



Council Tax Discretionary Relief Policy
(under Section 13A(1)c of Local Government Finance Act 1992)

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Version Control		
Version	Date	Notes
1	20 March 2020	

Background

The Local Government Finance Act 1992 (amended) gives billing authorities discretionary powers to reduce Council Tax liability where national Discounts, Exemptions and Reductions cannot be applied. This can relate to individuals or groups of taxpayers who have similar circumstances.

There are a range of Discounts, Exemptions and Reductions provided by Council Tax legislation that can reduce the amount of Council Tax a customer pays. These should be applied for before making an application under the Council Tax Discretionary Relief Policy. These include but not exclusively:

- Care Leavers Discount
- Single Person Discount
- People that are not counted (disregarded) for Council Tax purposes
- Empty Property Discount
- People with Disabilities
- Disregard because of severe mental impairment
- Carers Discount

For more information and to make an application for a discount, exemption or reduction visit www.wigan.gov.uk/CouncilTaxDiscounts.

A Council Tax Discretionary Relief is intended as short-term support not a long-term reduction in Council Tax liability. The Council has discretion to award Council Tax Discretionary Relief and will make them in accordance with principles of good decision-making. We will act fairly and reasonably, and each case will be considered on its own merits, relevant circumstances against the needs of other local taxpayers.

This policy covers the following circumstances:

- Exceptional financial hardship
- Care leavers
- Other circumstances

Purpose of the Policy

The purpose of this policy is to specify how Wigan Council will administer the awards of Council Tax Discretionary Relief.

This policy ensures that the Council will act fairly, reasonably and consistently throughout the decision making process.

All customers will be treated equally and fairly and in accordance with the Council's policies.

Aims of the Policy

This policy is intended to contribute towards the following outcomes:

- alleviate poverty and indebtedness
- encouraging and sustaining people in, and into, employment
- safeguard residents in their own homes
- support young people leaving Local Authority care
- supporting disabled people remain in adapted properties
- supporting the vulnerable, including young children and the elderly in the local community

- help customers through personal crises and difficult events

The overarching objective of this policy is to consider Council Tax Discretionary Relief payments are administered fairly. This will be achieved by providing short term relief to customers in order to give them time to find more sustainable financial arrangements.

Equalities

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 and equality of access to services. This incorporates everyone, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status or disability in line with the principles set out in the Equalities Act 2010.

Exceptional Financial Hardship

Our Council Tax Reduction scheme provides support, through a discount, to customers with a Council Tax liability considered to be in financial need. The scheme has been designed to consider the financial and circumstances of households, will use Department of Work and Pensions applicable amounts, premiums and income disregards and income and expenditure of the household.

Claims for Council Tax Discretionary Relief are considered a last resort, the scheme is wholly discretionary, and it is for Wigan Council to determine its administration. There is no statutory right to a reduction under this scheme.

Customers applying are expected to have applied and qualified for Council Tax Reduction before making an application for exceptional financial hardship, except in exceptional circumstances.

They will also be expected, where possible, to be taking proactive action to alleviate their current financial hardship, including:

- seeking new employment opportunities
- working additional hours
- moving to a lower banded property
- reducing outgoings
- maximising benefit entitlement

We will need to be assured that all reasonable steps to alleviate the cause of financial hardship have been undertaken before an application is made. Awards are expected to be made to meet current needs rather than past debts.

Applications on the grounds of exceptional financial hardship should be made online, using the approved form at www.wigan.gov.uk/DiscretionaryReduction

Information provided on other application forms for assistance or financial support, including Discretionary Housing Payments or Local Welfare Support, may also be used to assess help under this policy.

Applications will be considered, by a decision maker within the Collections Service, on a case by case basis considering the following, but not exclusively:

- current household composition and specific circumstances including disability or caring responsibilities

- current financial circumstances. We will expect details of income and expenditure to support decisions.
- that priority debt, like council tax, rent or mortgage payments, are prioritised over unsecured loans
- action is being taken to alleviate any shortfall between income and expenditure
- alternative means of support that may be available including:
 - re-profiling council tax payments or other debts
 - applying a Discretionary Housing Payment
 - maximising entitlement to other welfare benefits
 - reassessing spending priorities
 - debt advise and support
 - budgeting and money advice

The period and level of the discount will be determined based on the criteria above.

In some circumstances, it may be appropriate to refer the applicant for financial literacy, welfare rights or money advice or a debt advisory service before making a decision.

The claimant must provide the Council with all supporting information and documentary evidence requested, to enable the application to be assessed.

Help to complete online forms is available from our Be Online sessions, the details can be found by visiting www.wigan.gov.uk/BeOnline

Care Leavers

A Council Tax Discretionary Relief of up to 100% is available to care leavers, a care leaver is a person looked after by a local authority on their 16th birthday and for any period or for a total time of 13 weeks since their 13th birthday

Care Leavers living in Wigan Borough will not have to pay Council Tax until they are 25 years of age under either of the following circumstances

- if they're the only person named on the bill, or if the only other person named on the bill is their partner, a discount will be given to reduce the balance on the bill to nil after any other applicable discounts and Council Tax Reduction have been applied
- if the Care Leaver is named on the Council Tax bill and lives with other joint occupiers (eg joint tenants) then the Care Leaver will be disregarded from the bill and not be expected to pay any Council Tax before they are 25 years of age. If there are only 2 joint tenants, and 1 tenant is a Care Leaver, then the other person will be entitled to a 25% single person discount until the Care Leaver reaches the age of 25.

