

Central Bedfordshire Council

**Council Tax Discretionary Discounts Policy
(Hardship Fund)**



**Issue Date: 8th January 2013
Version 1.**

Council Tax Discretionary Discount Policy (Hardship Fund)

1. Under Section 13A of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has the power to reduce liability for Council Tax in relation to individual cases or class(es) of cases that it may determine and where national discounts and exemptions cannot be applied. It says:
 - a. Where a person is liable to pay Council Tax in respect of any chargeable dwelling and day, the billing authority for the area in which the dwelling is situated may reduce the amount which that person is liable to pay as respects the dwelling and the day to such extent as it thinks fit.
 - b. The power under subsection 1) above includes the power to reduce an amount to nil.
 - c. The power under subsection 1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.
2. There are financial implications to awarding discounts other than those currently available under the statutory legislation as the financial burden of Section 13A discounts has to be met through an increase in the general level of Council Tax by other payers.

Statement of Objectives

3. The Council will only consider using its discretionary powers to reduce Council Tax liability for any Council Tax payer or class of payer in exceptional circumstances. The Council will treat all applications on their individual merits, however some or all of the following criteria must be met for each case:
 - There must be evidence of financial hardship or personal circumstances that justifies a reduction in Council Tax liability
 - The Council Tax payer must satisfy the Council that all reasonable steps have been taken to resolve their situation prior to application
 - The customer has applied for Council Tax Support. The localised Council Tax Support scheme exists to ensure that those on low incomes receive financial assistance with their Council Tax
 - All other eligible discounts/reliefs have been awarded
 - The Council Tax payer does not have access to other assets that could be used to pay Council Tax
 - All other legitimate means of resolving the situation have been investigated and exhausted by the applicant. If they have not been it is unlikely that an award will be made
 - The Council's finances allow for a reduction to be made
 - The situation and reason for the application must be outside of the Council Tax payer's control
 - The amount outstanding must not be the result of wilful refusal to pay or culpable neglect
 - In the case of an unoccupied property it must not be the sole or main residence of a Council Tax payer

Claiming Discretionary Relief

4. Requests for reductions in Council Tax liability must be provided in writing from the Council Tax payer, or their advocate/appointee or a recognised third party acting on their behalf.
5. The application should relate to the current Council Tax year, unless the liable person has just received an account following late valuation for a previous year(s)
6. The Council may request any reasonable evidence in support of an application.

Decision Making

7. The Head of Revenues and Benefits will determine all Section 13A applications in accordance with the delegated authority the post already holds.
8. The decisions will be recorded for transparency. Annual information regarding claims and awards shall be submitted to the Chief Financial Officer and Portfolio Holder for Corporate Resources.
9. There will be a limit of £500 placed on any award.
10. Any award granted will cease at the end of the relevant financial year and a re-application will be required for consideration of an ongoing discount

Notification of Decision

11. The Council will notify a Council Tax Payer in writing within 14 days of receiving sufficient information to make a decision or within a reasonable period thereafter.

Review of Decision

12. Under the Local Government Finance Act 1992, there is no right of appeal against the Council's use of discretionary powers. However, the Council will accept a customer's written request for a further review of its decision if it is made within 2 months of the original decision. The Council will then consider whether the customer has provided any additional information against the required criteria that will justify a change to its decision.

Fraudulent Claims

13. If a reduction has been made as a result of a false or fraudulent claim the Council reserves the right to withdraw the award. The Council will consider prosecuting any applicant who makes a false statement or provides fraudulent information/documents in support of an application.

14. An application for a reduction will not be considered for any applicant who has been prosecuted and convicted for Housing Benefit, Council Tax Benefit or Council Tax Support fraud, or received an Administrative Penalty or Caution as an alternative, in the last 6 years.

Equalities Statement

15. The Council is committed to equality and fairness. Equality is about ensuring people are treated fairly and given fair chances. 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.