

BRIDGEND COUNTY BOROUGH COUNCIL

COUNCIL TAX
DISCRETIONARY RELIEF POLICY



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1. INTRODUCTION

- 1.1 This discretionary relief policy has been approved by Cabinet to assist council tax payers who may be experiencing financial hardship or distress, where there is clear evidence that those individuals have exceptional circumstances, and all statutory exemptions and discounts have been exhausted.
- 1.2 The discretionary relief policy will be administered by the taxation section and will be made available to any council tax payer under the circumstances specified in this policy. The purpose of this discretionary relief policy is to provide temporary assistance to council tax payers to help reduce their council tax liability (although in certain classes/cases of taxpayer the relief can be of a longer-term nature). The operation of the policy is at the discretion of the Council.

2. LEGISLATIVE POWERS

- 2.1 Under Section 13A (1) (c) of the Local Government Finance Act 1992 (as inserted by Section 10 of the Local Government Finance Act 2012), 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 it is considered appropriate to do so.

A summary of Section 13A (1) (c) is set out below:

- Where a person is liable to pay council tax in respect of any chargeable dwelling, the billing authority for the area in which the dwelling is situated may reduce the amount which he or she is liable to pay to such extent as it thinks fit.
 - The power under subsection (1) includes the power to reduce an amount to nil.
 - 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.
- 2.2 The cost of awarding Section 13A (1) (c) Discretionary Council Tax Reduction must be funded from within the total income generated by council tax.
 - 2.3 As a consequence of this, the Council will only consider using its powers to reduce council tax liability for any council tax payer or class of payer in exceptional circumstances. Each case will be determined on its own merits based on the application form and supporting information.

3. KEY PRINCIPLES

- 3.1 The objective of council tax discretionary relief is to offer financial assistance to council tax payers who are experiencing exceptional circumstances. Each application for discretionary relief will be treated strictly on its own merits and all council tax payers will be treated fairly and equally. The Council will seek through the operation of this policy to:
 - Alleviate social injustice

- Prevent homelessness
- Keep families together
- Support the vulnerable in their homes in the community
- Help customers through personal crises and difficult events

The list is not exhaustive and all factors or exceptional circumstances that may apply will be considered.

- 3.2 Council tax discretionary relief awarded under this policy is intended as a short term measure (although in certain classes/cases of taxpayer the relief can be of a longer term nature) and is generally not intended to cover the shortfall between Council Tax and entitlement to Council Tax Reduction Scheme support or any other reduction on a long term basis.
- 3.3 Section 13A (1) (c) 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 in such circumstances where the Council feels that the level of discount or reduction is insufficient given the exceptional circumstances involved.
- 3.4 Any decision made will be without reference to any budgetary considerations, notwithstanding the fact that any awards must be balanced against the needs of local taxpayers who will ultimately pay for a reduction in council tax income. Likewise, the period of any reduced liability will be considered in conjunction with the circumstances of the council tax payer.

4. ELIGIBILITY

- 4.1 For the purposes of administration of the scheme, the Council will use its discretionary powers to grant a reduction in council tax within any of the following categories: -

a) Exceptional Financial Hardship

In accordance with Section 13A (1) (b) of the LGFA 1992, this Council has a Council Tax Reduction Scheme which provides support, through a reduction, to those who need assistance to meet their council tax liability. The scheme is designed to take account of both the financial position and the specific circumstances of individuals, including the composition of their household.

Applications will still be accepted under the Council Tax Discretionary Relief Policy for people who have qualified for support under the Council Tax Reduction Scheme but remain in exceptional financial hardship. In the first instance the Council would expect a taxpayer to ascertain if any discounts, exemptions or eligibility for a Council Tax Reduction under the Council Tax Reduction Scheme will apply before an application is considered.

The application for Discretionary Council Tax Reduction must be made by the person who is liable for the council tax payments or their advocate/appointee (with written consent) detailing the information required in the application.

As part of the application process under part (a) of the Discretionary Council Tax Reduction Policy, all applicants must provide all of the following information: -

- The appropriate application form for Council Tax Discretionary Relief must be submitted completing all relevant sections.
- Details of other occupiers must also be advised in the application.
- Applicants must provide full details of income and expenditure with appropriate evidence to support the information contained in their application.
- The taxpayer must confirm that they have no access to assets that could be realised and used to pay the council tax liability.

