

Council Tax Discretionary Hardship Policy

Under section 13A(1)(c) of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), the Council has the power to reduce liability for Council Tax in relation to individual cases or classes of cases that it may determine and where national exemptions and discounts cannot be applied. Runnymede Borough Council has not specified any class of case in which liability is to be reduced. However, we will consider claims on individual cases. The Discretionary Hardship Policy is intended to provide short term help to alleviate financial hardship.

From time to time government may introduce a specific scheme in response to an event such as a natural disaster (e.g. flooding). Where such schemes are introduced, funding is normally fully met by government without any impact on the local Council Tax. Any such schemes that are introduced will be administered in accordance with instruction and guidance set out by government and in accordance with our delegated powers.

Financial Implications

The financial burden of awarding a Discretionary Hardship payment has to be met through an increase in the general level of Council Tax for other payers. Due to this, the granting of Discretionary Hardship payments will only be made in exceptional circumstances.

Eligibility

The applicant must be liable for a Council Tax Charge levied by Runnymede Borough Council. Where such a person is unable to act for themselves, a third party may act on their behalf. The application must show, where appropriate, that they have made reasonable efforts to sell the property or return the lease.

Applications

The Council will administer this discount from within the Revenues & Benefits Division.

Customers wishing to make an application under the Discretionary Hardship Policy must:

- Make any claim in writing, using the form provided for this
- Sign the declaration at the foot of the form, confirming that the information is true, complete and agree that the Council may make enquiries to verify the information.
- Agree to repay any Discretionary Hardship amounts believed to have been overpaid for whatever reason
- Supply requested information in support of the application both at the outset and following any additional request, including, but not limited to, a financial statement, and evidence of income/outgoings within one calendar month of the request.

Criteria for making a claim

Each application will be looked at on its own merits, having regard to the factors outlined below:

- There must be evidence of financial hardship or personal circumstances that justify a reduction in Council Tax liability
- The applicants income and expenditure including unusual and/or avoidable expenditure
- Whether there are exceptional circumstances that contribute to the financial hardship
- The applicant must satisfy the Council that all reasonable steps have been taken or will be taken to resolve the situation

- Entitlement to all eligible discounts/reliefs/income/welfare benefits have been explored and are being claimed
- The size and banding of the current accommodation
- The possibility of moving to a smaller property at which the amount of Council Tax payable would be lower
- The lifestyle choices of the applicant and their household
- The Council's finances allow for a reduction to be made
- The amount outstanding must not be the result of wilful refusal to pay or culpable neglect
- The taxpayer does not have access to other assets that could be used towards their Council Tax liability
- Whether the situation can be resolved by some other legitimate means
- Whether an award will assist the applicant towards a position where they can pay their Council Tax within a reasonable time frame without further recourse to an additional discretionary payment
- Any social or health issues currently being faced by the resident and/or their immediate family
- The effect the situation is having on vulnerable members of the residents family e.g. the elderly, the young, the infirm etc...
- Other evidence in support of an application (such as from Doctors and/or Social Workers)
- Where applicable, what information/advice has been sought and obtained previously
- Whether there is a threat of court action in relation to Council Tax arrears

This list is neither prescriptive or exhaustive

Period of award

The award will be granted for a specific period. An award will only be granted within the financial year in which the application is made and will terminate when either the applicant is no longer entitled to the award or at the end of the financial year, whichever is sooner.

The hardship award is only short term help. It will not be re-awarded in perpetuity.

Amount of award

The award will be calculated against the daily Council Tax liability after deducting any other reliefs, discounts or Council Tax Support and will not exceed that figure.

The amount to be awarded is entirely at the Council's discretion.

Notification of a decision

The applicant will be notified in writing of any decision.

The decision notice will include reasons for the decision.

If an award is granted, the notice will include the amount of the award and the period for which it is granted. Any award will be credited to the applicants Council Tax account.

Review of decision

The Council will accept a customer's written request for a review of its decision. That review will be made by a Senior Revenues Officer and a full written explanation will be provided within 14 days of receipt of the written request.

There is a right of appeal against the Council's use of discretionary powers to the Valuation Tribunal for England. We will provide details of how to appeal in the explanation we send you.

Duty to notify changes in circumstances

Where an award is granted, applicants are required to notify the Council of any relevant changes in their circumstances that could affect entitlement

Examples of these changes include but are not limited to :

- If the applicant changes address
- If the applicant or a member of their household leaves their home temporarily or permanently
- If an applicant's or member of their household's income or capital changes
- If the number and/or circumstances of others in the household changes

In addition, the applicant must inform the Council:

- Of a change to any factor that caused or contributed towards their hardship
 - If their hardship ends
 - If the severity of their hardship decreases (including an increase in benefit entitlement)
 - Of a change to any of the circumstances that were included in the application for the discount
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Recovery of an overpaid award

A Council Tax Discretionary Hardship award will generally be recovered directly from the applicant's Council Tax account, increasing the amount of Council Tax payable.

Examples of circumstances where the Council will seek recovery of an overpaid award include, but are not limited to :

- Misrepresentation or failure to disclose a material fact. Whether fraudulently or otherwise
- Failure to notify any relevant change in circumstance whether fraudulently or otherwise
- An error made in the provision of information or evidence or the interpretation of that information or evidence which led to an incorrect award.

Covid -19 (Corona Virus) Pandemic extension to scheme

In response to the corona virus Runnymede Borough Council has secured £50,000 to support residents financially impacted by the corona virus starting in April 2021 until 31st March 2023.

During 2020 and into 2021, the government and the local authority have taken a wide range of actions to address detrimental financial impacts resulting from the virus to prevent people from experiencing financial hardship. Where assistance is available from alternative sources, these should be used in the first instance. Anyone who is liable to pay Council Tax for the dwelling they occupy as their sole or main residence to Runnymede Borough Council during the period commencing 1st April 2021 until 31st March 2023, and can demonstrate their financial hardship is a result of the corona virus can be considered for a reduction up to a maximum of their council tax liability for the year 2021/22 or 2022/23.

The award will be a one off payment that will reduce the next instalments on the council tax account.

This award is made using the council's discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992, and is an extension to the scheme set out above.

Dwelling, liability and sole or main residence are defined in s2 to s6 of the Local Government Finance Act 1992.

In implementing this policy the council will take the following government guidance into account:

- Runnymede Borough Council will exclusively use the hardship fund to reduce the council tax liability of individuals in their area, using their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.
- The maximum award will never exceed the liability after all discounts, exemptions, reliefs or reductions have been taken into account.
- Any increase in discount, exemption, relief or reduction will reduce the amount of hardship payment.
- Any decrease in discount, exemption, relief or reduction will require a fresh application.
- The council will assess who is eligible for support from the hardship fund and rebill those council taxpayers.
- When assessing eligibility for this reduction there must be a link between corona virus and the hardship being suffered at the time of the application. Hardship caused solely by other factors cannot be taken into consideration under this extension to the existing scheme as set out above.
- All applicants will be informed in writing of the decision.
- As the fund is cash limited, applications will be considered on a first come first served basis.
- Once the funding has been spent this extension to the existing scheme will end and revert to exclusively s13A(1)(c) decisions as set out above.