



# **BARNSLEY**

## **Metropolitan Borough Council**

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### **Council Tax Discretionary Relief Policy**

**2020/2021**

Council tax discretionary relief (CTDR) is a discretionary award to provide people with further financial assistance towards paying their council tax.

The Policy has been agreed by Cabinet and will be reviewed on an annual basis or as required in response to changes in legislation or the corporate outcomes of the Council.

There is no statutory definition of hardship. Each case will be considered on its own merits and relief will only be granted in the most exceptional circumstances. As the cost of any relief that is awarded is funded by the Council, there will be consideration of the interests of all council taxpayers and the wider impact of granting relief to support the Council's outcomes when making any awards.

#### **Purpose**

The purpose of the Council Tax Discretionary Relief Policy is to set out guidelines and criteria which the Council will consider when assessing applications for relief. This policy enables the Council to show that it is fair and consistent in its approach and also has flexibility to be able to consider individual circumstances in the decision making process.

This policy has been created to ensure that a level of protection and support is available to those people most in need. CTDR is intended to help in cases of extreme financial hardship which would be considered as hardship beyond which would normally be suffered.

#### **Legislation**

The Local Government Finance Act 1992 (Section 13A) gives local authorities the discretion to reduce part or all of the council tax liability where it is satisfied that the council tax charge payer would suffer hardship if it did not do so.

The legislation allows the Council to grant relief on a case by case basis or to specify a certain class of cases.

The following cases have been classified by the Council as eligible to claim CTDR:

### Barnsley Care Leavers

100% CTDR will be awarded to Barnsley Care Leavers living within the borough who are liable to pay council tax.

More detailed information about this relief is available at:

[www.barnsley.gov.uk/services/advice-benefits-and-council-tax/council-tax/council-tax-discounts/](http://www.barnsley.gov.uk/services/advice-benefits-and-council-tax/council-tax/council-tax-discounts/)

### Flood Victims

100% CTDR will be awarded for an initial 3 month period immediately after flooding has occurred at a property. The Council will maintain a list of persons and properties affected by flooding who will be eligible for the relief.

### Customers suffering extreme financial hardship

All customers suffering hardship will need to meet the qualifying criteria detailed below.

### Customers affected by COVID 19 suffering financial hardship

Customers who are suffering financial hardship as a consequence of COVID 19 will need to go through a hardship screening process initially (detailed in the Coronavirus appendix). Any subsequent claims for CTDR will then need to meet the qualifying criteria detailed below:

### Qualifying Criteria

Anyone who applies for CTDR must provide full details of their households income, capital and expenditure.

If the customer has more than £3000 in capital they will not be eligible to claim CTDR.

An assessment of the income and expenditure will be undertaken to determine if expenditure is higher than the income. Only cases where expenditure has been assessed as being higher than income will it be considered further.

Non-essential expenditure will not be included in the assessment. More details of what this could be can be found at [www.citizensadvice.org.uk/debt-and-money/help-with-debt/dealing-with-your-debts/work-out-which-debts-to-deal-with-first/](http://www.citizensadvice.org.uk/debt-and-money/help-with-debt/dealing-with-your-debts/work-out-which-debts-to-deal-with-first/)

If items of expenditure are considered to be unreasonably high then the Council will limit the levels in the assessment, in accordance with the Standard Financial Statement.

The customer may be asked to provide evidence of the income declared on the claim form.

If there is a shortfall then further consideration will be taken of the following factors in support of the claim:

- It has been shown that the customer is currently not able to meet their council tax liability in full or part;

- It has been demonstrated that all reasonable steps have been taken to make council tax payments prior to the application;
- There is evidence of exceptional hardship or exceptional personal circumstances to justify an award of CTDR;
- The customer has looked to maximise their income through the application for other welfare benefits; and
- All other reliefs, discounts, exemptions and discretionary payments have been considered and applications made if relevant.

Any award of CTDR is designed as a short term support and payments will only be made for a short term period.

### **Making an award**

Decisions in relation to awarding the relief will be made at the following level:

Award of Discretionary Relief	Benefits, Taxation & Income Senior Officer
Review of a decision	Benefits, taxation and income Manager
Complaint	Head of Service

A Benefits, Taxation and Income officer will make a decision as to an award based on the criteria set above. CTDR will only be awarded for a short term, fixed period depending on the nature and likely duration of the financial hardship. All awards shall cease at the end of the financial year if they haven't already ended on an earlier date. The period of the award shall be on a case by case basis.

The customer is required to inform the Council, as soon as reasonably practical, should they have a material change in their circumstances as this may affect the CTDR award. The list below gives examples and is not exhaustive. If any doubt they should contact the council for advice:

- An award of an additional benefit;
- An increase in wages;
- An increase or decrease in universal credit;
- A change in the number of people living in the household;
- Changes the amounts of capital/savings held.

### **Notification and Appeal**

The council will normally inform the customer in writing or electronically, if agreed, of the outcome of their application within 28 days of receipt of all information required. The notification will include the decision and details of any amount of relief to be awarded and the period to which it relates.

You may ask us to look again at our decision if you disagree with the following:

- A refusal to award CTDR;
- The decision on the amount of CTDR awarded;
- The period CTDR has been awarded for.

If you want us to look at the decision again you should complete a dispute form on-line by going to [www.barnsley.gov.uk/dispute-form](http://www.barnsley.gov.uk/dispute-form). This should be done within one calendar month of receiving the notification informing you of our decision.

The decision will be relooked at by someone different to the person making the original decision as outlined above. The claimant will receive a letter informing them of our further decision.

If you still remain unhappy with the decision there is a further right of appeal to the Valuation Tribunal. Details of how to do with will be provided in the letter we sent to you if it is decided not to change the original decision.

### **Overpayments**

The council will seek to recover any CTDR found to be overpaid because either:

- A misrepresentation or failure to declare a material fact either fraudulently or otherwise; or
- An error was made by the claimant when the application form was submitted.

An amended council tax bill will be issued to the customer to confirm the amount of the overpayment.

### **Fraud**

Where the Council believes that an attempt to secure CTDR has been done in a fraudulent manner then the Council will withdraw any award that has been made as a result of a false or fraudulent claim. An amended council tax bill will be subsequently issued.

### **Additional Information**

The Council will provide the customer with details of all financial help available to assist them in maximising their income and ensuring entitlement to all available benefits. They will also receive details of all local voluntary sector and other debt advice agencies that the customer can contact for help and advise with regard to managing their debts.

Author – Helen Briers – Benefits, Taxation and Income Manager 31<sup>st</sup> March 2020

