

# **Council Tax Discretionary Hardship Policy (Section 13A)**

September 2020



## Document Control

<b>Reference</b>	Council Tax Discretionary Hardship Policy (Section 13A)
<b>Date</b>	17 September 2020
<b>Author</b>	Alison McCulloch
<b>Date Policy comes into force</b>	18 September 2020
<b>Date of Agreement review (at least annually)</b>	Annually

## Version History

<b>Version No.</b>	<b>Date</b>	<b>Amendments Made</b>	<b>Authorisation</b>
V1	17.9.20	Original version	Alison McCulloch
V2	21.7.23	Amended wording for other languages – pages 7 & 8	Alison McCulloch

## **1. Introduction**

- 1.1 Section 13A (1)(c) of the Local Government Finance Act 1992 (as amended by Section 10 of the Local Government Finance Act 2012) allows the council discretionary powers to reduce the amount of Council Tax payable for individuals or for classes of council taxpayer.
- 1.2 The Council may choose to use these powers on an individual basis (eg: on the grounds of exceptional financial hardship) or to specify a class of use, where several council taxpayers may fall into a group due to similar circumstances (eg: severe flooding or fire damage).
- 1.3 The granting of a hardship payment is wholly discretionary and each case must be considered on its own individual merits.
- 1.4 There is a financial implication to awarding reliefs under Section 13A (1)(c) as the Council has to finance all such reliefs from its own funds. Awards must therefore meet the underlying principle of offering value for money to its Council Taxpayers.
- 1.5 The Council's Council Tax Support (CTS) scheme is also provided in accordance with Section 13A (1)(a) of the Local Government Finance Act 1992 but this scheme is independent of discretionary hardship relief.
- 1.6 As part of the measures of assistance in relation to Covid 19, the Government announced it would provide local authorities in England with a Council Tax Hardship Fund grant to support economically vulnerable people and households in their local area. This fund had expectations attached to it in that all recipients of working age council tax support (CTS) during the financial year 2020/21 would be entitled to a further reduction in their annual council tax of up to £200. This is fully funded from the Government grant and is outside of this discretionary hardship relief scheme.
- 1.7 Council Tax Hardship Fund payments have been awarded in accordance with Government guidance and are paid in order to reduce a council tax liability and are not made as a cash payment.
- 1.8 It is subject to amendment where the recipient's council tax support and/or council tax balance changes.
- 1.9 There is no application process for awards made in respect of the Council Tax Hardship Fund as the reduction will be applied automatically to reduce the edibility of working age council tax support recipients.

## **2. Care Leavers**

- 2.1 The council agreed, in September 2018 to introduce a further class discount to care leavers under the age of 25 years. This enabled care leavers who were living alone to complete a simple form which then enabled their care leaver status to be verified with the local authority who provided care.
- 2.2 A care leaver is defined as a young person aged 18 to 25 who was formerly a child in the care of the local authority and who then became a 'care leaver' as described in the Children Act 1989.

- 2.3 Where a care leaver is jointly liable for council tax a proportionate award will be made according to their individual circumstances eg: if a joint tenant then 50% will apply.
- 2.4 Care leavers who live with one other individual and reach the age of 18 then, in accordance with council tax legislation, become a liable person and must be counted for council tax purposes. Depending upon their circumstances they can, at that time, be entitled to a council tax disregard which would not affect the council tax payers bill. However, in some circumstances the council taxpayer can lose their 25% single person discount at this time. This policy will grant hardship relief to the council taxpayer to ensure they are not financially burdened by providing assistance to a care leaver. The care leaver will be required to complete the care leavers form (see Appendix C) which will then enable their care leaver status to be verified with the local authority who provided care and ensure the correct amount of hardship relief is awarded to the council taxpayer.

### **3. Classes of Locally Defined Discounts**

#### **3.1 Flooding**

The council agreed, in February 2014 to introduce a class discount where a dwelling has been affected by external flooding caused by extreme weather conditions and the occupier(s) have had to vacate the property for a period of time. This scheme is only applicable for the impact of flooding caused by extreme weather conditions where water comes into the property; it does not cover events such as flooding caused by burst water pipes etc.

If the occupier(s) have moved in with someone else or have had to occupy a temporary second property a 100% discount will be awarded against the flooded property for a maximum period of 12 months. This discount is also awarded where the occupier(s) have to stay in their property but move upstairs to live during the period of the repair works.

