



## **St Albans City and District Council Council Tax Discretionary Discount Policy**

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## 1. Introduction

This discretionary discount is intended to assist persons liable for Council Tax who are facing extreme financial hardship or distress. The operation of the discount is at the discretion of the Council and this document describes the policy by which the discount is to be administered.

## Exceptions to this Policy

In accordance with the Council's Constitution the Deputy Chief Executive (Finance and Legal) may in exceptional circumstances determine discretionary applications which fall outside the scope of this approved Policy.

## 2. Background

St Albans City and District Council recognises there are instance where people incur greater necessary day to day living costs due to either the characteristics of the individual, the household or the nature of the property itself and that these people may require additional support. It also recognises that there are people who are unable to cope with day to day living including management of their finances and that these people may require additional support. This may be due to a mental health issues, a personal crisis or other difficult events.

Details of the Council's Council Tax Reduction Scheme (CTR), a local Scheme as required by Section 13A (2) of the Local Government Finance Act 2012, is set out in a separate document. It should be noted, in respect of the CTR scheme, that this Council operates a scheme where full entitlement to the reduction may be applied. This discretionary discount policy does not form part of the Council Tax Reduction Scheme.

## 3. Statement of objectives

This policy has one objective:

- Enable the Council to consider a reduction in the Council Tax for a dwelling to applicants who meet the qualifying criteria as specified in this policy.

This objective will be achieved by:

- Easing severe financial pressure on families and individuals whose circumstances are such that they incur essential additional day to day living costs, which they are unable to meet from their income.
- Helping local people through personal crises or difficult events.
- Supporting young people leaving care in the transition to adult life.
- Encouraging and sustaining people in employment.

## 4. Awards

### Main features of the policy

The main features of a Discretionary Discount Policy are:

1. It is discretionary.
2. An applicant does not have a statutory right to a reduction.
3. The Council may choose to vary the criteria for an award or the method by which an application must be made in response to any findings that emerge as a result of the existence of the scheme or changes in legislation.

### Applying for an award

An application must be made for the reduction by completing and returning The Discretionary Discount Policy Application Form. In cases where the applicant is already in receipt of CTR we will likely hold up to date financial information and in these instances we would require less evidence in respect of income.

Where an application is made:

- The Council will not normally backdate awards under this scheme. However, where it can be shown mitigating circumstances caused the delay in application we will give this due consideration.
- An application must be made in a way that is acceptable to the Council and in accordance with legislation, by the person who is liable for the council tax at that property or by someone authorised to act on their behalf.
- The person claiming must supply evidence of all household income and outgoings and supply three consecutive months' un-redacted bank statements for all accounts held.
- The Council may request any additional evidence it deems necessary in support of an application. Where additional information or evidence is requested the applicant will be asked to provide the evidence within 21 days of the request, although this may be extended in appropriate circumstances.
- The Council will signpost the applicant to advice agencies that can provide advice on managing finances, where this could assist in providing a long term financial solution.

For those who will find it difficult to complete a written application the Council will assist as far as it feels it is able.

## Criteria for an award

The council will:

- Treat all applications on their individual merits.
- Assess applications from people experiencing a personal crises, difficult event or mental health issues on the basis of their ability to cope with day to day financial matters.
- Assess all other application on the basis of financial need.
- Reserve the right to refuse an application where there is evidence of negligence of a situation or circumstance.
- Not make an award where the amount outstanding is as the result of wilful refusal to pay or culpable neglect.
- Not make an award where the applicant would be entitled to state benefits but has not applied.
- Not make an award where the applicant would be entitled to local Council Tax Reduction but has not applied.
- Take into account financial hardship directly attributed to a retrospective adjustment in Council Tax Reduction caused by Council error.

An application must come from a person registered as the liable person for Council Tax or someone acting on their behalf and will be considered where an applicant has:

- Additional necessary expenses that make it difficult for them to pay their Council Tax.
- Exceptional financial hardship or difficult personal circumstances, as outlined in the objectives of this policy.
- Satisfied the council that they took all reasonable steps, including measures to seek and maintain employment and to resolve their situation prior to making the application.
- Applied for eligible discounts, reliefs, state benefits & Council Tax Reduction.
- No access to other assets that could be used to pay Council Tax.
- Provided all necessary and relevant information.

Applications may be refused, or the level of award may be reduced if:

- The Council does not consider the applicant's circumstances to be exceptional.
- The applicant has failed to comply with the application process.

- The Council considers that the applicant can make financial savings in other areas of expenditure or outgoings.
- The applicant's expenditure is considered unreasonable or excessive in any area.
- Payments can be rescheduled taking into account household disposable income.
- Where the situation can be resolved by some other legitimate means.

## **Amount and period of an award**

The period and amount of the award is at the discretion of the Council. This will be appropriate to the application.

The award will end at a predetermined fixed point. The fixed period will be communicated at the time of the award.

In determining the length of the award the Council will:

- Take into account the likelihood of a change of circumstances.
- Exceptional circumstances, as outlined in the objectives of this policy.

The Council may revise an award, either upward or downward at any point, if the applicant's circumstances change.

An award will be made by the application of a discount to the relevant Council Tax account.

## **Notification**

The council will aim to notify the applicant of the outcome of their application within fourteen days of receipt of all required information.

Where the application is successful, the Council will tell the applicant:

- The amount of the award.
- The period of the award.
- The reason for the award.
- The need to report changes of circumstances.

Where the request for a Discretionary Discount award is unsuccessful the Council will explain the reasons why the decision was made, and explain their right of appeal.

## **The right to appeal**

The Council will accept an applicant's written request for a decision to be reconsidered. The Council will operate the following procedure for dealing with requests for either the decision not to make an award or the amount of an award to be reconsidered:

- An applicant (or their representative) who wants an explanation of a decision may request one in writing within one calendar month of notification of the decision.
- An applicant (or their representative) who disagrees with a decision may ask for the decision to be reconsidered.
- Any request for a decision to be reconsidered must be made in writing or electronically, but must be made within one calendar month of the decision being notified to the applicant.
- Any request for a decision to be reconsidered must be made in writing or email.
- A request for a decision to be reconsidered must contain the reasons why the applicant does not believe the decision to be correct or the grounds on which they are aggrieved.
- Where it is apparent that the original decision was made without regard to a material fact, either because that information was not available at the time the decision was made or because the information was overlooked, then the decision will be revised accordingly.
- Where possible the Council will try to resolve the matter by explaining the reasons for the decision to the applicant or their representative in writing, and also verbally where appropriate.
- Where agreement cannot be reached, the Council will carry out a review of the decision. The officer carrying out the further review will not have been involved in the making of the original decision. The review will be suspended if more information is needed from the applicant.

The applicant will have one month to respond to the request for further information, thereafter the review will be undertaken on the information held.

If the Council decide that that the original decision should not be revised, the Council will provide full written reasons to the applicant.

Where the applicant remains unhappy with the outcome of their request, or where the Council has failed to come to a decision on the request as described above within two months, the applicant may then submit an appeal to the Valuation Tribunal.

## **5. Fraud**

The Council is committed to the fight against fraud in all its forms. Any applicant who tries to fraudulently claim an award might have committed an offence under the Fraud Act 2006.

If the Council suspects that fraud may have occurred, the matter will be investigated as appropriate and this could lead to criminal proceedings.

## **6. Publicity**

We will publicise this policy and provide information to relevant agencies, stakeholders and other Council services.

## **7. Monitoring**

The Council will monitor awards to ensure that the policy has been applied fairly and consistently.

The circumstances leading to an award will be monitored and analysed in order to formulate sufficient guidelines in future years.