The following factors will be considered when assessing the application under Part (a) of this policy: -

- The Council and applicant will explore other alternatives for payment, such as deferred payment arrangements and reductions in non-essential expenditure to meet the outstanding liability.
- Current financial circumstances.
- The circumstances of the applicant at the time the council tax liability arose.
- Determine what action(s) the applicant has taken to alleviate the situation;
- Consider alternative means of support that may be available to the applicant, such as applying for a Discretionary Housing Payment to meet rent costs and maximising other state benefits where applicable.

b) Crisis Situation (e.g. Fire or Flood)

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 dwelling uninhabitable e.g. due to fire or flooding, where they remain liable to pay council tax and for which they have no recourse for compensation nor have recourse to any statutory exemptions.

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

The Council will consider applications on a case by case basis in consultation with other services or organisations as appropriate. Any reduction will be applied where they remain liable to pay council tax and for which they have no recourse to any statutory exemptions or where the crisis or event is not covered by any insurance policy.

c) Other Circumstances

The Council will consider requests from council tax payers, or specific groups of individuals, for a reduction in their liability based on other exceptional

circumstances not specifically mentioned within this policy but which align with the principles of the policy, as set out in Section 3. 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.

No reduction in liability will be granted where a statutory exemption or discount could be granted or where it would conflict with any resolution, core priority or objective of the Council.

4.2 Changes in Circumstances

The Council may revise any discretionary reduction provided under this policy where the applicant's circumstances have changed.

The taxpayer agrees that they will inform the Council immediately either by telephone, by email or in writing about any changes in their circumstances which might affect the claim 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. All changes in circumstances must be notified within 21 days.

4.3 Award and Duration

Both the amount and the duration of the award will be determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances and merits of each application received.

The award will normally commence from the date of the application and will only be backdated where the council tax payer can show good cause as to why they did not apply at the relevant time.

Any award that is made will be on a "one off" basis and will either be for part of the charge or the full charge. There will be no continuation of the award beyond the end of the financial year, unless a further application is received and approved.

Any awards that are made will be directly credited to the council tax account of the individual or individuals concerned, thereby reducing the amount of council tax payable.

5. CLAIMING DISCRETIONARY RELIEF

5.1 Claims can either be made in writing by the applicant concerned or their advocate or appointee with their written consent, by completing the application form.

5.2 The application must be made promptly and relate to the current financial year, unless the council tax payer can show good cause as to why they did not apply at the relevant time. The application must be supported by all appropriate

evidence. Depending on the detail of the request the Council may then write and request supplementary information which must be provided within 28 days.

- 5.3 Applications should be made by email to Taxation@bridgend.gov.uk

6. DETERMINATION OF APPLICATIONS

- 6.1 Determination of entitlement/awards will be made on the recommendation of the Taxation Section.
- 6.2 Through delegated powers, senior officers within the Taxation Section will consider any applications received.
- 6.3 Determination of appeals against the initial decision of the Taxation Section will be made by the Section 151 Officer, in conjunction with the Cabinet Member, Resources.

7. NOTIFICATION

- 7.1 Once all the appropriate information is received the Council will make a decision within 28 days or as soon as is reasonably practicable thereafter.
- 7.2 The Council will then write to the applicant to notify them either of the award that is to be made or to explain to them why they do not qualify.

8. APPEALS

- 8.1 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 an applicant's written request for a further review of its decision as long as this is received within 28 days of the original decision where the opportunity will be available to provide additional information where appropriate.
- 8.2 If the decision is challenged by the applicant the request will then be considered further by the Section 151 Officer, in conjunction with the Cabinet Member, Resources, and a reply will be issued within 2 months notifying the applicant concerned of the decision.
- 8.3 If the initial decision is not reversed an appeal form will be enclosed with the decision letter allowing the applicant to make a further appeal to the Valuation Tribunal for Wales who are independent from the Council. Should the applicant decide to progress the appeal then the form must be completed and returned to the Valuation Tribunal within 2 months of the final decision letter.