

# LCC Council Tax Discretionary Relief Policy 2023-24

## **1. What is the Council Tax Discretionary Relief (CTDR) scheme?**

This scheme helps to support local Council Tax charge payers experiencing financial hardship under section 76 of the Local Government Act 2003 and section of the 13A Local Government Finance Act 1992. Applicants must demonstrate that they require further financial assistance and satisfy the full eligibility criteria.

## **2. What are the main features of the scheme?**

2.1 This Policy aims to operate a Council Tax Discretionary Relief scheme to support local Council Tax charge payers experiencing financial hardship under section 76 of the Local Government Act 2003 and section of the 13A Local Government Finance Act 1992. Applicants must demonstrate that they require further financial assistance and satisfy the full eligibility criteria. The principles of the scheme are listed below.

2.2 Relief is primarily intended as short-term assistance as opposed to a long-term reduction in Council Tax liability. The Council has discretion as to whether to award Council Tax Discretionary Relief, but will make its decisions in accordance with principles of good decision-making; in particular, it will act fairly and reasonably. Each case will be considered on its own merits with regard to all the relevant circumstances.

2.3 If the Council decides to award Council Tax Discretionary Relief, it has discretion as to the amount of the award, provided that the claimant's need for financial assistance arises in respect of a liability to pay their Council Tax. The award cannot be more than the claimant's weekly liability.

## **3. Am I eligible for support?**

Claims for Council Tax Discretionary Relief under this scheme should be one of last resort. Applicants will be expected to have explored and secured any lawful entitlement to other benefits, incomes and reductions in preference to claiming Council

Tax Discretionary Relief. Applicants will need to ensure they are able to satisfy the Council that they have taken all reasonable steps to resolve their own situation prior to application.

#### **4. Are my personal circumstances taken into account?**

5.1 In order to apply for a Council Tax Discretionary Relief, a charge payer must have a Council Tax liability and:

- be in receipt of a Leicester City Council Tax Reduction; and/or,
- be in receipt of Universal Credit (UC); and/or,
- require further financial assistance; and/or,
- suffer hardship through an extreme event or natural disaster where their main or sole residence has structural damage, which could not reasonably have been rectified within the normal period of exemption (see below)

#### **6. How do I apply?**

6.1 Applications to the Council for a Council Tax Discretionary Relief can be made in the following ways:

- a) by calling the Revenues & Benefits Service on 0116 454 1006;
- d) by visiting our website: [www.leicester.gov.uk/dhps](http://www.leicester.gov.uk/dhps) to make an application
- c) by emailing [housingbenefits@leicester.gov.uk](mailto:housingbenefits@leicester.gov.uk) for further assistance

6.2 Applications may be made by a claimant; someone else on the claimant's behalf; or, by their representative with authority to act on their behalf i.e. Power of Attorney; Appointee; or any other authorised third party representative.

6.3 The claimant must provide the Council with all supporting information and documentary evidence, as required, to enable the application to be assessed.

6.4 Applications may be made by a claimant or someone else on the claimant's behalf. The Council will accept referrals by email from:

- a) Leicestershire County Council, Leicestershire District Councils; and, Rutland Unitary Authority on behalf of Leicester City residents;

- b) Leicestershire and Rutland Combined Fire Authority;
- c) Leicestershire Policy Authority.
- d) third sector organisations i.e. Citizen's Advice Bureau;
- e) Leicester City Council internal partners i.e. Welfare Rights Service; Adult and Children's Services;
- f) a third party to whom it might be appropriate.

## **7. How will I be paid?**

7.1 The Council will usually consider an award from the date the application is received. However in exceptional circumstances consideration will be made for a request to backdate to an earlier period should sufficient good cause be shown to warrant an additional award for a prior period.

7.2 If a backdate is considered the date of an award of a Council Tax Discretionary Relief will not usually exceed 52 weeks prior to the date of application or from the date liability was established whichever is the earlier.

7.3 The award in general is designed to give temporary assistance, and the Council would not normally grant the relief indefinitely, however, each case would be considered on its own merits and the length of the award determined on that basis.

7.4 The relief will normally cease at the end of a financial year unless an earlier date is specified. A claimant is not prevented from reapplying for a further award in subsequent years.

7.5 The award of Council Tax Discretionary Relief will be made based on the net liability after any discounts, exemptions and reductions have been applied to the Council Tax account.

