

**Folkestone & Hythe  
District Council  
Council Tax  
Section 13A  
Discretionary Relief Policy**



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## **1 Background**

- 1.1 Under s.13A of the Local Government Finance Act 1992 a local authority has the power to reduce the amount of Council Tax due 'as it sees fit.' This section (as amended by the Local Government Finance Act 2012) also allows a local authority to create a 'scheme' to reduce the Council Tax for persons or a class of persons that it considers being in financial need.
- 1.2 The cost of any reduction awarded under Section 13A(1)(c) must be met in full by Folkestone & Hythe District Council. Decisions whether to award a reduction under Section 13A(1)(c) will be on a case-by-case basis.
- 1.3 Applications will only be granted in exceptional or unforeseen circumstances that threaten a taxpayer's ability to discharge their liability for Council Tax and may threaten their ability to stay in their home. It is a pre-requisite that other eligible discounts, reliefs and exemptions have been considered and exhausted. In these circumstances, Folkestone & Hythe District Council will give consideration to reducing Council Tax liability for any applicant within the local area.
- 1.4 From time to time, national schemes may be introduced by Government in response to events or natural disasters, such as flooding. In these cases, funding is normally met in full by Government and such schemes will be administered in accordance with instructions and guidance set out by Government.

## **2 Equalities**

- 2.1 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 received 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.
- 2.2 It should be noted that this Policy is intended to help in cases of extreme financial hardship and not support a lifestyle or lifestyle choice.

## **3 Purpose of the Discretionary Relief Policy**

- 3.1 The purpose of this policy document is to specify how Folkestone & Hythe District Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if a Discretionary Relief award can be made.

3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in both accessibility and also decisions made.

#### **4 The Discretionary Relief process**

4.1 An application for a reduction of Council Tax liability can be made by the Council Tax payer, an appointee or an authorised third party.

4.2 As part of the process of applying for additional support, all applicants must be willing to undertake all of the following:

- Detail the exceptional circumstances for which the reduction is being requested including any hardship or personal circumstances relating to the application;
- Provide full details of their income and expenditure;
- Where a person is self-employed or a director of a private limited company, provide details of their business including supplying business accounts;
- Accept assistance from either the Council or third parties (such as Citizens Advice Bureau or Money Advice Service) to enable them to manage their finances more effectively - including the termination of non-essential expenditure and assessment of the potential for additional paid employment where applicable;
- Identify potential changes in payment methods and arrangements to assist them;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and by identifying the most economical tariffs for the supply of utilities and services generally.
- Give details of the amount of reduction being requested and the period of time it is being requested for;
- Supply any other evidence that is relevant to the application.

4.3 Through the operation of this policy the Council will look to:

- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
- Help applicants through personal crises and difficult events that affect their finances;
- Help those applicants who are trying to help themselves financially; and
- Encourage applicants to contact the Job Centre to obtain and sustain employment if possible to do so.

4.4 A Discretionary Relief award will not be considered in the following circumstances:

- For any other reason, other than to reduce Council Tax liability;
- Where the Council considers that there are unnecessary expenses/debts etc and that the applicant has not taken reasonable steps to reduce them, for example, exploring the possibility of moving to a more suitable affordable property, cancelling or reducing TV streaming services and reducing car finance payments where possible; or
- To pay for any arrears of Council Tax Reduction caused through the failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly.

## **5 Awarding Discretionary Relief**

5.1 The Council will decide whether or not to make a Discretionary Relief award, and how much any award might be. As outlined above, in exercising its discretion, Folkestone & Hythe District Council shall have regard to this policy document and the considerations set out within it.

5.2 When making this decision the Council will consider:

- If a Discretionary Housing Payment has already been awarded to meet a shortfall in rent or Financial Support Payment has already been awarded to meet a shortfall in Council Tax (where appropriate);
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner any dependants and any other occupants of the applicant's home;
- The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- Shortfalls due to non-dependant deductions;
- The income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home;
- All income received by the applicant, their partner and any member of their household irrespective of whether the income may fall to be disregarded under the Council Tax Reduction scheme;
- Any savings or capital that might be held by the applicant, their partner and any member of their household irrespective of whether the capital may fall to be disregarded under the Council Tax Reduction scheme;
- Other debts outstanding for the applicant and their partner;
- The exceptional nature of the applicant and/or their family's circumstances that impact on finances, and
- The length of time they have lived in the property.
- Whether or not the actions of a customer have contributed to any increased costs such as car insurance premiums.

