



STROUD DISTRICT COUNCIL

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Discretionary Hardship Relief

Council Tax - Section 13a Policy

Background

Since April 2013 each Local Authority has in place its own scheme for Council Tax Support. Unlike the Council Tax Benefit scheme, the Local Council Tax Support scheme is not fully funded by Central Government and thus the onus is on Local Authorities to implement their own schemes.

Section 13A(1)(c) of the Local Government Finance Act 1992, as amended by Section 10 of the Local Government Finance Act 2012, gives the council additional discretionary powers to reduce the amount of Council Tax payable for individuals, or for classes of council taxpayer. This includes the power to reduce the amount payable to nil.

Whilst there is the need to have a local scheme there also needs to be some provision for those residents who do find themselves in 'exceptional' circumstances and require short term assistance to meet their Council Tax obligation. It is important to define what could be considered exceptional and in this instance it would be a situation that was not typical, was entirely unusual and only likely to happen very infrequently. It is envisaged that exceptional situations for the purpose of this scheme are likely to be things entirely out of the control of the council tax payer, such as flooding to a property as an example.

The full cost of awarding any Section 13A reductions must be met by Stroud District Council from its General Fund. The Council must therefore balance the need of the individual council payers requiring support against the interests of the council tax payers generally.

Eligibility Criteria

The intention is for this scheme to be a last resort for exceptional situations and circumstances. It is not intended to replace any discounts, exemptions or council tax support awards. The Council will treat all applications on their individual merits, however some, or all of the following criteria should be met for each case:

- There must be clear, demonstrable evidence of financial hardship or exceptionally difficult personal circumstances that justifies a reduction in council tax liability
- The taxpayer must satisfy the Council that all reasonable steps have been taken to resolve their situation prior to the application
- The taxpayer must have applied for Local Council Tax Support – the scheme which ensures that those on low incomes receive financial support towards their council tax
- All other discounts and reliefs must have been applied to the council tax account
- The taxpayer does not have access to other assets that could be used to pay council tax
- The Council's finances allow for a reduction to be made

- The situation and reason for the application must be out of the taxpayer's control
- The amount outstanding must not be as a result of wilful refusal or culpable neglect
- It is reasonable for the Council to award a reduction having regard to the interests of other local Council Tax payers who have to meet the cost of any relief granted
- An award can only be made for the Council Tax element of any charge, any court or enforcement agency costs applied to the account cannot be considered

Relief under this policy will not be awarded in the following circumstances:

- Where the full council tax liability is being met in full by council tax support
- For any other reason, other than to reduce the council tax liability
- Where the council considers that there are unnecessary expenses and debts and that the applicant has not taken reasonable steps to reduce these
- Where the council tax payer has assets that could reasonably be used to pay the council tax. This includes payment being made from proceeds of sale
- To cover any increase in the council tax payable due to the failure by the applicant to notify changes in their circumstances in a timely manner or where the applicant has failed to act correctly or honestly
- As a means to reduce or remit council tax which can be recovered by the various enforcement methods available to the Council
- Where a council tax or council tax support penalty has been imposed at any time during the financial year where relief is being requested
- To cover court costs or administration fees

In all cases relief will end in the following circumstances:

- At the end of the financial year
- The liable person changes
- The council tax payer enters any form of formal insolvency
- The council tax payer's financial circumstances significantly alter

How to apply

The person(s) liable for council tax, their appointee or representative, will be required to submit an application for discretionary hardship relief to the Council, using the form provided. The application form is available on the Council's website and paper copies will also be made available on request.

The application form must be fully completed and submitted with any supporting information or evidence.

The applicant must provide details of any special circumstances and/or exceptional hardship being experienced and provide evidence to support their application.

Evidence required may include, but is not limited to:

- Full details of income and expenditure
- Full details of any capital and other assets
- Confirmation of outgoings including debt repayments, outstanding loans and credit card debt
- Details of personal illness confirmed by a GP

Failure to provide any supporting evidence and information that is requested will lead to the discretionary hardship relief claim being refused unless there are mitigating circumstances which led to that failure. There

may be some occasions where relief can be considered based on information already available to officers in the Revenues and Benefits team.

Period of Award

A discretionary hardship relief award will not normally be used to provide long term support for individuals. They will be used to provide short term support to allow people the time to resolve their current financial difficulties and to move to a position which is financially sustainable for them in the longer term.

The length of time over which an award is made is at the discretion of the Council but will not normally exceed a six-month period.

The applicant will be notified of the period of the award and any specific end date.

Notification of decisions

The Council will aim consider the application and notify the customer of the outcome within 21 days of receipt of the claim and all supporting documentation.

If the claim for relief is successful, the award will be made directly by way of a discount applied to the Council Tax bill. This will be confirmed in writing and the Council's decision letter will include the following:

- The reason for the award
- The amount awarded
- The period of the award
- The applicant's duty to report any changes in circumstances
- Any conditions associated with the award
- Details of the right of review

If a claim is unsuccessful, this will be confirmed in writing and the Council's decision letter will include an explanation of how the decision has been reached and details of the right to request a review.

Review of Decision

Applications will be reviewed, and decisions on awards will be made by a Senior Officer in the Revenues and Benefits team.

Discretionary hardship relief awards are administered in accordance with the Local Government Finance Act 1992 and are subject to a statutory appeals process. If the applicant disagrees with a discretionary hardship relief decision they must put this in writing giving their reasons. This should normally be received by Stroud District Council within a month of the date of the decision although more time can be given in exceptional circumstances.

Where possible the Council will try to resolve the matter by explaining the reasons for the decision to the applicant or their representative, either verbally or in writing. If a decision is formally challenged a reconsideration will be made by the Revenue and Benefits Manager. The applicant will then be notified of the reconsideration which will clearly state the reasons for the decision made.

If the applicant remains dissatisfied with the decision, an appeal may be made to the independent Valuation Tribunal. Further details on this process will be notified to the applicant with the outcome of any previous review of the decision.

Equalities

The Council is committed to equality and the fair application of the policy, ensuring that people receive fair outcomes in the standard of service they receive from the Council and equality of access to Council services. This policy is fully inclusive and could support all members of the community, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability in line with the principles set out in the Equalities Act 2010.

Fraud

The Council takes fraud seriously and has adopted a zero tolerance approach. All allegations of fraud will be investigated; should a person make a false statement or provide incorrect evidence in support of their application for discretionary hardship relief, they may commit a criminal offence. All such instances will be dealt with in accordance with the Anti-Fraud and Corruption Policy and any overpaid monies will be recovered together with any outstanding council tax.