

**APPENDIX 1**



# **Council Tax Support Discretionary Additional Relief Scheme**

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## Part I

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### Background & General Principles of the Scheme

Rossendale Borough Council is aware of its duties and powers in relation to section 13A of the 1992 Local Government Finance Act (as amended). These regulations allow billing authorities the discretion to award a reduction in Council Tax in individual cases. This scheme is intended to set some general guidelines for the proper consideration of requests for additional relief where customers are already in receipt of the maximum entitlement to Council Tax support.

The Discretionary Additional Relief Scheme will be made available to all persons liable to pay Council Tax, subject to eligibility and in receipt of Council Tax support, within the local authority area from 1<sup>st</sup> April 2013. Where there is no entitlement to Council Tax Support, the Council's existing guidance on discretionary relief will continue to be applied. This scheme will be published by 31<sup>st</sup> January each year and will be reviewed on an annual basis.

The Discretionary Additional relief Scheme will be administered by Rossendale Borough Council. The guidelines it contains are intended to satisfy the following principles:

- The reasonable application of discretion in respect of individual cases
- Consistency and fairness in application
- The need to consider, determine and award such relief as may be appropriate quickly enough for the scheme to be provide effective assistance

A customer will be expected to provide evidence in support their application form of any exceptional or unforeseen circumstances that will enable Rossendale Borough Council to justify any reduction. Any award will only be intended as short term assistance and will not be considered as a way of reducing Council Tax liability indefinitely. The scheme is not intended to mitigate the effects of the national reduction in funding for Council Tax support where no additional and exceptional factors apply.

Any application made under the Scheme should be one of last resort and any entitlement to council tax support, discounts or exemptions or Valuation Office/Valuation Tribunal action and appeal should be explored prior to an application being made. Evidence that these steps have been taken prior to the request will be required from the customer. Where any award is made and liability is subsequently reduced through a decision of the Valuation Office or Valuation Tribunal, or by any other statutory reduction, a review of the award will subsequently be made.

## Part II

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## Definition of Criteria

This framework is not intended to fetter the authority's exercise of discretion. However in order to ensure a consistent and reasonable approach some guidance on scenarios which might constitute hardship or exceptional/unforeseen circumstance is included here.

These may include, but are not limited to:

- A sudden change in circumstances such as loss of employment
- A reduction in income due to illness suffered by either the liable person or loss incurred so that they can care for a dependent
- The death of a partner or dependent
- Sudden increases in other expenses such as may be required due to a family member's illness or incapacity
- Where other financial support mechanisms have been exhausted

Rossendale Borough Council will make consideration of all relevant circumstances including any particular disadvantage which may be experienced as a consequence of being from a protected group (as defined in the Equality Act 2012) and resources. For example it may not be appropriate to attempt to alleviate hardship through the award of financial assistance where advice and assistance in accessing other additional available support may be of greater benefit.

General hardship can also be incurred from living on a very low income. It is difficult to determine when a person on a low income will qualify for additional support through the Discretionary additional relief scheme, however indicators may include:

- Unable to make payments for basic utilities such as water, electricity and heating
- Consistently exceeding overdraft limits
- Threat of homelessness
- Unable to pay for food
- In general terms where income is insufficient to meet essential costs, even where non-essential spending is disregarded

In making any determination of a customer's income and expenditure, the authority may disregard non-essential spending which might otherwise be directed towards essential spending. Examples of such spending include but are not limited to:

- Socialising (cigarettes/alcohol/dining out/cinema etc,)
- Non terrestrial TV subscriptions
- Internet
- Credit/store cards
- Costs related to Mobile/landline/line rental telephone use above a fixed threshold. This to be determined based upon the cheapest line rental/call charge costs available through major suppliers, reviewed annually.
- Unusual or excessive costs related to the running of a motor vehicle (in conjunction with the circumstances of the individual customer, such as)
  - Is the car required for work, how far is the distance travelled
  - Is the car an appropriate size for the requirements of the family
  - has the car been adapted for, or is necessary, for the mobility of a person with a disability

## Part III

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### Who can apply?