- 5.3 The above list is not exhaustive and other relevant factors and special circumstances will be considered.
- 5.4 Applicants are encouraged to make prompt applications as refunds on paid balances are unlikely to be given.
- 5.5 Decisions on eligibility (or not) for an award will normally be made by a Council Tax, Benefits & Welfare Team Leader or Manager. The applicant will be notified of the decision in writing and where the reduction is refused or not fully awarded, an explanation of the reasons why will be given.
- 5.6 Applications where the applicant has failed to provide information within the timescales provided will be refused.
- 5.7 The amount of reduction awarded will take into account the level of arrears or Council Tax charge and the extent to which the criteria or guidelines are met.
- 5.8 Applicants requesting a Section 13A(1)(c) reduction to be backdated for previous years will be dealt with in the same way as applications for the current year and they will have to demonstrate that the financial hardship existed during the period requested.
- 5.9 Relief will be cancelled if:
- The applicant ceases to be the Council Tax payer;
  - The property becomes empty or becomes occupied, or all or part of the unoccupied area becomes occupied;
  - The use of the property changes;
  - The applicant's financial circumstances change;

It is the responsibility of the applicant to advise us of any changes.

- 5.5 An award of Discretionary Relief does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

## **6 Publicity**

- 6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

## **7. Applying for Discretionary Relief**

- 7.1 As the discretion under s.13A is very wide there is no formal application process to be followed and there is no statutory necessity to complete a formal application form. In exercising its discretion, Folkestone & Hythe

District Council shall have regard to this policy document and the considerations set out above.

- 7.2 Details to be provided to the Council are set out in this policy under section 4.2.
- 7.3 In some cases the Council may use information held to make an award in the absence of an application form.
- 7.4 Applicants can request assistance from the Council Tax, Benefits & Welfare service at the Council.
- 7.5 In most cases the person who applies for the Discretionary Relief will be the person entitled to Council Tax Reduction. However, an application can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

## **8. Duties of the applicant and the applicant's household**

- 8.1 A person claiming a Discretionary Relief is required to:
- Provide the Council with such information as it may require to make a decision; and
  - Tell the Council of any changes in circumstances that may be relevant to their ongoing award within 21 days of the change.

## **9. Changes in circumstances**

- 9.1 The Council may revise an award of Discretionary Relief where the applicant's circumstances have changed which either increases or reduces their Council Tax Reduction entitlement.

## **10. The award and duration of a Discretionary Relief**

- 10.1 Both the amount and the duration of the award are determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of the application.
- 10.2 The start date and duration of any award will be determined by the Council.
- 10.3 Any Financial Support Payment award will be made direct onto the taxpayer's Council Tax account, thereby reducing the amount of Council Tax payable.

## **11. Overpaid Discretionary Relief awards**

- 11.1 Overpaid Discretionary Relief awards will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable. Overpayments may occur as a result of misrepresentation or a change in circumstances.

## **12. Notification of an award**

- 12.1 The Council will notify the resident of the outcome of their application for Discretionary Relief in writing via email or post.

## **13. Appeals**

- 13.1 Discretionary Reliefs are granted under Section 13A (1) of the Local Government Finance Act 1992, as such the normal Council Tax appeal process applies and an appeal can be made at any time. The initial appeal should be made to the Council who will review any decision. Ultimately any decision can be considered by an independent Valuation Tribunal.
- 13.2 The outcome of the appeal will be set out in writing, detailing the reasons for the decision or upholding the original decision.

## **14. Fraud**

- 14.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.
- 14.2 An applicant who tries to fraudulently claim a Discretionary Relief by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.
- 14.3 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.

## **15. Complaints**

- 15.1 The Council's Complaints Procedure (available on the Council's website) will be applied in the event of any complaint received about the application of this policy.

## **16. Policy review**

- 16.1 This policy will be reviewed in line with any changes in legislation and as a minimum on an annual basis. Minor alterations to the policy will be approved by Folkestone & Hythe District Council's Corporate Services Director or Chief Financial Services Officer in consultation with the Cabinet Member responsible for Finance & Governance. Any substantive alterations to the content of the policy will be approved by Cabinet.

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