7.6 If it is subsequently identified that a reduction has been awarded as a result of false or fraudulent information, the Council reserves the right to withdraw the award and recover the resulting sum due. The Council also reserves the right to prosecute

the applicant for false representation under the Local Government Act 1972, section 222.

7.7 The Council may make single payment in the form of a reduction from the Council Tax account. Where the account is in credit, a refund may be made to:

- a) the claimant; or,
- b) his or her partner; or,
- c) an appointee; or,
- d) to a third party with the written permission of the claimant.

7.8 Council Tax Discretionary Relief may be paid using the following methods:

- by crediting the customer's Council Tax account;
- (n.b. - payment will usually be a one off credit);
- by cheque, if the Council Tax account has been paid in full or is in credit.

## **8. Will I be offered help to improve my financial position?**

8.1 The Council will ask you to seek help to tackle your financial crisis. We will offer you free budgeting and financial advice to fully assess your personal and financial circumstances with Citizens Advice LeicesterShire.

8.2 You can choose to seek advice from another accredited financial advisor to fully assess your personal and financial circumstances.

8.3 If you seek further financial advice from discretionary funding and have received any help, you may not receive further financial assistance.

## **9. How will I be notified of the decision?**

9.1 The Council will provide a written notice of its decision to the applicant or their representative. The decision notice will set out:

- a) the amount of the award (if any);
- b) the period of the award (if any);

- c) provide a summary of the factors considered in reaching the decision;
- d) provide details of how to request a review or obtain more information about the decision;
- e) provide details of how the award (if any) will be made. This will be in the form of a credit on to the council tax account.

9.2 On the provision of all satisfactory requested information, a decision will be made, where practicable, within 14 working days.

## **10. What do I need to do after I have been awarded CTDR?**

10.1 A claimant who is in receipt of Council Tax Discretionary Relief must inform the Council in writing or by email about any relevant changes in circumstances occurring after the application has been made, which may affect the continuation of the award. In particular the claimant must tell the Council about any of the following changes for themselves, their partner or any non-dependent in their household within one calendar month of any change:

- a) entitlement and payment of housing benefit;
- b) address;
- c) income and capital;
- d) employment status and earnings;
- e) outgoings;
- f) availability of other financial assistance;
- g) household composition;
- h) entitlement to any other benefits including disability related income and Universal Credit;
- i) compliance activity stipulated in the award notice.

10.2 This list is not exhaustive. Recipients are advised to contact the service if they require clarification. If in doubt they are advised to tell us.

10.3 Any changes must be reported in writing to the Council directly as soon as possible and must be reported by letter, or email within one month. Notification of

changes to the Department for Work and Pensions for welfare benefit purposes is not sufficient to obviate this responsibility.

## **11. What can I do if I want the decision to be reviewed?**

11.1 Claimants may request the Council looks again at the decision within one calendar month of the decision notice where:

- a) they have not been awarded Council Tax Discretionary Relief; or,
- b) where they feel the award should be increased;
- c) they disagree with the period of the award;
- d) they disagree that the award has been reduced;
- e) they disagree with the recovery of an overpayment.

11.2 Requests for review must be:

- a) submitted in writing;
- b) addressed to the Head of Revenues and Benefits;
- c) received at the Council offices within one calendar month of the date of the decision notice;
- d) signed by the claimant, their appointee or agreed third party representative;
- e) outline the reasons for review, providing any new evidence required.

11.3 Applicants will not have the right of review:

- a) where their request is received by the Council more than one calendar month after the date of the decision notice; unless good cause can be shown for the delay; or,
- b) where the Council has already made a determination of a previous request for review in respect of the matter; unless significant new information is identified; that would have a direct bearing upon the original decision; or,
- c) for any day on which they have already received 100% discount or exemption.

11.4 Any request for review of the decision under this scheme will be determined within one calendar month of receipt of the request or as soon as reasonably practicable.

11.5 Any review will be considered on its own merits, in the light of all relevant circumstances at the time (as described in the eligibility guidelines part 4).

11.6 The review request must give the reasons why the applicant considers the original decision should be amended, and may include new or additional information relevant to the request to change the original decision. The Council may require further supporting evidence to be provided.

11.7 The reviewing officer (who will not be the original decision maker) will review the original decision. The outcome of the review request will be notified to the claimant normally within one calendar month of its receipt or the receipt of the supporting information.

11.8 If a customer disagrees with the decision, the only statutory avenue open to challenge such decisions is through judicial review. The High Court may be asked to consider whether the Council has acted within its powers.

