

APPENDIX A



Harborough District Council

Council Tax  
Discretionary Relief Policy

February 2011

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## Background

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:

- “1. Where a person is liable to pay Council Tax in respect of any chargeable dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.
2. The power under subsection (1) includes powers to reduce an amount to nil.
3. The power under subsection (1) may be exercised in relation to particular cases or by determining a class in which liability is to be reduced to an extent provided by the determination.”

There are financial implications to awarding any discounts other than those currently available under the statutory legislation and the financial burden of Section 13a has to be met through an increase in the general level of Council Tax for other payers.

## **Council Tax Discretionary Relief Policy**

### **Purpose**

The purpose of this policy is to specify how Harborough District Council will administer requests for relief from payment of Council Tax and to indicate some of the factors that will be considered when deciding if relief may be granted. Each case will be treated strictly on its merits and all customers will be treated equally and fairly.

### **Guidelines for Using Powers**

The Council will consider using its powers to reduce Council Tax liability for any Council Tax payer. Ordinarily, the Council would expect there to be exceptional circumstances to justify any reduction and that the reduction will be intended as short term assistance and should not be considered as a way of reducing Council Tax liability indefinitely. Each case will be considered on 'its merits'. The Council will have regard to the following criteria, in particular in relation to an application.

- Requests for Council Tax liability will be required in writing from the customer, their advocate/appointee or a recognised third party acting on their behalf; with a full explanation as to why the relief is requested, the period for such relief is claimed and any hardship or personal circumstances relating to the application.
- The application should relate to the current Council Tax year, unless the liable person has just received a Council Tax Demand Notice following late valuation for a previous year.
- Relief will only be granted in exceptional cases where as a result of for example a flood, storm damage, explosion or major incident the Council Tax payer is forced out of their property for longer than 18 months.

#### *Major incident*

*“Any event or circumstances (happening with or without warning) that causes or threatens death or injury, disruption to the community, damage to property or to the environment, on such a scale that the effects cannot be dealt with by emergency services, local authorities and other organisations as part of their normal day to day activities” (Dealing with Disasters Cabinet Office booklet)*

- If the work undertaken to rectify the problem exceeds 18 months, The Council would use the powers under Section 13A to grant relief for the period exceeding this. Under existing Council Tax legislation a Council Tax payer may apply for a maximum of 18 months exemption (Class C, empty and unfurnished 6 months exemption followed by Class A, 12 months uninhabitable exemption).
- Relief should not be extended to Council Tax payers making applications due to low income, experiencing periods of sickness, unemployment or having multiple debts. The Council actively promotes the uptake of the Council Tax Benefit, discounts and exemptions and in line with existing Corporate Debt policy works with the Council Tax payer to prioritise debt and maximise collection. Various payment methods are available to Council Tax payers and the existence of Section 13a should not be seen as a means of avoiding paying.
- Applications should be granted in extreme circumstances and where all other statutory discounts/exemptions have been granted.
- As the granting of relief would only be considered under exceptional circumstances it should be awarded at 100% having consideration to the financial position of the Council.

### **Decision Making Process**

The Council will decide every application for relief where the customer has satisfied the required criteria as laid out in this policy.

The responsibility for making discretionary decisions will rest with the Deputy Chief Executive and Head of Legal Services and Monitoring Officer.

#### Responsible Officers

- Deputy Chief Executive
- Head of Legal Services and Monitoring Officer

The Revenues and Benefits Manager will liaise with customer in each case to obtain sufficient detail (in line with guidelines as laid out in the policy).

The decision making process will involve, at stage 1, the Revenues and Benefits Manager making a recommendation to the Deputy Chief Executive and Head of Legal Services and Monitoring Officer after considering each case on 'its merits' against the information provided by the customer.

Stage 2. The Deputy Chief Executive and Head of legal Services and Monitoring Officer will decide whether to award discretionary relief.

### **Notification of Decision**

The Council will notify the customer of its decision within 14 days of receiving sufficient information to make a decision.

### **Appeals**

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 request for a re-determination of its decision.

The review process will involve consideration of the request on 'its merits' by the Deputy Chief Executive and Head of Legal Services and Monitoring Officer. The Council will consider whether the customer has provided any additional information against the required criteria that will justify a change to its decision.

### **Notification of review / re-determination decision**

The Council will notify a customer of its decision within 14 days of receiving a request for a review / re-determination.