If the occupier(s) remain in the property affected by flooding and continue to live in it as they would normally do they do not qualify for this hardship relief.

If the occupier(s) are moving in with someone else, they will be required to supply an insurance or builders or surveyors report detailing the work required to be undertaken to make the property habitable again.

#### **3.2 Fire Damage**

Where a dwelling has been affected by fire and the occupier(s) have had to vacate the property for a period of time a class discount will be payable.

If the occupier(s) have moved in with someone else or have had to occupy a temporary second property a 100% discount will be awarded against the fire damaged property for a maximum period of 12 months

If the occupier(s) are moving in with someone else, they will be required to supply an insurance or builders or surveyors report detailing the work required to be undertaken to make the property habitable again.

## **4. Covid 19 Hardship Relief**

- 4.1 Applications for Covid-19 hardship relief will be considered where a council taxpayer has suffered financial hardship due to the impacts of the virus. An application form will be required to be submitted and this will be assessed on an individual basis.
- 4.2 A fund of £200,000 has been set aside from the Government Grant to enable these awards to be made but this will be on a first come first served basis and each award will be recorded against this fund.

## **5. Eligibility Criteria**

- 5.1 Relief will only be awarded in unforeseen or exceptional circumstances that threaten a council taxpayers' ability to fund the cost of council tax and may threaten their ability to remain in their home.
- 5.2 All applications will be treated in a fair, consistent and equal manner.
- 5.3 The applicant must be liable for council tax at the property in respect of which the application is made.
- 5.4 Reductions under the scheme will apply for a temporary period only and will only be awarded in respect of the financial year in which the application is made and will apply for that financial year only. In exceptional circumstances only an award may be considered for a previous year.
- 5.5 Eligibility for all other discounts, exemptions and council tax support will be explored before any relief under this policy is considered.
- 5.6 Where an application is due to severe financial hardship the applicant may be expected to accept personal budgeting support from an independent advice agency to enable them to manage their finances more effectively.
- 5.7 Reductions made under this scheme reduce the council tax liability and will not be made as a cash payment.
- 5.8 Relief will not be awarded where the amount outstanding is as a result of wilful refusal or culpable neglect to pay by the council taxpayer.

## **6 Consideration of Applications**

There is no statutory definition of hardship and therefore each application will be considered on its own merits having regard to the following:

- the applicants personal circumstances
- the applicants evidence of hardship
- the applicants not having access to assets or savings that could be realised to pay the council tax
- that reasonable steps have been taken to seek independent debt advice
- any other eligible discounts, reliefs or exemptions that could be awarded
- the council tax account and if it is in arrears the Council must be satisfied that non-payment is not due to wilful refusal or culpable neglect.

- the council will only pay hardship relief in respect of the main home occupied by the council taxpayer (annexes and/or second homes will not be eligible for relief)

## **7 Applying for Section 13A Relief**

- 7.1 An application form (see Appendix A) must be submitted for consideration along with a financial statement of all income and expenditure (see Appendix B)
- 7.2 Care leavers will be expected to complete an application form (see Appendix C)
- 7.3 All supporting evidence of income and expenditure must be provided eg: loan arrangements and expiry dates
- 7.4 Any additional evidence requested by the Council will be provided otherwise the claim will not be considered
- 7.5 Council taxpayers will be expected to make contact with external agencies for assistance eg: Citizens Advice, Money Advice etc.
- 7.6 If an applicant requires assistance in completing the form they will be referred to Citizens Advice

## **8 The Award**

- 8.1 The council will decide how much to award based on all the applicants' circumstances and it will be at the council's discretion.
- 8.2 The applicant does not have a statutory right to a payment.
- 8.3 Awards made under this scheme are subject to a statutory appeals process however, prior to this action being taken, in the interests of fairness, the Council will operate an internal review procedure for appeals.
- 8.4 All applications will be assessed by a Senior Officer in the Revenues team and recommendations made to the Section 151 Officer.
- 8.5 All decisions will be made by the Section 151 Officer as delegated under delegated powers of the council.

## **9. Payment of an award**

All awards will be made by crediting the award value to the council tax account to which it applies. The relief will only be paid to a maximum of the end of the tax period to which it is claimed and will not automatically continue to reduce a future year's liability as it is a short term assistance only and should not be considered a way of reducing the council tax long term.

