

Local Council Tax Support Exceptional Hardship Policy

Discretionary Reduction in Council Tax Liability Policy

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1 Introduction

1.1 Section 13A (1)(c) 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 Section 13A (1)(c) states:

in any case, may be reduced to such extent (or, if the amount has been reduced under S13A (1) (a) (Council Tax Reduction Scheme) such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.....

1.4 This provision allows the Council the discretion to provide assistance to tax payers where either the existing legislation does not provide a discount, exemption or reduction or, in such circumstances, where the Council feels that the level of discount; exemption or reduction is insufficient given the circumstances.

1.5 When deciding on whether to grant a discretionary award, the Council will consider each application on its own merits. Principles of reasonableness will apply in all cases with the Council deciding each case on all material and relevant factors.

1.6 Any decision made will be made without reference to any budgetary considerations.

1.7 Likewise, any reduced liability will be considered in conjunction with the circumstances of the Council Tax payer. The circumstances of the Council Tax payer will be reviewed on a periodic basis to ensure that the reduction in liability remains justified.

1.8 For the purposes of administration, the decision to grant any reduction in liability will be considered within the categories detailed below.

2 Exceptional Financial Hardship

2.1 In accordance with Section 13A (1)(a) 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 in financial need. The Scheme has been designed to take into account the specific and financial circumstances of individuals through the use of applicable amounts, premiums and various income disregards.

2.2 Applications will be accepted under this Section 13A(1)(c) policy from people who have qualified for support under the Council Tax Reduction Scheme but who are still experiencing severe financial hardship. Other tax payers may also make an application for assistance; however, the Council would normally expect the Council Tax payer to apply for financial help through the Council Tax Reduction Scheme in the first instance.

2.3 As part of the process for applying for additional financial support, all applicants must be willing to abide by **all** of the following:

- a. Make a separate application for assistance;
- b. Provide full details of their income and expenditure;
- c. Able to satisfy the Council that they are not able to meet their full Council Tax liability or any part of their liability;
- d. Accept assistance from either the Council or third parties, such as the Citizen Advice service or similar organisations, to enable them to review their finances and, if possible, help them to manage their money more effectively, including the termination of any items that are considered to be non-essential expenditure;
- e. Identify 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. Able to demonstrate that all reasonable steps have been taken to meet their full Council Tax liability, including applications for employment or additional employment, alternative lines of credit, etc.;
- h. Able to confirm that there is no access to any assets that could be realised and used to pay the Council Tax
- i. That every effort has been made to maximise their income through, if entitled, applications for other welfare benefits, cancellation of non-essential contracts and outgoings, and identifying the most economical tariffs for the supply of utilities and services generally.

2.4 The Council will be responsible for assessing applications and the following factors will be taken into consideration when applying this policy:

- a. Current household composition and specific circumstances, including disability or caring responsibilities;
- b. Current financial circumstances;
- c. Determine what action(s) the applicant has taken to alleviate the situation;
- d. Consider alternative means of support that may be available to the applicant by:
 - i. re-profiling council tax debts or other debts;
 - ii. where applicable, encouraging an application for a Discretionary Housing Payment for Housing Benefit;
 - iii. where applicable, maximising entitlement to other welfare benefits; and
 - iv. determining whether the spending priorities of the applicant should be rearranged.

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 the Council Tax and for which they have no recourse to financial compensation or to any statutory discounts or exemptions.

3.2 All such requests must be made in writing detailing the exact circumstances as to why a reduction in 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 where appropriate. A reduction will be applied where the Council Tax payer remains liable to pay the Council Tax and where they have no recourse to financial compensation or to any statutory discounts or exemptions 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 100% reduction in liability in specific circumstances e.g. flood relief schemes.

4 Other circumstances

4.1 The Council will also consider requests from Council Tax payers for a reduction in their Council Tax liability based on other circumstances not specifically mentioned within this policy. Any application received will be considered on a case-by-case basis.

4.2 No reduction in liability will be granted where any statutory exemption or discount could be granted to cover the liability in full.

5 Changes in circumstances

5.1 The Council may revise any discretionary reduction in liability where the applicant's financial circumstances or situation changes.

5.2 The Council Tax payer agrees that they must inform the Council immediately, either by phone or in writing, about any changes in their financial circumstances which might affect their claim for financial assistance under this policy. Failure to do so may result in the financial award being withdrawn and a requirement for the applicant to repay any overpayment back to the Council.

5.3 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).

6 Decision Making Process

6.1 Revenues & Benefits Senior Officers will assess and determine all exceptional financial hardship applications from individuals.

6.2 Decisions on all other matters related to this policy will be taken by the Section 151 Officer and Portfolio Holder for Finance.

7 Duties of the applicant

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 of any changes in circumstances that may be relevant to their ongoing claim; and
- Provide the Council with any other relevant information as it may require in connection with their claim.

8 Start date, award and duration

8.1 The start date, award and duration of any payment will be made as part of the decision making process and this will be done on the basis of the circumstances and the evidence supplied.

8.2 In any event, the maximum length of the award will not exceed the end of the financial year in which the award is given.

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 decision

10.1 The Council will notify the applicant in writing within 14 days of making a decision. The notification will include the reason for the decision and it will also advise the applicant of their right of appeal if they disagree with the decision.

11 Appeals

11.1 If an applicant is dissatisfied with the decision, an appeal may be made in accordance with Section 16 of the Local Government Finance Act 1992.

11.2 The Council Tax payer must, in the first instance, write to the Council outlining the reason for their appeal. Once received, the Council will reconsider its decision and notify the Council Tax payer accordingly.

11.3 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 Council or from the Valuation Tribunal Service website.

12 Fraud

12.1 The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully entitled to them.

12.2 An applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances or providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

12.3 Where the Council suspects that such a fraud may have been committed, the matter will be investigated and may lead to criminal proceedings being instigated.

13 Complaints

13.1 The Council's 'Comments, Compliments and Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this policy.

14 Equalities Statement

14.1 The Council is committed to equality and fairness. Equality is about ensuring people are treated fairly and given fair changes. It is also about ensuring that people receive fair outcomes in the standard of service they receive from the Council. This incorporates everyone, regardless of their race, gender, age, religion or belief, sexual orientation and/or disability.

15 Policy Review

15.1 This policy will be reviewed annually and updated as appropriate to ensure it remains fit for purpose. A review may take place sooner should there be any significant changes in legislation.