## **12. How does Leicester City Council prevent fraudulent claims for the CTDR scheme?**

12.1 If you falsely declare your circumstances, provide a false statement or provide false evidence in support of your application, you may have committed an offence under the Fraud Act 2006.

12.2 Leicester City Council will investigate allegations of fraud and retains the right to prosecute such cases under section 222 of the Local Government Act 1972.

## **13. Are the application form and this document accessible in other formats?**

10.1 If you would like a hard copy or large print version please contact Leicester City Council on 0116 454 1006 or via email at [SDIO@leicester.gov.uk](mailto:SDIO@leicester.gov.uk) or by post at the following free post address: Freepost RTRE-HTRJ-CSSJ, Service Improvement Team, Leicester City Council, Revenues & Benefits Department, York House, 91 Granby Street, LEICESTER, LE1 6FB.

## **Appendix A: Background and Legislative Framework**

### **1. Background**

1.1 Leicester City Council has updated its Council Tax Discretionary Relief policy to ensure that the most vulnerable members of the community are protected in line with the requirements of the Government's localisation of benefits, which replaced the previous Council Tax Benefits system from 1st April 2013.

1.2 The Council has updated the policy to offset the most severe impacts of these reforms on vulnerable persons (placing particular reference to protected characteristics) who face exceptional financial hardship. The relief will reduce the Council Tax payable after taking into account eligibility for any national benefits, discounts, reliefs and exemptions. The relief can be applied to an individual or to a defined class of cases such as in a fire or flood situation for a district of the city.

1.4 The scheme is locally funded, but will seek a contribution from precepting authorities to offset the full cost of the schemes operation. The scheme will be subject to a budget cap each year set by the Council through its budgeting and precepting arrangements. The values of the fund for 2021-22 is £1,000,000.

1.3 The Council Tax Discretionary Relief Policy will permit officers the discretion to provide discounts in council tax liability under the policy up to 100% of the remaining Council Tax liability. Notwithstanding the schemes budget cap, the Council retains the discretion to award additional discount under section 13A of the Local Government Finance Act 1992.

### **2.0 Legislative Framework**

2.1 Awards under this scheme are made in line with the following legislation:

i. The Local Government Finance Act 2012



- ii. Section 76 of the Local Government Act 2003; this introduced a new power, as section 13A Local Government Finance Act 1992 – the award of discretionary discounts
- iii. Section 4, Local Government Finance Act 1992 - Dwellings may be exempt from Council Tax if they fall within one of the specified classes
- iv. Section 11, Local Government Finance Act 1992 - The amount of Council Tax payable may be subject to a discount where there is no resident, or all but one of them falls to be disregarded
- v. Leicester City Council's Council Tax Reduction Scheme 2013
- vi. Child Poverty Act 2010
- vii. Equality Act 2010 (incorporating the Disabled Persons Act 1986)
- viii. Housing Act 1996
- ix. The Leicester City Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2013
- x. The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 Default Scheme
- xi. Social Security Act 1992
- xii. Universal Credit Regulations 2012
- xiii. Local Government Act 1972 section 222
- xiv. The Fraud Act 2006, section 2
- xv. Data Protection Act 1998

## **2. Finance and Monitoring**

2.1 The Council Tax Discretionary Relief Policy will have a budget set each financial year. This will be set in agreement with and with a contribution from major precepting authorities.

2.2 If all available funds have been exhausted from the discretionary relief budget, reductions in Council Tax liability may continue to be made on a discretionary basis under s13A of the Local Government Finance Act 1992.

2.3 Current funding limits are encompassed with the general hardship fund for local tax. The funds are cash limited with the option to increase the limit in exceptional circumstances if deemed necessary.

2.2 The Revenues & Benefits Service will undertake monitoring of the number, amount and period of DHP awards in relation to the available DHP budget. The purpose is to ensure the DHP budget has sufficient funds to meet demands on the DHP budget throughout the financial year.

2.3 The Revenues & Benefits Service will also monitor cases where a DHP request has been refused to ensure decisions are being made fairly and consistently. The Council is subject to the general equality duty.

2.4 This means that steps will be taken to monitor implementation of this policy to ensure no one is subject to disproportionate adverse treatment because they had a protected characteristic. The general equality duty requires that the Council has due regard to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- Take steps to meet the needs of persons who share relevant protected characteristic that are different from the needs of persons who do not share it
- Foster good relations.