All persons liable to pay council tax and with an existing entitlement to Council Tax support can apply, these include:

- Owner occupiers
- Tenants
- Persons otherwise liable to council Tax as an occupier
- Any appointee on behalf of those persons included above

### Who cannot apply?

Any person not liable to pay council tax on a dwelling:

- Landlords of properties where the tenant is liable
- Estate agents/managing agents on behalf of a landlord
- Friends/relatives of the liable person (unless acting as an appointee)
- Lodgers or other residents who are not liable to pay council tax
- Support agencies (unless acting as an appointee)

### Individual applications

Applications to the Discretionary additional relief scheme will be accepted from individuals (or more than one person where both/each person is liable for the Council Tax on a single property or multiple properties). Each application will be taken on its own individual merits.

### Applying for Additional Relief

Application forms will be provided to claimants (Appendix 2). This form will be available online as well as on request. Once issued there is no deadline by which the form must be submitted but customers will be encouraged to apply as soon as possible.

Applicants will be expected to supply any information which the Council considers reasonable, in supporting a claim. Examples of information may include but are not limited to: bank statements, payslips, rent books, utility bills, etc.

### Backdating

There will be no backdating option within this scheme. Council Tax Hardship will be awarded from the date that the authority receives the application form. See amount and period of award for more details.

### Subsequent and multiple applications

Claimants may make subsequent applications once their award has expired or if their circumstances change again or worsen if they have previously been refused. There is no limit to the number of applications that can be made. However where a determination has been made to make an award for a fixed period, it is difficult to envision any circumstances where a further award will be made if all other circumstances, excepting the award itself, remain the same.

The authority will only accept one application at a time.

The authority is unlikely to continue to award a Discretionary additional relief award if the claimant has made no clear attempts to improve their circumstances.

### **Application from joint and severally liable parties**

Under Section 6 (2) of the 1992 Local Government Finance Act parties may be jointly and severally liable to pay Council Tax if they:

- Have an equal interest in the dwelling
- Are the partner of the person who comes first in the hierarchy of liability

Where joint and several liability arises through two persons living as partners, then either party or both may apply for discretionary additional relief and behalf of each other.

Where joint and several liability arises through equal interest, for example a joint tenancy, each party must make separate application; awards will be made based upon a proportionate share of the liability.

The award of any discretionary relief does not, and should not be considered to, have any effect upon the authority's statutory powers in collecting Council Tax from parties who are jointly or severally liable to pay Council Tax.

## **Part IV**

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

The intention of the discretionary additional relief scheme is to provide some short term assistance and must not be considered as a way of reducing Council Tax liability indefinitely.

Awards will therefore be granted with a defined amount and period.

The amount payable will be an amount less than or equal to the amount of Council Tax payable after all discounts and council tax support have been taken into account i.e. liability may effectively be reduced to zero for a defined period.

Additional relief will not be granted simply to subsidise or replace the existing policy on backdating of council tax support.

The period of relief will be determined having regard to:

- The period of liability to pay Council Tax
- The event or circumstance which supports the case for an award and how long this is likely to persist
- The timescales during which it is reasonable for the customer to seek assistance or otherwise ameliorate the conditions giving rise to underlying issues
- Any award will not act as a disincentive towards seeking or maximising employment
- No awards shall be made for a period of more than 6 months
- Where any award will apply to more than one financial year it will be reviewed as part of the annual billing process
- It is anticipated that awards will typically be made for a period of 6 months or less in respect of each application.

## **How will the discount be applied**

The reduction in liability will be applied to the person's council tax account and a revised bill will be issued – this award will not be given to the claimant as a sum of money. It is expected that a Council Tax reduction code will be used by back office processing systems.

## **Notification letters**

Notification letters will be sent to all claimants. Notification of decisions will be sent within 14 days of receipt of an application where practicable.

Letters sent to refuse an application will contain useful information about other sources of financial support. The letter will contain all reasons for refusing the application.

