

Policy for the award of
Discretionary Council
Tax reductions
2016/17

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1. Scope of this Policy

This policy relates to a Council Tax Discretionary Relief scheme to support local Council Tax payers experiencing financial hardship under section 13A of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012..

2. Policy Principles

The Council recognises that in some circumstances residents whom are liable to pay Council tax may experience periods of financial hardship. In such circumstances the Council may exercise its power to grant a reduction in the amount of Council tax paid for a period no greater than two months. The purpose of this reduction is to allow the Council tax payer the opportunity to regain control of their finances, prevent further hardship and to recommence Council Tax payments.

3. This Policy includes:

- The Council's Legal Requirements
- Cost to the Council
- The Application Process
- Reapplications
- Eligibility Criteria & Decision Making Process
- The Appeals Process
- Hardship as a result of extreme hardship or natural disaster
- Cancellation of relief
- Fraudulent applications
- Appeals

4. The Council's Legal Requirements

1. The Local Government Finance Act 2012
2. Section 13A Local Government Finance Act 1992 – the award of discretionary discounts
3. Section 4, Local Government Finance Act 1992 - Dwellings may be exempt from Council Tax if they fall within one of the specified classes
4. Section 11, Local Government Finance Act 1992 - The amount of Barking and Dagenham's Council's Council Tax Reduction Scheme 2013
5. Child Poverty Act 2010
6. Equality Act 2010 (incorporating the Disabled Persons Act 1986)
7. Housing Act 1996
8. The Barking and Dagenham Council Tax Reduction Scheme (Prescribed
9. The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 Default Scheme
10. Social Security Act 1992
11. Universal Credit Regulations 2012
12. Local Government Act 1972 section 222
13. The Fraud Act 2006, section 2
14. Data Protection Act 1998

5. Cost to the Council

- 5.1 The scheme will be funded by the Council and a budget will be determined by the 31st January of the preceding year in which the budget will apply. The budget will be kept under review during the course of each year.

6. The Application Process

- 6.1 Applications must be made by the registered Council tax payer or by a person with authority to act on behalf of the Council Tax payer. Whilst the application is being considered the tax payers should continue to pay instalments.
- 6.2 Applications will only be considered if they are submitted using the appropriate application form
- 6.3 Applications must be completed in full with any supporting evidence supplied.
- 6.4 Where an application is submitted but has not been completed in full, the application will not be considered.
- 6.5.1 Where further supporting evidence is required the applicant will be contacted. If evidence is not provided within the given timescale, the application will not be considered.

7 Reapplications

- 7.1 Where an application is refused either initially or following an Appeal, further applications will not be considered unless:
- a. The applicant's financial circumstances change
 - b. The applicant moves to another property within the borough
- 7.2 Applications that are made with the intention of increasing existing relief will not be considered.

8 Eligibility Criteria & Decision Making Process

- 8.1 Discretionary Council Tax Relief is not a matter of right; the Council is entitled through this policy to determine different levels of relief according to the nature and circumstances of individual circumstances
- 8.2 The applicant must have a Council Tax liability and/or:

- be in receipt of a Council Tax Support reduction
- be in receipt of universal credit
- provide proof that they require financial assistance
- suffer hardship through an extreme event or natural disaster where their main or sole residence has structural damage.
- provide proof that they have attempted to resolve their financial difficulties by way of other advice services

8.3 The amount of such awards may only be based upon eligibility and have regard for the level of funding available or remaining within the allotted budget each financial year.

8.4 An award of a relief will be considered to meet the costs of council tax liability where the applicant is able to demonstrate hardship. This is where the resident cannot meet their immediate basic and essential needs. Basic and essential needs are identified below, they are aligned to Universal Credit regulations but this does not constitute an exhaustive list.

- Heating
- Food
- Hygiene

8.5 In assessing basic and essential needs we will take into consideration the claimants age, health and status. Expenditure which does not relate to basic and essential needs will not be taken in to account when assessing hardship. Examples of these items are listed below, however this is not an exhaustive list;

- Rental charges for TV, satellite and internet
- Phone charges for mobile and landline considered excessive
- Credit cards
- Store cards
- Loans other catalogue debts

8.6 Any relief awarded will be applied to the Council Tax payable within that year. Applications for debts in previous years will not be considered.

8.7 Any relief will be awarded from the date the application is received by the Council.

- 8.8 Relief will be granted for a maximum of 2 months. For the period of relief Council Tax will be reduced to zero. After the period of relief is completed the remaining annual Council Tax will become payable by instalments.
- 8.9 Relief will only remain where the applicant remains in occupation of the property.
- 8.10 The Council will not remove any costs incurred by the Council Tax payer as a result of debt recovery action.
- 8.11 Applications for relief will be considered in the first instance by the Revenues Manager
- 8.12 Applicants will be informed, in writing, of the Council's decision within 30 days of receipt of the application
- 8.13 The following applicants will not be eligible for relief:
- Landlords
 - Housing associations
 - Council Tax payers that have not made an application for Council Tax support
 - Council Tax payers in receipt of 100% Council Tax Support
 - Occupants of properties in Multiple Occupation (HMO)

9 Hardship as a result of extreme event or natural disaster

- 9.1 Where a Council Tax payer has suffered hardship as a result of an extreme event or natural disaster discretionary relief can be considered by the Council.
- 9.2 The application process remains the same as detailed in section 9, with the following exception:
- Council Tax payers do not need to be in receipt of Council Tax support

All other restrictions apply.

- 9.3 The Council will assess the appropriateness of the application and determine whether the relief is applicable.

10 Cancellation of relief

- 10.1 The Council may end or remove relief under the following circumstances:
- Information supplied by the applicant is incorrect

- Information supplied by the applicant is fraudulent
- The applicants financial circumstances change
- The applicant vacates the property

10.2 Where the relief is removed or reduced under 10.1 above the amount of the reduction will be added to the applicant's council tax bill for the relevant period.

11 Fraudulent applications

11.1 Where an applicant applies for relief and provides false information or evidence they may have committed an offence under the Fraud Act 2006. If the Council suspects that fraud may have been committed the matter will be investigated and may lead to criminal proceedings.

12 Appeals

12.1 Appeals must be sent to the Council in writing stating the reason for the appeal.

12.2 Appeals must be received 30 days after the issue date of the letter of refusal. Appeals received after this date will not be considered.

12.3 Appeals will be considered by an officer of the Council delegated to do so by the Strategic Director – Finance and Investments. The applicant shall be notified of the outcome within 30 days of receipt of the appeal.