

APPENDIX D

COUNCIL TAX DISCRETIONARY REDUCTIONS POLICY

LONDON BOROUGH OF CAMDEN ('the Council'):
POLICY FOR CONSIDERING INDIVIDUAL APPLICATIONS FOR COUNCIL TAX
REDUCTION UNDER SECTION 13A OF THE LOCAL GOVERNMENT FINANCE
ACT 1992 AS AMENDED

Background

1. Under Section 13A(1) (c) of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012), the Council has the power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine and where national discounts and exemptions cannot be applied. It says;
 - (a) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day in any case, may be reduced to such extent (or, if the amount has been reduced to any extent required by the authorities Council Tax Reduction Scheme, such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.
 - (b) The power under subsection (1)(c) includes power to reduce an amount to nil.
 - (c) The Power under subsection (1)(c) may be exercised in relation to a particular class or by determining a class of case in which liability is to be reduced to an extent provided by the determination.
2. The purpose of this policy is to specify how the Council will administer requests for relief from payment of Council Tax and to indicate some of the factors that will be considered when deciding if relief may be granted. Each case will be dealt with strictly on its own merits and all taxpayers will be treated equally and fairly.
3. The Council may use its discretion to reduce liability for Council Tax in relation to any individual case or class of case as it thinks fit.

Statement of objectives

4. There are financial implications to awarding any discounts other than those currently available under the statutory legislation and the financial burden of Section 13A discounts has to be met through Camden's general fund with the pressure that brings on services and the level of Council Tax for other residents.

5. As a consequence, the Council will only consider using its powers to reduce Council Tax liability for any council tax payer if they fall into one of the classes of reduction below, or have exceptional circumstances as set out below.

Classes of reduction

6. If the Director of Finance having consulted the Executive Director, Corporate Services decides that, based on an application and/or recommendation, consideration should be given to creating a specific class of reduction a proposal should be submitted to Cabinet for full consideration. Cabinet shall make decisions in respect of the creation, amendment or cancellation of any specific class of reduction.

We already have the following discretionary discount reduction types in existence, previously approved by Cabinet:

- Flood / Fire and other environmental factors causing displacement (originally approved by Cabinet on 21 July 2010 and reapproved on 4 December 2013);

A local exemption class may be created where the taxpayer is forced to leave their main home in Camden unoccupied due to serious damage caused by external environmental factors beyond their control and where statutory exemptions would not otherwise apply. For any local exemption class created, the exemption will cease after twelve months or upon reoccupation of the main home, whichever is sooner.

- Foster carers who foster for Camden (approved by Cabinet on 4 December 2013);

A discretionary reduction of 100% will be awarded to foster parents who foster for Camden. The reduction will start from a date 7 days after fostering starts, or from 1 April 2014, whichever is later. It will continue year after year until the 31 March following the date the foster parent comes off the register, or another date if the Cabinet decides this class should end.

- Family or friends foster carers for Camden (approved by Cabinet on 17 December 2014);

A discretionary reduction of 100% will be awarded to persons who are family and friends carers for Camden. The reduction will start from a date 7 days after fostering starts, or from 1 April 2014, whichever is later. It will continue year after year until the 31 March following the date the carer comes off the register, or another date if the Cabinet decides this class should end.

- Camden Council care leavers living in Camden (approved by Cabinet on 6 December 2017);

A discretionary reduction of 100% will be awarded to persons who are care leavers and are looked after by Camden and live in Camden. The reduction will start from the date the care leaver becomes liable for their first council tax bill, or 1 April 2018, whichever is later. It will continue year after year until the care leaver reaches their 25th birthday, ceases to be looked after by Camden or if the Cabinet decides this class should end.

