends options to improve the applicant's experience.

2. Recommendations

2.1. The Cabinet Member for Finance and Local Investment is asked to agree the new Discretionary Relief Policy as set out in Appendix 1 and that it will come into force on 1st November 2023.

3. Reasons for decision

3.1. The Discretionary Relief Policy is a way the Council can redistribute the financial burden on Council Taxpayers and provide additional support to those in exceptional financial hardship due to extenuating circumstances.

3.2. The reasons for proposing the key changes are as follows.

Including homeowners

3.3. The key change in the policy is to extend the discretion to include homeowners where previously they were automatically excluded. This means that every request can be considered on its individual merit regardless of tenure type. The previous limitation on the policy that it can only be awarded to non-homeowners has also been removed in order to maximise the Council's discretion to help residents facing hardship. There may be situations where there is little or no value, or even negative value, in a home, or where it might be inappropriate to sell or borrow against a home. This change allows the Council to consider such factors in making a decision on hardship.

Clarifying that a council officer may make an application behalf of the council taxpayer.

- 3.4. This will allow officers to support residents through the process and ensure that the most vulnerable residents are adequately represented.

Providing an email address for applications

- 3.5. This will allow applications to be directed to the decision-maker more quickly

Appending the income and expenditure form and ensuring that applicants provide details of any savings or other assets

- 3.6. This clarifies the information requirements and provides for a structured submission of supporting evidence in the event that a Single Financial Statement is not available.

Amending the scheme to seek to make it easier to understand

- 3.7. The policy has been re-drafted to clarify the criteria and to emphasise the support and assistance with the application process that is available for applicants.

4. Alternative options considered

4.1. No change to the existing Discretionary Relief Policy

This is not recommended because amending the scheme will help council tax payers to access the support on offer and improve their experience.

5. Background Information

- 5.1. Section 13A of the Local Government Finance Act 1992 provides two routes for further reducing council tax liability:

5.1.1.1. The mandatory CTRS for persons whom the authority considers to be in financial need, or classes of persons whom the authority considers to be, in general, in financial need (section 13A(1)(a); section 13A(2)) (the CTRS")

5.1.1.2. A discretionary reduction as the authority thinks fit, for particular cases or classes of cases (section 13A(1)(c); 13A(6)-(7)) ("the Discretionary Power").

- 5.2. In accordance with section 13A(1)(c) of the Local Government Finance Act 1992, the Council is able to exercise its discretion to award further relief from council tax liability, outside the scope of the Council Tax Reduction Scheme (CTRS). This may be in addition to, or separate from, any relief awarded firstly under the CTRS.

5.3. The Council has two policies in place for these purposes which are kept under review, particularly in light of Covid-19 and cost of living crisis and the impact these have had on our communities:

5.3.1. The Care Leavers (Council Tax) Relief Scheme Policy, approved by the Cabinet in October 2017, whereby the Council exercises its discretion to award full relief from council tax liability to all care leavers until their 25th birthday.

5.3.2. The discretionary relief policy that is the subject of this report. The Council last updated its Discretionary Relief Policy in 2017 and is now seeking to improve accessibility to the scheme.

5.4. The discretionary power is funded by Haringey council taxpayers as it is income the Council would otherwise receive but forgoes. Accordingly, it is used sparingly to help people in exceptional circumstances.

6 Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes

6.1 These changes contribute to a positive resident experience as they improve the process and broaden the existing discretion to allow the Council to support residents in the most challenging circumstances

7 Carbon and Climate Change

7.1 The proposed decision has no impact on carbon emissions, energy usage or climate change adaptation.

8. Statutory Officer Comments

a. Finance

b. The proposed review suggested in this report is not anticipated to materially increase the cost of s13A support and so can be accommodated within the Council's current MTFS assumptions.

c. Procurement

d. Strategic Procurement notes the contents of this report and recommendations in section 3 which are not procurement related.

e. Legal

Section 13(A)(1)(c) of the Local Government Finance Act 1992 gives the Council the power to reduce liability for council tax as it thinks fit, including reducing liability 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. This policy concerns the exercise of the power in particular cases and extends its ambit so as not to automatically exclude persons who own their own home. The Council's existing *Care Leavers Relief Scheme* adopted in 2017 applies to a class of case, namely care leavers.

Approval of the Recommendation in this Report is an Executive function of the Council, which may be taken by Cabinet, the Leader or (as in this case) the Lead Member. There are no legal reasons as to why the Recommendation in this Report should not be approved.

f. Equalities

The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

The proposal is likely to improve awareness of, and access to, s13a awards.

These changes will specifically support those in financial hardship (as applicable to the local protected characteristic of socioeconomic status) and other vulnerable groups.

The proposed changes to the policy will have no detrimental impact on groups that share the protected characteristics or other disadvantaged groups.

10. Use of Appendices

Appendix 1: Discretionary Relief Policy

11. Background papers

[2017 Discretionary Policy](#)

[Cabinet Report: Care Leavers \(Council Tax\) Relief Scheme \(October 2017\)](#)

[Care Leavers Relief Scheme Policy](#)