



**North Norfolk District Council's
Council Tax
Discretionary Reduction
(Hardship Relief) Policy**

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1. Purpose of Policy Document

1.1 This policy sets out the Council's approach to the awarding of discretionary reduction (hardship) relief under Section 13A of LGFA 1992 in respect of Council Tax liability. It has been designed to ensure that all customers making an application for relief are treated in a fair, consistent and equal manner.

1.2 This policy has been written to:

- Set guidelines for the factors that should be considered when making a decision to award or refuse an application
- Set out the delegated authority to award relief in appropriate circumstances
- Advise how customers dissatisfied with the decision made, can appeal.
- Safeguard the interest of the local taxpayers by ensuring that funds that are allocated for the award of relief are used in the most effective and economic way

2. Council Tax Discretionary Reduction Policy

2.1 Introduction

2.1.1 Councils have the power to reduce the amount of Council Tax a person has to pay to such an extent as they see fit. This includes the power to reduce an amount to nil, and may be exercised in relation to particular cases or by determining a class of property in which liability is to be reduced to an extent provided for by the determination. There is a cost to the Council in respect of any discretionary reduction (hardship) awarded and is met by the Council's collection fund.

2.2 Legislation

2.2.1 Council Tax discretionary reductions (hardship) awards are included in Section 13A Local Government Finance Act 1992 as amended by Local Government Act 2003, section 76. Section 76 gives councils the authority to make a discretionary payment of Council Tax where it is satisfied that the taxpayer would sustain exceptional hardship if it did not do so.

2.3 North Norfolk District Councils Policy

2.3.1 North Norfolk District Council has not defined any specific class of property on which to award a section 13A discount.

2.3.2 Applications for a reduction will usually only be considered in individual cases where severe hardship or extenuating circumstances can be demonstrated.

2.3.3 Where an application is successful, the award will be paid/credited directly to the Council Tax account.

2.4 Criteria

2.4.1 Each application will be assessed on its individual merits. When assessing applications, the following considerations will be made:

- All applications are only intended as short term assistance and awards will not extend beyond the current financial year, and should not be considered as a way of reducing Council Tax liability indefinitely
- Discretionary reductions or remission will be the exception and not the rule
- Council Tax discretionary reductions will not be awarded for any reason other than to reduce Council Tax liability
- Discretionary reductions are not to be granted in order to prevent recovery action being instigated by the Council or to stop bankruptcy proceedings commenced by the Council or any other body
- The applicant must detail the reasons for the application, explaining the specific circumstances and any hardship being experienced

- There must be evidence of hardship or personal circumstances that justifies a reduction in Council Tax liability. There is no definition in the legislation for 'hardship' and as the scheme is aimed at covering unforeseen events it is not possible to list precise criteria. Applications will be accepted on the basis that the applicant or household would suffer exceptional financial hardship if financial assistance were not given.
- Exceptional circumstances for hardship under the Council Tax regulations will usually be circumstances that are outside the control of the household and beyond normal risks faced by a household. The household must demonstrate that it has done all it can to mitigate those risks and is taking action to minimise them.
- The Council's finances allow for a reduction to be made and it is reasonable to do so in light of the impact on other Council Tax payers
- The Council Tax payer (applicant) must be able to demonstrate that all reasonable steps have been taken to meet their full Council Tax liability prior to application including exploring entitlement to all other reliefs, discounts, exemptions, reductions, discretionary payments and valuation office appeals.
- The Council Tax payer does not have access to other assets that could be realised and used to pay Council Tax.
- Application for discretionary reductions (hardship) relief 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 a discretionary reduction. This particularly includes an application for Council Tax Support.
- The liable person for an unoccupied domestic property must have made their best efforts to sell or let the property and not asked for an unreasonable rent or sale price and must show that to levy an empty Council Tax charge would cause them exceptional financial hardship.
- 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.

2.4.2 Discretionary reductions (hardship) will only be awarded for a short, fixed period depending on the nature and likely duration of the hardship or exceptional circumstances. In all cases reductions will end in the following circumstances:

- At the end of a financial year
- There is a change of liable person
- The Council Tax payer enters any form of formal insolvency
- The Council Tax payer's financial circumstances significantly change.
- If there is an amendment to the Valuation list
- At the end of any fixed period notified to the Council Tax payer at the time of the award

2.5 The Application

2.5.1 All applications should be made in writing or by completing the web form available on our web site. The form can be completed by an advocate/appointee or a recognised third party acting on their behalf, and must contain the necessary information including a full financial statement. Postal application forms and any supporting information should be completed and returned to:

North Norfolk District
Holt Road
Cromer
Norfolk
NR27 9EN

2.5.2 It is the responsibility of the Council Tax payer applying for a reduction to provide sufficient information and documentary evidence to support their applications. If the Council Tax payer applying does not, or will not, provide the required evidence; the application will still be considered, but only on the basis of the information and evidence provided. No costs will be borne by the Council in the provision of this evidence.

2.5.3 Further information may be requested to support an application. Where a request for further information is made information must be provided within 4 weeks. Failure to provide information within 4 weeks may lead to the refusal of the application unless good cause can be shown.

2.6. The Decision Making Process

2.6.1 Upon receipt of a signed application and all supporting documentation and Information; a standard decision making process will be followed:

- Initial applications will be checked by Revenues Team Leaders within 28 days of receipt of a signed application to ensure all supporting information / evidence has been included.
- Cases will then be forwarded to the Revenues Manager and the case presented at the next available discretionary panel hearing. A decision will be made by the representatives attending the panel hearing.
- Once a decision has been approved the Council Tax payer will be notified in writing of the decision within 28 days and revised Council Tax demand notices will be issued where applicable
- Whilst every effort will be made to meet the deadlines outlined above, failure by the Council to do so does not qualify the claimant for relief or any financial compensation.

2.7. Review of Decision

2.7.1 The Council will not accept a request from a Council Tax payer for a re-determination of its decision unless further evidence can be provided.

- If a claimant is dissatisfied with refusal of their application, they may appeal to the Valuation Tribunal for England (VTE) either by completing the online appeal form at <https://www.valuationtribunal.gov.uk/>. The claimant has two months to do this from the date of North Norfolk District Council's reply.

The Valuation Tribunals contact details are

Valuation Tribunal
3rd Floor
Crossgate House
Wood Street
Doncaster
DN1 3LL
Email: appeals@valuationtribunal.gov.uk
Telephone 0300 123 2035

2.8 Recovery of a Discretionary Reduction (Hardship) Award

2.8.1 If an award is subsequently cancelled the amount will be withdrawn from the applicant's Council Tax account and will be payable as the Council Tax due under the regulations.

2.9 Fraud

2.9.1 The Council reserves the right to withdraw any award made under this scheme where fraud or error has occurred

2.9.2 The Council reserves the right to withdraw any award where the applicant has failed to provide, or, has knowingly provided false or misleading information.