

City of Wolverhampton Council
Council Tax Discretionary Discount Scheme Policy

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1. Introduction

- 1.1. Section 13A of the Local Government Finance Act 1992 provides councils with discretion to grant a discount in individual cases or to a prescribed classification of cases, Council Tax Discount Discretionary Scheme (CTDDS). The CTDDS can reduce up to 100% of the council tax charge and is met from Council resources.
- 1.2. This document sets out the Council's framework for exercising its discretion to award a CTDDS that will waive some, or all, of a council tax liability.

2. Categories of award

2.1. Hardship

- 2.1.1. Awards in this category will discount up to 100% of the council tax charge for people experiencing exceptional hardship or, through no fault of their own, a crisis that has made their property uninhabitable.
- 2.1.2. The circumstances in which this category of award will be considered and criteria for making an award are set out in appendix 1 of this policy.

2.2. Care Leavers

- 2.2.1. Awards in this category will discount up to 100% of the council tax charge for care leavers up to the age of 25.
- 2.2.2. The circumstances in which this category of award will be considered and criteria for making an award are set out in appendix 2 of this policy.

2.3. Overpayments of Council Tax Support

- 2.3.1. Awards in this category will remove the requirement for overpayments of council tax support to be repaid in limited situations.
- 2.3.2. The circumstances in which this category of award will be considered and criteria for making an award are set out in appendix 3 of this policy.

2.4. Long term empty property premium

- 2.4.1. Awards in this category will discount up to 100% of the long-term empty property premium, applied after a property has been empty for two years.
- 2.4.2. The circumstances in which this category of award will be considered and criteria for making an award are set out in appendix 4 of this policy.

3. Application process

- 3.1. Applications should normally be made in writing, or using the online application form, and include supporting evidence. If appropriate, the Council may ask for further information to support the application. If this is not provided within the timescale requested, a decision will be made based on the information already provided.

- 3.2. The application should normally be made by the person liable for council tax. However, a person acting on their behalf can apply if the customer is vulnerable and requires support. The applicant must provide their consent in these circumstances.
- 3.3. In the case of a care leaver, the Council will apply the CTDDS where its own records show that the conditions in appendix 2 are met.
- 3.4. In the case of an overpayment of council tax support, the Council will apply the CTDDS where its own records show that the conditions in appendix 3 are met.
- 3.5. The council will aim to process all applications within 20 working days and applicants will be notified of the decision in writing.

4. Period of award

- 4.1. Awards will commence from the date of application or the date on which the need for assistance arose.
- 4.2. Awards will end on either the last day of the current financial year or the date on which the need for assistance is considered to have ended, whichever is the earlier.
- 4.3. If an award is made and the customer has a change of circumstances which reduces or removes the need for CTDDS, they should inform the Council in writing within 14 days of the change in circumstances and the award may be reduced or recovered.
- 4.4. The award will end or be reduced if the Council determines any of the following:
 - The application was based in whole or part on a misrepresentation
 - The applicant has failed to disclose a material fact
 - The award was made as a result of an error
 - The applicant informs the Council of a relevant change in circumstances
 - The applicant fails to inform the Council of a relevant change in circumstances.
- 4.5. If the Council decides to end or reduce the award, it will notify the applicant of the decision in writing with reasons. The applicant may request a review of the decision in accordance with Section 5.
- 4.6. Any award that is deemed to have been granted incorrectly will be recovered from the council tax account or by invoicing the recipient.

5. Reviews and Appeals

- 5.1. Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.
- 5.2. If an application is refused the Council will provide a reason for refusal.
- 5.3. If the person wishes to challenge a decision to refuse to grant a CTDDS; the amount or period of the CTDDS, they must write to the Council requesting a review of its decision.

- 5.4. The request for a review should set out the reasons for disagreeing with the decision, include any supporting evidence and provide information stating the reason for a review against the decision.
- 5.5. If the person wishes to appeal against the decision, they must write to the Council stating the reasons for the appeal and include any supporting information and evidence.
- 5.6. The appeal will be considered by an officer independent of the original decision maker.
- 5.7. The applicant will be notified of the outcome of the appeal in writing within two months.
- 5.8. If the applicant remains aggrieved, or no response to the appeal has been given within two months, an appeal can be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council (or when that decision should have been received if no response has been made). Further details can be obtained from the Valuation Tribunal Service website <https://www.valuationtribunal.gov.uk/>

6. Fraud

- 6.1. The Council is committed to protecting public funds and ensuring funds are awarded to the citizens who are rightfully eligible to them. An applicant who tries to fraudulently claim an award from the council tax discretionary fund by falsely declaring their circumstances, providing a false statement or providing evidence in support of their application, may have committed an offence under The Fraud Act 2006.
- 6.2. Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

