

## **Council Tax Reduction Policy**

Section 13A of the Local Government Finance Act 1992, as amended by the Local Government Finance Act 2012, (the 1992 Act), as substituted by Section 10 of the Local Government Finance Act 2012 (the 2012 Act); empowers the London Borough of Merton, as a billing local authority as follows:

### 13A Reductions by billing authority

(1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day

(a) in the case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme (see subsection (2));

(b) (omitted as it relates only to dwellings situated in Wales)

(c) in any case, may be reduced to such an extent (or, if the amount has been reduced under paragraph (a), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.

(6) The power under subsection (1)(c) includes power to reduce an amount to nil.

(7) The power under subsection (1)(c) 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.

### **Procedure for Using Powers under Section 13(1)**

The Council will consider using its powers to reduce Council Tax liability for any applicant within the Borough.

Ordinarily, the Council would expect that there would have to be evidence that extreme financial hardship would be caused to justify any reduction and that it will be intended only as short term assistance and should not be considered as a way of reducing Council Tax liability indefinitely.

The cost of any reduction awarded under section 13A(1)(c) falls solely to the billing authority. The Council will have regard to the following guidelines before recommending any reduction:

### **Applications for a discretionary Council Tax Reduction**

The applicant or their appointee or advocate can make an application for a discretionary Council Tax reduction either:

- In writing to the Head of Revenues and Benefits, London Borough of Merton, 2<sup>nd</sup> Floor Civic Centre, London Road, Morden, SM4 5DX

- or
- Using the approved form, which is the Discretionary Council Tax Reduction claim form
  - which can be downloaded and printed from our Council Tax Support webpage [www.merton.gov.uk/cts](http://www.merton.gov.uk/cts) where you will find a link to the form in the section Discretionary Council Tax Reduction or
  - requested by phoning 020 8274 4903.

The applicant must:

- Set out the circumstances on which the application is based and any hardship or personal circumstances relating to the application.
- Include a full income and expenditure breakdown of the applicant together with that of any other household members.
- Satisfy the Council that all reasonable steps have been taken by them to resolve their own situation prior to application.
- Satisfy the Council that they do not have access to other assets that could be used to pay the Council Tax
- Indicate the length of time the assistance is required for. Any reduction will be up to the end of the most recent council tax year for which a demand has been duly served. A fresh application will be required if assistance is required for the following council tax year.

### **Qualifying criteria**

The Council will:

- Give consideration to any entitlement the applicant might have to Council Tax Support, but the liable person may be entitled to a nil award based on those rules.
- Ensure that the applicant has been considered for entitlement to Discretionary Housing Payment if appropriate, which can be claimed using the same approved claim form, if they have rent liability too.
- Ensure that all other discounts/reliefs have been awarded to the applicant that he/she is entitled to.

- Identify and consider applications from Merton care leavers living in the borough up to the age of 25 who do not receive full council tax support or an exemption.
- Take into consideration the financial circumstances of the applicant and other household members.
- Consider if any of the applicants expenditure includes avoidable expenses, which could be reduced to enable the applicant to pay their council tax
- Consider the personal circumstances of the applicant, their partner and other household members.
- Consider if the Council Tax account is in arrears and that non-payment was not due to wilful refusal or culpable neglect.
- Consider if the debt outstanding is due to an error by the Council.
- May request evidence in support of the application.

This list is not exhaustive and all other relevant factors and circumstances will be considered during the decision making process. All applications will be assessed on their individual merits.

### **Decision Making Process**

The Head of Revenues and Benefits will determine all applications.

### **Notification of Decision**

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

### **Amount of Discount or Reduction Granted**

Officers do not propose to set percentage discounts or reductions to be applied as each case will have different circumstances. The amount of any discount or reduction will take into account the amount of the debt and the individual circumstances of the applicant.

### **Appeals**

If an applicant is dissatisfied with the decision there is a right of appeal to the Director of Corporate Services

You must write to us first stating the issue(s) you have with our decision, ideally within one month of the date of decision letter, but it can be later. For more information you can ask for our Appeals Leaflet or download it at

[www.merton.gov.uk/cts](http://www.merton.gov.uk/cts). We will then either:

- Carry out an internal review, which confirms in writing that we believe your grievance is unfounded and that our original decision stays the same, within two months of your dispute letter; or
- Carry out an internal review, which confirms in writing that we are taking steps to deal with your grievance and change our original decision, within two months of your dispute letter.

If we have failed to carry out an internal review of your Council Tax Support grievance within two months of you submitting a dispute letter to us, you may appeal directly to the Valuation Tribunal of England (VTE). You must do this no later than four months from the date you submitted your dispute letter to us. Details of the VTE can be found at:

[www.valuationtribunal.gov.uk/CTReduction](http://www.valuationtribunal.gov.uk/CTReduction)