## **10. Right of Appeal**

- 10.1 Section 13A awards are administered under the Local Government Finance Act 1992 and are subject to a statutory appeals process. However, in the first instance the council will accept a taxpayer's request for a reconsideration of a decision where the council has not awarded a discretionary relief or where the taxpayer feels the award should be increased.

## 10.2 Requests for an appeal should:

- Be made in writing
- Be received within 21 days of receipt of the initial decision notice
- Be signed by the applicant or their representative
- Include full reasons and evidence for the appeal

Decisions on appeals will be made by the Chief Executive in collaboration with the Leader of the Council and their decision will be final.

## 11. Overpayments

If the council becomes aware that the information contained in an application for Section 13A relief was incorrect or that relevant information was not declared either intentionally or otherwise, the council may seek to recover the value of any award made as a result of that application. The award will be removed from the council tax account and any resulting balance will be subject to the normal methods of collection and recovery applicable to such accounts.

## 12. Fraud

The council is committed to the fight against fraud in all its forms. Any applicant who tries to fraudulently claim a Section 13A relief might have committed an offence under the Fraud Act 2006 and the matter will be investigated and dealt with appropriately. This could lead to criminal proceedings.

## 13. Monitoring

The council is committed to its responsibility to equality and fairness and will ensure that people are treated fairly and given fair chances. The scheme aims to give the fairest outcomes to everyone regardless of race, gender reassignment, age, disability, religious beliefs, sex or sexual orientation.

This policy will be monitored and reviewed to ensure it has been applied fairly and consistently.

**For further information please contact the Council Tax Section on  
01427 676566**

If you would like a copy of this in large, clear print, audio, Braille or in another language, please call 01427 676676

За повече информация пръстен 01427 676676

Lai iegūtu vairāk informācijas gredzenu 01427 676676

Norēdami gauti daugiau informācijas ūiedo 01427 676676

Aby uzyskać więcej informacji na 01427 676676

Pentru mai multe informații inel 01427 676676

За више информација назовите 01427 676676

Para más información llama 01427 676676

لمزيد من المعلومات اتصل على 01427 676676  
Para mais informações ligue 01427 676676  
欲了解更多信息，请致电 01427 676676

Guildhall, Marshall's Yard  
Gainsborough, Lincolnshire DN21 2NA  
Tel: 01427 676676 Fax: 01427 675170  
DX 27214 Gainsborough



**Appendix A**



Guildhall  
Marshall's Yard  
Gainsborough  
DN21 2NA  
Telephone: (01427) 676676  
Fax: (01427) 675173  
Web: www.west-lindsey.gov.uk

**APPLICATION FOR COUNCIL TAX REDUCTION UNDER SECTION 13A OF  
THE LOCAL GOVERNMENT FINANCE ACT 1992**

**Please note that if a joint bill has been issued then the application must also be made in joint names.**

Council Tax Account Reference Number:
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Name of Applicant(s)
----------------------

Telephone Number
------------------

Email Address
---------------

Contact Address
-----------------

Address of property for which relief is being claimed
---

Owners Name(s)
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Is the property currently vacant?

Yes  No

What is the value of equity in the property?	£
--	---

Is the property currently marketed for sale?

Yes  No

Please provide details of marketing agent/estate agent for this property
--

Is the property currently marketed for rent?

--

Yes

No

Please provide details of marketing agent/estate agent for this property

Please provide details of any other properties or land owned by yourself and value of any rental income you are in receipt of

If you have left a property empty to move to more suitable accommodation or to receive or provide care due to old age, disablement, illness, alcohol or drug misuse or mental disorder then please provide details below

Please provide the detailed reasons why you are applying for a reduction in Council Tax. This should fully explain the circumstances that are creating financial difficulty and how long you expect these circumstances to continue

Has an application for Council Tax Reduction been made?

Yes

No

Are you receiving financial assistance from any other source?

Yes

No

Please provide details

Have you approached any organisation to assist with your current financial situation such as Citizen Advice Bureau / Money Advice etc.?

Yes

No

Please provide details

Please provide details of any stocks/shares/savings/ money you may have or money you are owed

Please provide any additional information you may wish to provide in support of your application

Your application will not be processed unless the enclosed financial information sheet is completed and returned.