Notification letters sent to successful applicants must contain:

- The basis for the amount of the award
- The basis on which the period of the award is calculated.
- Notification to expect a revised bill to be sent separately

## **Part V**

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### **Appeals against Discretionary additional relief scheme decisions**

As a discretionary scheme there is no right to appeal against decisions made under the Discretionary additional relief scheme.

Applicants may request a reconsideration which will be processed by the Head of Service or suitably senior officer.

## **Part VI**

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### **Publication**

Details of the Discretionary additional relief scheme will be published on the authority's website and hard copies of the scheme policy/framework will be made available on request.

### **Budget monitoring**

Awards of discretionary additional relief will be monitored and quarterly statements of spend supplied to the s151 officer.

The Council will establish annual funding resources limited to £7,500 each year to support this discretionary scheme. Any unused resources will transfer back to the Council's general reserves at the end of each financial year.

## Appendix 1: Discretionary additional relief scheme Application Form

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### **Section 1: Your details**

Your Council Tax reference number (if you know it):

2

Your Title (Mr, Mrs, Ms, etc):

Your surname:

Your first name(s):

Your date of birth:

Your full address:

Postcode:

Preferred telephone number:

Email address:

Address of property for which this reduction is being applied:

Postcode:

**If someone else is helping you with this form, please give their details:**

Their surname:

Their first name(s):

Their full address:

Postcode:

Their preferred telephone number:

Relationship to you:

### **Section 2: about your current circumstances**

To help us make a decision we need information about your current financial circumstances and what in particular has caused you hardship. For each answer, if you have any documents to support the information you have provided, please provide it with this form. Originals will be returned to you.

Please answer each question with as much detail as you can.

Do you own any other properties? If so please provide the addresses:

Is the property occupied? If not by you, please provide the occupant's details:

What are the current circumstances which are causing you hardship?

How long do you expect these circumstances to continue?

What have you done to improve this situation?

Are you receiving financial assistance from any other source? If yes, please provide full details:

Please provide any additional information you think will support your claim:

**Section 3: statement of income and expenditure**

Please provide details of all people living with you:

Name

Date of Birth

Relationship to you


**Please provide details of all income for you and your partner if you have one:**

Type of income	You: £ per month	Your partner: £ per month
Wages		
Job seeker's allowance (JSA)		
Employment Support Allowance (ESA)		
Incapacity Benefit		
Housing Benefit		
Council Tax Benefit		
Income Support		
Working Tax Credits		
Child Tax Credits		
Child Benefit		
Pension Credit		
Saving Credit		
Maintenance payments		
Disability Living Allowance		
Universal Credit		
Any other benefit payments or allowances (please specify)		
Any other income (please specify)		
Any other financial assistance (please specify)		

***Please provide proof of all income listed above.***

Please provide details of all expenditure for you and your partner combined if you have one:

Type of expenditure	Amount per month
Rent	
Mortgage	
Council Tax	
Water Rates	
Gas	
Electricity	

Food/household expenses	
TV Licence	
Building and Contents insurance	
Telephone bills (including all mobile phones)	
Sky or cable television	
Internet or broadband	
Car payments	
Car insurance	
Petrol	
Other travel expenses	
Medication	
Clothing	
Credit cards	
Loans	
Store cards	
Hire purchase agreements	
Socialising (including cigarettes, alcohol, cinema, etc.)	
Child care	
Child maintenance	
Student loans	
Any other insurance (inc. life, ill health etc.)	
Any other expenditure (please specify below)	
1.	
2.	
3.	
4.	
<b>Total Expenditure:</b>	£

**Section 4: declaration**

I declare that the information I have given on this form is true and correct.  
 I understand that I may be subject to financial penalties if I supply false information when claiming a Council Tax reduction.  
 I authorise Rossendale Borough Council to make enquiries necessary to verify the details I have given on this form.  
 I agree to a variation in my Council Tax instalment scheme if I am awarded additional discretionary relief from Council Tax.  
 I agree that Rossendale Borough Council's assessment and decision is final

Your signature: \_\_\_\_\_  
 Date \_\_\_\_\_

