



COTSWOLD DISTRICT COUNCIL

Council Tax Exceptional Hardship Discretionary Policy

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1 Introduction

- 1.1 Since April 2013 each Local Authority has in place its own scheme for Council Tax Support. Unlike the Council Tax Benefit scheme the Local Council Tax Support scheme is not fully funded by Central Government and thus the onus is on Local Authorities to implement their own schemes. Whilst there is the need to have a local scheme there also needs to be some provision for those residents who do find themselves in ‘exceptional’ circumstances and require short term assistance to meet their Council Tax obligation. It is important to define what could be considered exceptional and in this instance it would be a situation that was not typical, was entirely unusual and only likely to happen very infrequently. It is envisaged that exceptional situations for the purpose of this scheme are likely to be things entirely out of the control of the Council Tax payer, such as flooding to a property as an example. It is therefore relevant to include those suffering severe financial hardship as a direct result of the Covid-19 global pandemic as this is an exceptional and unprecedented situation.

2 Legal Provision

- 2.1 Billing authorities have discretion under Section 13(1) (c) of the Local Government Finance Act 1992, as amended, to reduce the amount of Council Tax payable to individuals, or for classes of Council Tax payer. This includes the power to reduce the amount payable to nil.

3 Eligibility Criteria

- 3.1 The intention is for this scheme to be a last resort for exceptional situations and circumstances. It is not intended to replace any discounts, exemptions or Council Tax support awards. The Council will treat all applications on their individual merits, however some, or all of the following criteria should be met for each case:

- There must be clear, demonstrable evidence of financial hardship or exceptionally difficult personal circumstances that justifies a reduction in Council Tax liability
- The taxpayer must satisfy the Council that all reasonable steps have been taken to resolve their situation prior to the application
- The taxpayer must have applied for Local Council Tax Support – the scheme which ensures that those on low incomes receive financial support towards their council tax
- All other discounts and reliefs must have been applied to the Council Tax account
- The taxpayer does not have access to other assets that could be used to

pay council tax

- The Council's finances allow for a reduction to be made
- The situation and reason for the application must be out of the taxpayer's control
- The amount outstanding must not be as a result of wilful refusal or culpable neglect
- It is reasonable for the Council to award a reduction having regard to the interests of other local Council Tax payers who have to meet the cost of any relief granted
- An award can only be made for the Council Tax element of any charge, any court or enforcement agency costs applied to the account cannot be considered

5 Claiming discretionary hardship

- 5.1 Requests for a reduction in Council Tax must be made in writing from the taxpayer, their advocate/appointee or a recognised third party acting on their behalf. A designated application form will also be made available. The application should be supported by a full financial statement of income and outgoings and accompanied by any supporting evidence.
- 5.2 The application will be reviewed and considered having regard to each individual applicant's personal circumstances, the scheme guidelines, the content of the application and the evidence supplied in support of the application.
- 5.3 Awards will be made directly by way of a discount applied to the Council Tax bill

6 Decision Making

- 6.1 Individual applications will be determined by the Cabinet Member with responsibility for Finance in consultation with the Deputy Chief Executive acting in the role of Chief Finance Officer.
- 6.2 Applications which relate, or could potentially relate, to a class or classes of case (for example, a group of properties affected by flooding) will be determined by Cabinet following consideration of a report from the Deputy Chief Executive and the Cabinet Member responsible for Finance.

6.3 All decisions will be notified to the applicant in writing as soon as practicable, and the Council will normally determine applications within 6 weeks from receiving all required information.

7 Review of Decision

7.1 The Council Tax Discretionary Hardship scheme is administered in accordance with the Local Government Finance Act 1992, as amended, and as such, there is no right of appeal against the Council's use of discretionary powers.

8 Equalities

8.1 The Council is committed to equality and the fair application of the policy, ensuring that people receive fair outcomes in the standard of service they receive from the Council and equality of access to Council services. This policy is fully inclusive and could support all members of the community, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability in line with the principles set out in the Equalities Act 2010.

9 Fraud

9.1 The Council takes fraud seriously and has adopted a zero tolerance approach. All allegations of fraud will be investigated; should a person make a false statement or provide incorrect evidence in support of their application for discretionary hardship relief, they may commit a criminal offence. All such instances will be dealt with in accordance with the Anti-Fraud and Corruption Policy and any overpaid monies will be recovered together with any outstanding Council Tax.