A person who is registered as a Care Leaver under another borough in England can qualify for this discount/disregard if they live in the Wigan Borough

The discount will be applied after other Discounts or Exemptions have been awarded, including Council Tax Reduction. It is available to care leavers aged between 18 and 24 years.

It will cease on the care leaver's 25th birthday.

Applicants will be required to complete an application for Care Leaver's Discount online at www.wigan.gov.uk/CouncilTaxDiscounts

The application will be cross checked and verified with information held by the Local Authority.

The discount will normally apply from the date the customer leaves care.

Help to complete online forms is available from our Be Online sessions, the details can be found by visiting www.wigan.gov.uk/BeOnline

Other Circumstances

Wigan Council will consider other applications on a case by case basis. Applications should be made online detailing the reasons why a discount should be awarded.

The Collections Service Business Manager, or nominee, will consider applications on a case by case basis. In arriving at a decision, consideration will be made whether it is appropriate to award a discretionary discount considering the needs of local taxpayer as a whole.

From time to time Government may introduce a specific scheme in response to an event like a natural disaster. Where such schemes are introduced, funding is normally fully met by Government without impact on the local Council Tax. Any such schemes that are introduced, in so far as they fall to be administered under Section 13A of The Local Government Finance Act 1992, will be administered in accordance with instructions and guidance set out by Government.

Backdating

A Council Tax Discretionary Relief payment can be backdated if the Council considers that the customer has a good reason for the delay in making the claim based upon the circumstances of the case. However, this will be limited to the period of the current financial year, unless exceptional reasons for a late claim are accepted.

Method of Payment

Payment will be made directly to the Council Tax account like any other Discount, Exemption or Reduction. The relief will be made as a single payment to cover the period the decision relates to.

Changes of Circumstances

An award of Council Tax Discretionary Relief may be revised or withdrawn where the customer's circumstances have changed.

The customer is required to notify Customer Services of any changes of circumstances that will affect their award.

Notification of Awards

Customers will be notified of the outcome of their application within 10 working days of the latest of the following events or as soon as possible after:

- the application was received
- any additional information was received

The notification will state the outcome of the decision and will advise:

- the amount of the awarded, if any
- period of the award, if applicable
- requirements to report a change of circumstances
- right to request a review of the decision

- information on who to contact for further help or advice.

Overpayments

Where a Council Tax Discretionary Relief has been overpaid, the Council may seek to recover it by:

- cancelling the award in full or part
- issuing and revised Council Tax bill to include the overpaid value

If the overpayment was caused by an administrative error and it is not reasonable the customer knew then no action will be taken.

A letter will be sent to the person detailing the overpayment, why it occurred and what to do if they disagree.

Fraud

The Council is committed to protect public funds and ensure they are paid to the people who are rightfully eligible to them. A customer found to be claiming Council Tax Discretionary Relief fraudulently by providing a false statements or evidence in support of their claim may have committed an offence under the Fraud Act and liable for prosecution.

If fraud is suspected to have taken place it will be investigated, and this may lead to proceedings being instigated.

Data Sharing

The Council may use any evidence and information supplied to it in respect of Council Tax Discretionary Relief to check the eligibility of the applicant in respect of this scheme or other Welfare Benefit and Discounts, Exemptions or Reductions.

The Council takes part in data matching exercises to assist in the prevention and detection of fraud. Data matching involves comparing sets of our data, such as Council Tax or Benefit records against other records held by the Council or other bodies.

Data matching allows potentially fraudulent claims, reductions and payments to be identified. Where a match is found it indicates that there is an inconsistency that requires further investigation. No assumption can be made as to whether there is fraud, error or other explanation until an investigation is carried out.

Working in Partnership

Customer Services will work closely with the following partners, organisations and groups to assist customers experiencing financial difficulties. These may include:

- Landlords
- Welfare Reform Board
- Service Delivery Footprints
- Housing Strategy
- Homelessness Forum
- Charities and Groups supporting people experiencing financial difficulties

Decisions and Appeals

Wigan Council will notify the applicant within 10 days of receiving enough information to make a decision.

If an applicant is not satisfied with the decision, they can request in writing within 28 days for the decision to be internally reviewed, clearly stating the reasons they feel the decision is incorrect.

When a reconsideration request is received the Council will conduct a reconsideration of the decision. All reconsiderations are considered by an officer not involved in the original decision and a decision will be made within 10 days of the request being received, following which the applicant will be duly notified.

If they are still not satisfied with the decision they may, in certain circumstances, be allowed to make an appeal to the Valuation Tribunal Service, further details of which can be found at www.valuationtribunal.gov.uk

Where a request for a Council Tax Discretionary Relief has been refused, repeated requests will not be considered unless the resident can demonstrate that there has been a change in circumstances and the situation has worsened significantly, a substantial period of time has elapsed since the previous decision not to award relief or there has been a legislative or policy change.

Policy Review

The Council Tax Discretionary Relief Policy will be reviewed annually.

Any changes will be in accordance with best practice and any regulatory changes.

The Council Tax Discretionary Relief Policy will be published and available to view on the Council's website.