2.5 The policy will be reviewed on a rolling three year programme or at such time or occurrence where a review is appropriate.

### **3. Legislative framework & equality monitoring arrangements**

3.1 The Council may use any evidence and information supplied to it in respect of Council Tax Discretionary Relief to check the eligibility of the applicant in respect of this scheme or any other welfare benefit, discounts or exemptions in compliance with its powers and obligations under Data Protection Act 1998 and other legislation. Our data sharing and fair processing detail can be found at the following web link:

<http://www.leicester.gov.uk/your-council-services/council-and-democracy/key-documents/internet-disclaimer/>

#### **4. Principal objectives**

4.1 The following outlines the principal objectives behind the Policy:

- alleviating poverty
- encouraging and sustaining people in employment and education
- sustaining tenancies and preventing homelessness
- maintaining residents in their own homes
- supporting vulnerable people
- support those subject to other welfare reform changes including income capping
- safeguarding residents in their own homes
- helping those who are trying to help themselves
- keeping families together
- supporting domestic violence victims who are trying to move to a place of safety
- supporting the vulnerable or the elderly in the local community
- helping customers through personal and difficult events
- supporting young people in the transition to adult life, or promoting good educational outcomes for children and young people;
- To avoid disability or other unlawful discrimination.

#### **Appendix B: Financial and Personal Circumstances**

1.1 The Council is committed to equality, fairness and transparency. Equality is about ensuring people are treated fairly and given fair chances. It is also about ensuring that people receive fair outcomes in the standard of service they receive from the Council and equality of access to Council services. This incorporates everyone, regardless of their race, gender, gender reassignment, age, disability, pregnancy and maternity, religion or belief, sex or sexual orientation, marital or civil partnership status and/or disability, in line with the nine protected characteristics set out in the Equality Act 2010.

1.2 A number of groups have been defined under Leicester City Council's Council Tax Reduction Scheme Impact Assessment (2013) as being potentially financially vulnerable. The main groups are listed in the table below (this list is neither exhaustive nor prescriptive):

- Households adversely affected by Covid-19, for example redundancy, furlough or reduced hours of employment, clinically extremely vulnerable and shielding, or required to self-isolate but unable to obtain support from the Test & Trace Support Scheme;
- Households who are considered to be vulnerable and need to remain in their current properties for reason of disability, particularly those with property adaptations;
- Households placed in their homes under the Council's statutory homelessness obligation;
- Households receiving assistance through the Early Help Family Programme;
- Households containing a care leaver under the age of 25.

1.3 Examples of financially vulnerable groups:

- The claimant or member of the household or a dependent child is in receipt of the middle or higher rate of Disability Living Allowance (DLA) care component; or the standard or enhanced daily living component of Personal Independence Payment (PIP); or Armed Forces Independent Payment (AFIP)
- The claimant is a disabled adult living in supported living accommodation who has carers and is unable to work due to their health
- The claimant or partner is in receipt of attendance allowance.
- The claimant or partner is in receipt of Employment Support Allowance (ESA) and gets a support component
- The claimant is a care leaver up to the age of 22 years
- The claimant or household member is deemed vulnerable through drug or alcohol dependency who are attending an accredited rehabilitation programme

- The claimant or household member has suffered domestic violence and/or financial exploitation and is being supported by accredited local schemes to remain in permanent accommodation or move into permanent accommodation, inclusive of forced marriages
- The claimant or partner is a registered foster carer (child or adult) and has current foster child/adult placements
- The claimant or partner is a registered foster carer (child or adult) and is in-between foster care placements
- The claimant has dependent children under the age of 5 and is living on income support
- The claimant or partner is either an expectant or nursing parent.
- Claimant and/or partner who is unable to work due to caring responsibilities and is in receipt of, or has an underlying entitlement to carers allowance.
- The claimant or partner has parental care responsibility for non-resident children (up to 20 years old) to support family cohesion
- The claimant or household member is a hostel leaver where they were resident in a hostel engaging with support while resident. Minimum period of hostel residency is 3 months
- The claimant or partner is an ex-offender on probation
- The claimant or partner is receiving additional support from the council. Such as floating support from STAR or the think family programme.
- The claimant or partner is in receipt of war widow's pension or a recipient of an armed forces compensation payment/pension.

