

Sefton Metropolitan Borough Council

Council Tax

Discretionary Reduction in Liability Policy and Procedures

05 January 2026

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Link to on-line application form <https://forms.sefton.gov.uk/dhpehpform/>

Council Tax Discretionary Reduction in Liability Policy and Procedures

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1 Introduction

- 1.1 Section 13A 1c of the Local Government Finance Act 1992, provides the Council with additional discretionary powers to enable it to reduce the Council Tax liability where statutory discounts, exemptions and reductions do not apply.
- 1.2 These discretionary awards can be given to:
 - Individual Council Tax payers
 - Groups of Council Tax payers defined by a common set of circumstances
 - Council Tax payers within a defined area, or
 - To all Council Tax payers within the Council's area.
- 1.3 The legislation states the following:

....in any case may be reduced to such extent or, if the amount has been reduced under S13a 1a (Council Tax Reduction Scheme) such further extent as the billing authority for the area in which the dwelling is situated thinks fit.....
- 1.4 The provision allows the Council the discretion to provide assistance to Council Tax payers where either the existing legislation does not provide a discount, exemption or reduction or where the level of discount; exemption or reduction is insufficient when individual circumstances have been assessed.
- 1.5 When deciding on whether to grant a discretionary award, the Council will consider each application on its merits. Principles of reasonableness will apply in all cases.
- 1.6 Any awards must be balanced against the needs of local Council Tax payers who will ultimately pay for a reduction in Council Tax income.
- 1.7 Annually the Council will determine the amounts of resources to allocate to the Fund, and this will determine the thresholds of claims in relation to the estimated numbers of likely claims and resource levels. With each amount funded the threshold will remain consistent unless the Council authorise an adjustment.
- 1.8 Likewise, the period of any reduced liability will be considered

in conjunction with the individual circumstances of the Council Tax payer, their ability to pay and in circumstances where multiple criteria are involved, including financial hardship etc.

- 1.9 For the purposes of administration, the decision to grant any reduction in liability shall be considered within the following categories:
 - 2 Exceptional Financial Hardship - for those who have also qualified for financial support under Sefton's Local Council Tax Reduction Scheme.**
 - 2.1 In accordance with Section 13A 1a of the Local Government Finance Act 1992, the Council has a Council Tax Reduction Scheme which provides support, through a discount, to those deemed to be within financial need. The Scheme has been designed to take into account the financial and specific circumstances of individuals through the use of applicable amounts, premiums and income disregards.
 - 2.2 Applications will be accepted under this part of the policy for people who have qualified for support under the Council Tax Reduction Scheme but who are still experiencing severe financial hardship.
 - 2.3 As part of the process of applying for additional support, all applicants must be willing to undertake all the following:
 - a. Make a separate application for assistance
 - b. Provide full details of their income and expenditure
 - c. Satisfy the Council that the Council Tax payer is not able to meet their full Council Tax liability or part of their liability
 - d. Accept assistance from either the Council or third parties such as the CAB or similar organisations to enable them to manage their finances
 - e. Accept identification of potential changes in payment methods and arrangements to assist the applicant
 - f. Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted

- g. Demonstrate that all reasonable steps have been taken to meet their full Council Tax liability and maximise their income
- h. Confirm that the Council Tax payer has no access to assets that could be realised and used to pay the Council Tax such as benefits, Council Tax Support, discounts and exemptions

2.4 The Council will be responsible for assessing applications against this policy and an officer will consider the following factors when applying this policy:

- a. Current household composition and specific circumstances including disability or caring responsibilities
- b. Current financial circumstances.

3 Crisis –Flood, Fire etc.

3.1 The Council will consider requests for assistance from Council Tax payers who, through no fault of their own, have experienced a crisis or event that has made their property uninhabitable e.g. due to fire or flooding, where they remain liable to pay Council Tax, or become liable for Council Tax on 2 homes, and for which they have no recourse for compensation nor have recourse to any statutory exemptions or discounts.

3.2 All such requests must be made in writing detailing the exact circumstances of why reduction in the liability is required and specifying when the situation is expected to be resolved.

3.3 The Council will consider applications on a case-by-case basis in consultation with other organisations as appropriate. Any reduction will be applied where they remain liable to pay Council Tax and for which they have no recourse for compensation or to any statutory exemptions or discounts or where the crisis or event is not covered by any insurance policy. The Council will not consider requests from Council Tax payers where government guidance or policy provides for a reduction in liability in specific circumstances for example, flood relief schemes.

4. Care Leavers

4.1 From 1 April 2018 the Council will provide up to 100% discount of

the Council Tax to care leavers aged 18 or over and up to the date of their 25th birthday, who live in Sefton and who are looked after by the local authority (Metropolitan Borough of Sefton). Where there is shared liability for the Council Tax due, the discount will only be paid to cover the share that the looked after person would be liable for.