All applicants must provide documentary evidence in support of their claim. At a minimum these should include the following:

- Confirmation of all income received
- Bank statements
- Any additional information to support the application
- Written details of any savings/stocks/shares

I declare that the information I have given on this form is complete and accurate, to the best of my knowledge.

I understand that a copy of this form may also be sent to Lincs2Advice who may be able to offer me further advice and assistance.

I also understand that whilst this application for relief is pending I am not entitled to withhold payment of the council tax due to the council.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Full Name (please print): \_\_\_\_\_

**West Lindsey District Council Privacy Notice**

To find out more about why we need your information, what we will do with it and how to contact us if you have any concerns or questions please read our 'privacy notice'

<https://www.west-lindsey.gov.uk/privacy/>

For Revenues specific concerns or questions please read our Revenues Privacy Notice

<https://www.west-lindsey.gov.uk/privacy/revenues-privacy-notice/>

If you require a written copy of either of these statements please contact the Customer Service team on 01427 676676

**Please return your completed form to  
West Lindsey District Council, Guildhall, Marshall's Yard, Gainsborough, Lincs.  
DN21 2NA**

**Appendix B**



Guildhall  
Marshall's Yard  
Gainsborough  
DN21 2NA  
Telephone: (01427) 676676  
Fax: (01427) 675173  
Web: [www.west-lindsey.gov.uk](http://www.west-lindsey.gov.uk)

**Council Tax – Financial Statement for Section 13A Application**

Council Tax Account  
Reference Number:

Name of Applicant:

Address:

Income	Amount	Weekly/Monthly
Wages	£	
JSA/Income Support	£	
Working Tax Credit	£	
Disabled Tax Credit	£	
Child Tax Credit	£	
Retirement Pension	£	
Works Pension	£	
Guaranteed Pension Credit	£	
Savings Credit	£	
Child Benefit	£	
Incapacity Benefit/ESA	£	
Maintenance	£	
Non Dependant Contribution	£	
DLA	£	
Any other Income	£	
Total Income	£	

Expenditure	Amount	Weekly/Monthly
Rent/Mortgage	£	
Council Tax	£	
Water Rates	£	
House Insurance	£	
Gas/Electricity/Fuel	£	
Housekeeping	£	
Telephone/Mobile	£	
TV Rental	£	
TV Licence	£	
Travel Expenses	£	
Car Running Costs (Petrol, Oil)	£	
Car insurance	£	
Car Tax	£	
Car Repayments	£	
Catalogues	£	
Loans		
Credit Card/Store Cards	£	
Hire Purchase	£	
Fines	£	
Child Care	£	
Clothing	£	
Other Expenses (please detail)	£	
Total Expenditure	£	

**WARNING:** Deliberately giving false information could lead to prosecution.

**Declaration**

I declare that the information I have given on this form is complete and accurate, to the best of my knowledge and belief.

I understand that failure to supply or giving false information is an offence for which a penalty may be imposed. I also understand that I must inform the Council Tax Section as soon as there is any change in my circumstances.

Signed

Dated

**Appendix C**



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Marshall's Yard  
Gainsborough  
DN21 2NA  
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Fax: (01427) 675173  
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**APPLICATION FOR COUNCIL TAX CARE LEAVERS – DISCRETIONARY  
REDUCTION UNDER SECTION 13A OF THE LOCAL GOVERNMENT FINANCE  
ACT 1992**

In order to be considered for a discretionary reduction the person must be a care leaver under the age of 25 years who is paying Council Tax. To apply, either the care leaver or liable person must complete the details below and return to us via email or post. Our contact details are shown above.

Title	
First Name	
Middle Name	
Last Name	
Date of Birth	
Address and Postcode of the address you will be moving to or are living at	
Date moved in	
If you have moved please provide the previous address	
Email Address	
Telephone Number	
Local authority that looked after you	
Name of Support Worker	
Contact details of Support Worker	

## Declaration

I declare that the information I have given on this form is complete and accurate, to the best of my knowledge and belief.

I understand that failure to supply or giving false information is an offence for which a penalty may be imposed. I also understand that I must inform the Council Tax Section as soon as there is any change in my circumstances.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Full Name (please print): \_\_\_\_\_

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