1.4 There may be households which for short periods of time may have exceptional circumstances or life events which lead to severe financial hardship. Examples of applicants or households who may potentially be awarded a Council Tax Discretionary Relief under exceptional circumstance are (this list is not exhaustive):

- a) recently bereaved and as a consequence benefits have been suspended which had caused a disruption to their income;
- b) terminally ill and unable to contribute to the household income;
- c) recovering from a serious illness and unable to contribute to the household income.

1.5 The Council has discretion as to whether to make a Council Tax Discretionary Relief payment; but will ensure all decisions are made in accordance with principles of good decision-making; in particular, it will act fairly and reasonably and each claim for Council Tax Discretionary Relief will be decided on its own merits with regard to all relevant circumstances.

1.6 If the Council decides to award Council Tax Discretionary Relief, it has discretion as to the level of that award; however, the need for financial assistance must be in respect of a liability to pay their Council Tax. The value must not exceed the net Council Tax liability after all reductions, discounts and exemptions have been applied.

1.7 The Council must be satisfied that the applicant has taken all reasonable steps to resolve their situation prior to making their application.

1.8 The Council will consider whether the applicant has access to other assets that could be used to pay their Council Tax.

1.9 The application will not be considered until the claimant's eligibility to Council Tax Reduction; any other discretionary fund; or, welfare benefit such as Housing Benefit entitlement/Universal Credit; and, all other statutory reductions has been assessed.

1.10 The claimant must be able to demonstrate that their current circumstances are unlikely to improve in the short- to medium-term.

1.11 The Council's finances allow for Relief to be made, on the basis that sufficient money is available in the relevant budget to meet the potential cost of any Relief granted, including Relief to others who might meet the qualifying criteria.

1.12 It is reasonable for the Council to award Relief having regard to the interests of other local Council Tax payers who have to contributed to meeting the cost of any Relief granted.

1.13 Awards will stop immediately if the applicant or household or their representative has misrepresented or failed to disclose a material fact, fraudulently or otherwise. The Council will look to recover any overpayment of award; and, in instances of proven fraudulent activity the Council will always seek to recover any overpayment in all cases.

1.14 Failure to provide the information required to support an application without sufficient reason will result in the application being considered without the information. This is likely to result in the request being refused.

1.15 There is no entitlement for a charge payer to withhold payment of Council Tax pending the submission and determination of an application for Council Tax Discretionary Relief, or during any subsequent request for a review of the decision. A reduced payment arrangement may be considered on request pending the submission and assessment of any application. However, claimants must be aware that if their application for Relief is unsuccessful this could result in them having to pay a higher monthly amount over a shorter period of time. If an application is successful the charge payer will receive a payment into their account. Any credit in excess of their annual liability will be refunded.

1.16 Where applications are made as a result of an exceptional event or natural disaster, these will be determined by the City Mayor, following consideration and recommendation from the Director of Finance.

1.17 The Council will usually consider an award from the date the application is received. However in exceptional circumstances consideration will be made for a request to backdate to an earlier period should sufficient good cause be shown to warrant an additional award for a prior period. If a backdate is agreed, the date of an award of a Council Tax Discretionary Relief will not usually exceed 52 weeks prior to the date of application or from the date liability was established whichever is the earlier.

## **2. Ceasing payment**

2.1 The Council may cease making, or reduce the amount of, a Council Tax Discretionary Relief where:

- a) the decision to make the award was based in whole or in part on a misrepresentation; and/or,
- b) the claimant failed to disclose a material fact; and/or,
- c) the award was made as a result of an error; and/or,
- d) the claimant informs a relevant change in circumstances; and/or,
- e) the claimant fails to inform the Council of a relevant change of circumstances; and/or,
- f) a condition of the award stipulated in the award notice has not been met.

2.2 If the Council decides to cease making, or reduce the amount of, a Council Tax Discretionary Relief, it will notify the claimant of this decision in writing, provide reasons for the decision and inform them of their right to request a review of the decision. This will include the period in which to make the request and to whom the review request must be made.

2.3 The claimant may request a review of such a decision. There is no further right of appeal with the Council, but an appeal may be made to the Valuation Tribunal in writing at <https://www.valuationtribunal.gov.uk/>. If you are unable to access their website their contact telephone number is 0300 123 2035.

### **3. Recovery of overpayments**

3.1 15.1 The Council may recover any overpayment of Discretionary Relief that has been paid by removing the amount from the Council Tax account, or by invoicing the claimant where the Council Tax account is closed.