Hardship

1. A CTDDS may be made:
 - Where a person is experiencing significant hardship either because of the introduction of, or revisions to, the council tax support scheme. It is expected that a CTDDS will only be granted in exceptional circumstances
 - or
 - Where a person is experiencing significant hardship, but they do not meet the criteria under the Council Tax Support Scheme backdating rules, but they would otherwise have had an underlying entitlement to Council Tax Support during the relevant period
 - or
 - Where a person suffers unusual and significant misfortune and because of this any council taxpayer would consider it reasonable to provide financial assistance through a CTDDS.
 - or
 - To support people to meet their council tax liability where they can demonstrate significant hardship.
2. The Applicant may be expected to engage with the following:
 - seek specialist debt advice to help them to improve their financial situation;
 - and/or
 - Engage with appropriate advice to maximise their income through benefit entitlement and/or reviewing their existing commitments.
3. A CTDDS will be considered to meet some or all of the council tax liability for a period of time where the applicant is able to demonstrate significant hardship. It may be granted for any period considered to be reasonable and where the applicant's circumstances are long standing will be subject to a review before the end of that period to consider any changes. The period and amount of any CTDDS under this scheme will be at the discretion of the Council or in accordance with any specific scheme funded by the Government.
4. The application should relate to the current council tax year unless the liable person has recently received a council tax bill for a previous year. No award may be made in respect of future financial years.
5. Factors that may be considered include:
 - That there is an amount of council tax due to be paid;
 - Whether an alternative repayment is an appropriate remedy, such as extended repayment period; deferring or delaying repayment, such as on the successful sale of a property;
 - Evidence of hardship or particular personal circumstances;

- Whether any other occupants of the property could be expected to contribute to the council tax;
 - The applicant has taken reasonable steps to resolve their situation prior to their application i.e. has made efforts to access alternative source of support, claimed discounts, exemptions and any council tax reduction they may be entitled to;
 - Enforcing payment of the customer's full council tax liability would result in severe hardship e.g. insufficient money being available for their basic and essential needs such as housing, food, heating, lighting or medical needs;
 - Whether there has been a major incident which forces the customer out of the property such as a flood, storm damage or explosion;
 - Whether the circumstances satisfy the criteria set by the Government for any specific scheme;
 - Whether any award would be reasonable having regard to the interests of other council taxpayers.
6. Meeting the factors of significant hardship and/or having suffered an unusual or significant misfortune will not alone give an automatic entitlement to a CTDDS. The discretionary nature of this scheme will require consideration of individual circumstances based on supporting information to demonstrate exceptional hardship.
7. Where there is a severe weather event and the Government invokes their support plan, relief will be granted strictly in accordance with Government guidance. In assessing basic and essential needs the claimant's age, health and status will be taken into consideration.
8. A CTDDS would be considered to cover the following, however, this does not guarantee a CTDDS to cover the full council tax liability:
- The shortfall between the amount of daily council tax reduction awarded and the daily council tax liability
 - In the case of persons not in receipt of council tax reduction the CTDDS could be up to the amount of daily council tax liability but not exceed it.
9. A CTDDS will not be considered to cover the following:
- Court and bailiff costs applied to the account
 - Charges relating to empty homes that are normally rented out on a commercial basis.
10. No cash payments will be made. Any CTDDS will be credited to the council tax account.

Care Leavers

1. The council's Corporate Parenting Strategy gives a commitment to improving outcomes for looked after children and to narrowing the gap between them and their peers.
2. Awards in this category aim to assist those care leavers up to the age of 25 whose only support is the council, by reducing the barriers of living in the community, providing them with increased support and lifting them from poverty. It will support these care leavers to meet their council tax liability.
3. This category is effective from 1 April 2016; CTDDS cannot be backdated prior to this date.
4. A CTDDS will be applied of up to 100% of the council tax liability after any other discounts have been applied for any care leaver living in Wolverhampton until their 25th birthday.
5. For the CTDDS to apply, City of Wolverhampton Council must have been the Corporate Parent and held responsibility for the care leaver at the point the young person left care.
6. CTDDS can be backdated to the 1 April of the financial year in which either an application for a CTDDS is received or the council identifies that the conditions for the CTDDS are met. Where the liability started after the 1 April of that financial year, then the CTDDS will be awarded from the date the liability started.
7. Where other people are resident, the 100% CTDDS will still be granted, even where there are others that are jointly and severally liable with the care leaver.
8. If the person leaves Wolverhampton and returns, they will be entitled to the CTDDS for any period they are liable for council tax in Wolverhampton provided the other conditions are satisfied.

Overpayments of Council Tax Support

1. Council tax support may be reduced if the amount that has been assessed is found to be incorrect.
2. If the correction is backdated, an overpayment will be calculated resulting in an increased bill. Overpayments may also be referred to as 'reversals' or 'adjustments'
3. Most overpayments of council tax support are recoverable from the council taxpayer.
4. This policy allows the council to use its discretion not to require repayment of an overpayment of council tax support.
5. Awards in this category provide a CTDDS of up to the amount of any overpayment that:
 - Has resulted from an act or omission by an officer of the Council – an 'official error'
and
 - The claimant could not reasonably have known about it
and
 - The claimant did not contribute to.
2. The period of the overpayment covered under this policy is from the effective date of the correction up to the date that the correction is made.

Long Term Empty Property Premium

1. In addition to those criteria listed under hardship, the following will be considered:
 - Where the owner can clearly demonstrate ongoing and realistic efforts to sell or let their property over the last two years since it became empty
 - Where the owner is experiencing particular legal or technical issues which is preventing the sale or letting of the property.
 - Where the long-term empty property premium is already being charged and the new owner is being prevented from immediate occupation due to major repairs needed to make the property habitable. The new owner must themselves occupy the property within 3 months of purchase and then continuously for at least 6 months.
 - Where the owner is in negotiation with the Council with a genuine view to letting the property under the Council's scheme(s).
 - Whether collection of the charges could reasonably be deferred until the property is sold.