- Camden 'shared lives' scheme carer (approved by Cabinet on 28 February 2024);

A discretionary reduction of 100% to be awarded to main and respite carers who take on placements aged 18+ through Camden's Shared Lives scheme. For main carers, the reduction will start from a date 7 days after fostering starts, or from 1 April 2024, whichever is later. It will continue year after year until the 31 March following the year the main carer ceases to have placements in their property through the Council's Shared Lives Scheme, or another date if the Cabinet decides this discretionary Council Tax reduction class should end.

Respite carers are only eligible for this discretionary reduction class once they have provided 52 nights respite care placements for Camden's shared lives scheme. However, where they meet this criteria the discretionary reduction will start from 7 days after the first placement in that financial year. The relief will continue year after year until 31 March following the year the respite carer either ceases to have placement in their property through the Council's Shared Lives Scheme, the year they fail to meet the 52 night minimum placement criteria for the shared lives scheme, or another date if the Cabinet decides this discretionary Council Tax reduction class should end.

Council are asked on 19 January 2026 to recommend to implement a sixth class of discretionary council tax reduction effective from 1 February 2026:

- Terminally ill resident in household and struggling financially;

A discretionary discount of 100% to be awarded where a resident is terminally ill and can demonstrate the household is experiencing financial hardship. The resident affected may earn too much income to be eligible for our Council Tax Support scheme but costs of treatment, medicine, external care, higher than normal gas/electric costs, etc. could result in a financial pressure on them / their household.

Where the household is eligible for Council Tax Support, but not receiving 100% reduction already, any discount will be against the remaining council tax balance due only.

Exceptional circumstances

7. The Council will consider reducing the council liability for individuals in exceptional circumstances only and will consider the period for which this reduction will apply. The Council will treat all applications on their individual merits subject to the following criteria for each case:
 - There must be evidence of exceptional financial hardship or exceptional personal circumstances that justify a reduction in council tax liability. For example, someone with a serious illness and struggling financially.
 - The applicant must satisfy the Council that all reasonable steps have been taken to resolve the situation prior to application.
 - The taxpayer has applied for Council Tax Support (benefit) in cases of financial hardship. The Council Tax Support scheme exists to ensure that those on low incomes receive financial assistance with their council tax.
 - All other avenues for a reduction i.e. statutory exemptions and discounts have been exhausted.

Claiming relief under S13A

8. Council tax payers falling into the class pertaining to environmental factors will need to make their claim in writing, setting out the circumstances causing them to leave their home.

Awards to foster parents, family and friends carers, care leavers and Shared Lives Camden carers (main and respite only) will be granted automatically without the need for an application. The Council Tax service will be notified internally by the relevant services regarding who is eligible for these discretionary reductions.

Individual requests for reductions in Council Tax liability due to being terminally ill and experiencing financial difficulty or other exceptional circumstances will be required in writing from the taxpayer, their advocate/appointee or a recognised third party acting on their behalf and contain a full explanation as to why the relief is requested and address the criteria set out in paragraph 7.

The Council may request further evidence from the taxpayer in support of an application.

Procedure for determination of individual applications

9. The procedure for determining applications from individuals in exceptional circumstances will involve Council Tax Officers making a recommendation to the Council Tax and Enforcement Service Manager

The Council Tax and Enforcement Service Manager will consider written representations and notify the taxpayer of their decision within 21 days of receiving sufficient information to make a decision if they are unsuccessful or issue a revised bill showing the discretionary reduction applied.

Request for review of a decision in respect of individual applications

10. The Council will accept a written request for a further review of its decision from the taxpayer within one month of the date of the letter informing them of its decision. The review process will involve consideration of the request on its merits. The Council will consider whether the taxpayer has provided any additional information that will justify a change to its original decision. Reviews will be carried out by the Head of Council Tax, Business Rates and Benefits.

Change of circumstances

11. The taxpayer has a duty to notify the Council where a change in circumstance would affect the granting of the relief.

Policy review

12. This policy will be reviewed every two years to take account of budgetary changes, operational adjustments or changes to legislation. Amendments to this policy will be approved by Cabinet.