5 Other Circumstances

- 5.1 The Council will consider requests from Council Tax payers for a reduction in their liability based on other circumstances, not specifically mentioned within this document. However, the Council must be of the opinion that the circumstances relating to the application warrant further reduction in their liability for Council Tax having regard to the effect on other Council Tax payers.
- 5.2 No reduction in liability will be granted where any statutory exemption or discount could be granted.
- 5.3 No reduction in liability will be granted where it would conflict with any resolution, core priority or objective of the Council.

The discount for all above categories will be awarded after all other discounts, exemptions (for example student discount) and Council Tax Reduction scheme payments have been awarded.

6 Making a Claim

- On line

A Council Tax payer may make a claim by applying on line to Sefton Council.

<https://forms.sefton.gov.uk/dhpehpform/>

- By Telephone

You can Contact us on 0345 140 0845 and book an appointment with one of our advisors who will help you to complete the Application Form over the telephone. You will still be required to provide a signed declaration and all the necessary evidence to complete your claim.

- In Person

You can also complete an Application Form at one of our One Stops Shops

Bootle One Stop Shop, 324 - 342 Stanley Road, Bootle, L20 6ET is open 9am to 5pm Monday to Friday.

Southport One Stop Shop located in The Atkinson, offers an appointment only service during the hours of 10am - 5pm, Monday to Friday.

7 Duties of the applicant and the applicant's household

7.1 A person claiming any discretionary reduction in liability must:

- Provide the Council with such information as it may require to make a decision
- Tell the Council, in writing, of any changes in circumstances that may be relevant to their ongoing claim; and
- Provide the Council with such other information as it may require in connection with their claim.

8 The award and duration of a reduction in liability

8.1 Both the amount and the duration of the award are determined at the discretion of the Council and will be done so based on the evidence supplied and the circumstances of the claim.

8.2 The start date of such a payment and the duration of any payment will be determined by the Council.

8.3 The start date of any award under this policy will be the 1 April in the year in which the application for assistance is received by the Council, or the date that liability for Council Tax starts if later. The maximum length of an award will usually be for twelve months or until 31 March following receipt of the application, whichever is sooner.

8.4 In exceptional circumstances the Council may make an

award in excess of the periods referred to 8.3 above.
Applications will be considered on their own merit.

9 Payment

9.1 In line with legislation, any award shall be granted as a reduction in the liability of the Council Tax payer thereby reducing the amount of Council Tax payable.

10 Notification of a reduction in liability

10.1 The Council will notify the outcome of each application in writing. The notification will include the reason for the decision and advise the applicant of their appeal rights.

11 Changes in circumstances

11.1 The Council may revise any discretionary reduction in liability at any time where the applicant's circumstances or situation has changed or where the Council considers it appropriate to do so having regard to other Council priorities.

11.2 The Council Tax payer agrees that he/she must inform the Council immediately in writing about any changes in their circumstances which might affect the claim for assistance under this policy. Failure to do so may result in the withdrawal of the reduction granted for the year and the requirement to repay any outstanding amount to the Council.

11.3 All changes in circumstances should be notified within 21 days in accordance with the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 as amended. Failure to do so may result in a penalty being imposed.

12 Reductions in Council Tax liability granted in error or incorrectly

12.1 Where a reduction in liability has been granted incorrectly or in error either due to a failure to provide the correct or accurate information to the Council or some other circumstances, the amount will be recovered from Council Tax payers account in the normal way.

13 Appeals

- 13.1 Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.
- 13.2 The Council Tax payer must in the first instance write to the Council outlining the reason for their appeal.
- 13.3 Where an appeal is received, an officer other than the original decision- maker will reconsider the decision and notify the Council Tax payer accordingly.
- 13.4 Where the Council Tax payer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be obtained from the Valuation Tribunal <http://www.valuationtribunal.gov.uk>

14 Fraud

- 14.1 The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully eligible to them.
- 14.2 All allegations of fraud will be investigated.
- 14.3 An applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.
- 14.4 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

15 Complaints and feedback

- 15.1 Information on how to give feedback or complain can be accessed on line <https://www.sefton.gov.uk/your-council/compliments-comments-and-complaints/>

16 Policy Monitoring and Review

- 16.1 The Discretionary Reduction in Liability Fund is cash limited and therefore expenditure is not intended to exceed the amount set

aside in each financial year. The operation of the fund will monitor detailed information on demand, need and causes that can be used to inform ongoing and any future provision.

- 16.2 This policy is subject to funding being made available for future provision.
- 16.3 This policy will be reviewed on a regular basis and updated as appropriate to ensure it remains fit for purpose. However, a review may take place sooner should there be any significant changes in legislation.
- 16.4 More information about the Council Tax Discretionary Reduction in Liability Policy is available on our website www.sefton.gov.uk.

17 Data Protection and Sharing Council Tax Information

- 17.1 The information provided by the Council Tax payer, or applicant, will be treated as confidential in accordance with the law. The Council has a duty to protect public funds it administers and may use information held about the Council Tax payer where the law permits, including and not limited to the prevention and detection of fraud. This may include sharing information with other Council services and other organisations who administer public funds, for more information please check our website www.sefton.gov.uk

18 Appendix 1 - Council Tax Discount for Terminally Ill 2025/26.