

**RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO POLICY AND FINANCE COMMITTEE**

DECISION

Agenda Item No 18

meeting date: 27 MARCH 2012
title: DISCRETIONARY DISCOUNT POLICY FOR COUNCIL TAX AND BUSINESS RATES
submitted by: DIRECTOR OF RESOURCES
principal author: MARK EDMONDSON

1 PURPOSE

1.1 To agree a policy for discretionary discounts for council tax and business rates.

2 BACKGROUND

2.1 Section 13A of the Local Government Finance Act 1992 was amended by section 76 of the Local Government Act 2003 to allow local authorities to grant discretionary discounts, in relation to Council Tax, as it thinks fit.

2.2 Clause 69 of the Localism Act amends section 47 of the Local Government Finance Act 1988 to allow local authorities to grant discretionary discounts, in relation to Business Rates, again as it thinks fit.

2.3 Local authorities are required to develop their own discretionary discount policies to enable them to exercise these additional powers.

2.4 The Council's current policy where requests have been made for discretionary discounts/relief has always been to consider each case on its own merits.

2.5 Unlike other specific types of discretionary business rate reliefs eg rural rate relief top up where the government stand 75% of the amount awarded and we meet 25% of the cost, in these instances (discretionary discounts) we would be liable for the full amount awarded.

2.6 We would also meet 100% of any discretionary discounts awarded to council taxpayers.

3 ISSUES

3.1 Local authorities are required to develop their own discretionary discount policies to enable them to exercise these additional powers.

3.2 Local authorities must not have a blanket policy not to award discretionary discounts in any circumstances.

3.3 A policy has been drafted and is attached at Annex 1.

4 RECOMMENDATION

4.1 Note the additional powers introduced by the Localism Act.

4.2 Approved the policy attached at Annex 1.

HEAD OF REVENUES AND BENEFITS
PF6-12/ME/AC
12 JANUARY 2012



BOROUGH COUNCIL

Discretionary Council Tax and Business Rates Discounts Policy

Introduction/policy requirements

The Council is aware of its duties and powers in accordance with section 13A of the Local Government Finance Act 1992 as amended by section 76 of the Local Government Act 2003 in respect of Council Tax and Section 47 of the Local Government Finance Act 1988 as amended by Clause 69 of the Localism Act 2011. This Policy sets out how the Council will use its powers and the criteria that must be satisfied.

Section 13A of the Local Government Finance Act 1992 as amended empowers a billing authority to reduce the amount of Council Tax due as it thinks fit. Section 47 of the Local Government Finance Act 1998 as amended empowers a billing authority to reduce the Business Rates due as it thinks fit.

Criteria

Council Tax

Each case will be considered on 'its merits' however all of the following criteria should be met:

- Requests for reductions in Council tax liability will be required in writing from the customer, their advocate/appointee or a recognised third party acting on their behalf.
- There must be evidence of hardship or personal circumstance that justifies a reduction in Council Tax Liability.
- The Council must be satisfied that the customer has taken reasonable steps to resolve their situation prior to application.
- The Council's finances allow for a reduction to be made.
- In the case of an unoccupied property it must **not** be the sole or main residence of a customer.
- The customer does not have access to other assets that could be realised and used to pay Council tax.
- The customer is not entitled to Council Tax Benefit.
- All other eligible discounts/reliefs have been awarded to the customer.

Business Rates

Each case will be considered on its merits however all of the following criteria should be met:

- Requests for reductions in Business Rates will be required in writing from the ratepayer or a recognised third party acting on their behalf.
- The Council's finances allow for a reduction to be made.
- It must be in the interest of Council Tax payers for the local authority to grant a reduction.
- All other eligible discounts/reliefs have been awarded to the ratepayer.

Responsible officer

The responsibility for making discretionary decisions will rest with the Director of Resources. In exercising this discretion the Director of Resources may decide to refer individual applications to the Council's Policy and Finance Committee.

The Head of Revenues and Benefits will liaise with the applicant in each case to obtain sufficient detail (in line with the criteria as laid out in this policy) in order that a decision can be made.

Decision making process

The decision making process will involve, at stage 1, the Head of Revenues and Benefits making a recommendation to the Director of Resources after considering the application against the criteria set out in this policy, based upon the information provided by the applicant.

Stage 2 the Director of Resources will consider the application and the recommendation of the Head of Revenues and Benefits and determine whether to award a discretionary discount.

Notification of decision

The Council will notify the applicant of its decision within 14 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

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 request for a re-determination of its decision.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 14 days of receiving a request for a review/re-determination.