

 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	MEMBERS DECISION MAKING MEETING – 29 JULY 2021
Report Number	AGENDA ITEM I
Subject	DISCRETIONARY COUNCIL TAX DISCOUNT
Wards affected	Sandywell
Accountable member	Cllr Mike Every – Deputy Leader and Cabinet Member for Finance Email: mike.every@cotswold.gov.uk
Accountable officer	Jon Dearing – Group Manager for Resident Services Tel: 01993 861221 Email: jon.dearing@publicagroup.uk
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Summary/Purpose	To determine an application for Discretionary Council Tax discount submitted under Section 13A of the Local Government Finance Act 1992, as amended
Annexes	Annex A (Exempt) – Additional information to support application
Recommendation/s	<p>That the:</p> <ul style="list-style-type: none"> <i>a) Application for Discretionary Council Tax discount submitted under Section 13A of the Local Government Finance Act 1992, as amended, be approved by the Deputy Leader and Cabinet Member with responsibility for finance.</i> <i>b) That a 25% Council Tax discount is awarded for the period from 26 April 2021 to 4 July.21.</i>
Corporate priorities	<p>Delivering our services to the highest standards</p> <p>Responding to the challenges presented by the Climate Crisis</p>
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Chief Executive Officer, Chief Finance Officer, Monitoring Officer, Group Manager for Resident Services

I. BACKGROUND

- I.1.** The Council has been approached by the owner, of 5 Hazelton, Cheltenham, GL54 4DX to request a discretionary discount be applied to the Council Tax account of the property.
- I.2.** This is a band C council tax property with a 2021/2022 annual charge of £1,616.20.
- I.3.** On 7 June 2021 Cabinet approved the council Tax Exceptional Hardship Discretionary Policy and delegated the decision making process for individual applications to the Deputy Leader and Cabinet Member with responsibility for Finance, in consultation with the Deputy Chief Executive; acting in the role of Chief Finance Officer.

2. MAIN POINTS

- 2.1.** On 1 April 2018 it became a legal requirement for residential landlords to ensure their Energy Performance Certificates (EPCs) have a minimum rating of E.
- 2.2.** The regulations initially only applied for a new tenancy to a new tenant or a new tenancy to an existing tenant. This law has now been extended, and landlords must ensure the EPCs for their lets meet this standard for both new and existing tenancies. It is illegal to let a property that breaches the EPC requirement and fines of up to £5,000 can be imposed for breaches to the regulations.
- 2.3.** The Council have a Council Tax Discount Scheme which allows 100% council tax discount for the first month a property becomes empty and unfurnished, followed by a 25% discount for the second month. Following this, no further discounts and/or reliefs are available.
- 2.4.** In early March 2021 the tenants of 5 Hazelton vacated the property to move into their own, newly purchased property. At that point the landlord was required to achieve a minimum EPC rating of E, in order to legally rent the property out again.
- 2.5.** To achieve the minimum EPC standard the landlord is installing an Economy 7 meter and Dimplex Quantum storage heaters. The heaters have already been installed, and despite applying for the meter to be installed in early March 2021, the Economy 7 meter has yet to be installed.
- 2.6.** As mobile signals are poor in the area a smart meter cannot be installed; so an old style mechanical meter has to be sourced. The landlord has taken all reasonable steps available to resolve the issue; however, the delay in the installation being completed is with the electricity supplier, SSE to source, supply and install the meter.
- 2.7.** The landlord has already received the following discounts on the Council Tax account:

Dates	Number of Days	Discount	Amount £
03.03.2021 to 25.03.2021	*22	100%	93.04
26.03.2021 to 31.03.2021	6	25%	6.34
01.04.2021 to 25.04.2021	25	25%	27.68
Total value of discount applied			127.06

*The previous occupant received 9 days discount of 100% when they vacated the property as they still maintained the liability up until 2 March 2021. The owner was therefore only entitled to the remaining 22 days of the discount.

- 2.8.** Although some elements of this application meet the criteria in the Councils 'Council Tax Exceptional Hardship Discretionary Policy'; it is not compliant with all. It is therefore being proposed that any additional discount award be considered under Section 13A provisions which permits the Council to reduce the amount a person is liable to pay by way of Council Tax to such an extent that they think fit.

3. FINANCIAL IMPLICATIONS

- 3.1.** The full cost resulting from the granting of a local discretionary discount is met by the billing authority and there is no statutory right to pass on the cost to other major precepting authorities. During the flood event at Christmas 2020, Officers from Gloucestershire County Council expressed the County Council's support for a discretionary Council Tax scheme which would support Council Tax Payers in exceptional circumstances and stated that the County Council would be willing to pay a proportionate share of the costs of the discount as this as the body benefiting the most from the collection of Council Tax. As this request is not as a direct result of the impact of an emergency planning event, such as flooding, it is highly unlikely that the County Council would contribute towards the costs of the award of this discretionary discount. The full cost will therefore fall upon this Council
- 3.2.** The landlord has now confirmed that the installation of the meter took place on 5 July 2021 and that the new tenant also moved in on this date. As the new tenants would be liable for the Council Tax from this date, if, the District Council continued to award a 25% discount until 4 July 2021 the costs would be as follows:

Date(s)	No of Days	Amount per day (£)	Total (£)	25% Discount (£)
26.04.21 to 04.07.21	69	4.42	304.98	76.24

4. LEGAL IMPLICATIONS

Under Section 13A of the Local Government Finance Act 1992 (as amended by Section 76 of the Local Government Act 2003) the Council is permitted to award a discretionary council tax discount.

5. RISK ASSESSMENT

- 5.1.** There is a risk that by approving this award may lead to setting a precedent for similar requests being made.

6. EQUALITIES IMPACT

- 6.1.** There are no unacceptable adverse effects on the protected characteristics covered by the Equalities Act that have been identified

7. CLIMATE CHANGE

- 7.1. Making homes more energy efficient and reducing the environmental impact through carbon dioxide emissions is supporting the Councils commitment to the climate emergency.

8. ALTERNATIVE OPTIONS

- 8.1. The Cabinet Member may decide not to permit any additional Council Tax discount or to apply an alternative percentage of discount up to 4 July 2021. Examples of the cost of alternative discount levels are set out below:

Percentage Discount	Percentage Discount Award (£)
30%	91.49
50%	152.49
80%	243.98
100%	304.98