

Report Template

Report to: **Hub Committee**
Date: **14th July 2015**
Title: **Council Tax Discretionary Discount and Reduction Policy**
Portfolio Area: **Customer First**

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview & Scrutiny Internal**

Urgent Decision: **N** Approval and clearance obtained: **N**

Date next steps can be taken:
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **Isabel Blake** Role: **Community of Practice Lead: Housing, Revenues & Benefits**

Contact: **01884 234351 Isabel.Blake@swdevonblake.gov.uk**

Recommendations:

1. The Hub recommends that the Council Tax Discretionary Discount and Reduction Policy be approved by Full Council

1. Executive summary

- This policy replaces the Council Tax Reduction Exceptional Hardship Fund Policy.
- The Council can use its discretionary powers to assist households liable for Council Tax who are facing extreme hardship or distress.

Report Template

- This report presents a new policy which incorporates these powers with the Exceptional Hardship Fund which specifically provides additional support to customers in receipt of Council Tax Reduction.
- This will allow all applications for assistance with Council Tax to be considered using one framework. This will mean that WDBC has one set of financial assessment criteria ensuring applicants are treated fairly and consistently.

2. Background

- Section 13a of the Local Government Finance Act 1992 provides the billing authority with discretionary powers to reduce Council Tax liability where national discounts and exemptions cannot be applied.
- Applications for awards under these powers are currently dealt with by a panel of Members.
- The Exceptional Hardship Fund forms part of WDBC's agreed Council Tax Reduction Scheme for 2014/15 and 2015/16 and awards are made in line with the Council Tax Reduction Exceptional Hardship Fund Policy.
- The proposed Council Tax Discretionary Discount and Reduction Policy bring together these two schemes into one policy.
- The purpose of bringing the two discretionary schemes under the one policy allows for applications to be considered under the one framework and therefore removes the requirement for the Council Taxpayer having to apply under both discretionary provisions. It also means that WDBC has one financial assessment criteria ensuring that applicants are treated fairly and consistently.

3. Outcomes/outputs

- By combining the two policies customers need only make a single application for financial hardship.
- Both schemes have common purpose and deliver the following outcomes:

Report Template

- A safety net to protect our most vulnerable Council Taxpayers who need additional financial assistance.
- Enables support to be given to Council Taxpayers who are in financial or other crisis where no other legislative discounts or reliefs exist.
- Helps Council Taxpayers through personal crisis, difficult events or where there are exceptional circumstances which impacts on their ability to pay.
- Prevents exceptional hardship
- Alleviates poverty
- Helps those who are trying to help themselves
- Sustains tenancies and prevention of homelessness
- Keeps families together
- Encourages and supports people to obtain and remain in employment

This policy does not exclude any additional provision or guidance given by Central Government on particular issues. For example: additional help to residents affected by the flooding in 2013/14.

4. Options available and consideration of risk

- It is possible to continue with 2 schemes this may mean that customers are treated differently depending on whether they have made an application for Council Tax Reduction.
- Other options are set out under risks in the table below, the option recommended is the one which poses the fewest risks.

5. Proposed Way Forward

- That Members recommend the adoption of this policy.
- Positive and negative impacts and plans to mitigate any negative risks or impacts. Can the risks and impacts be contained?

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<ul style="list-style-type: none">• Section 13a Local Government Finance Act 1992 (Council Tax)• When central Government abolished Council Tax Benefit and devolved support to Local Authorities, where a scheme was adopted it was mandatory to have a published policy.• The Policy will ensure we meet existing statutory obligations

Report Template

Financial		<ul style="list-style-type: none"> Discretionary awards made under Section 13a of the Local Government Finance Act 1992 are funded wholly by WDBC. In 2014/15 a total of £453.20 has been awarded. Awards under the exceptional hardship fund are funded proportionately by all major preceptors. In 2014/15 £18,995.31 has been awarded from a total fund of £19,000
Risk	<p>Separate Policies</p> <p>Inconsistent awards</p> <p>Awards exceed funding</p>	<p>Not combining these 2 schemes could mean that customers are treated differently depending on whether they claim council tax reduction. The joint policy will mitigate this risk.</p> <p>The awarding of funds is done inconsistently by different officers. This can be mitigated by robust monitoring by the Benefits Manager and cross checking by trained officers to check consistency.</p> <p>Awards cannot be refused based on lack of funds, therefore criteria must be adhered to and awards only made to those in most need throughout the financial year. This will be continuously monitored by the Benefits Manager.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		This policy has high relevance to equality and has a positive or neutral impact on all protected characteristics
Safeguarding		The policy provides a safety net for vulnerable adults and households in financial hardship which may include dependent children.
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		Please see comments under safeguarding.
Other implications		

Report Template

Supporting Information

Appendices:

Appendix A – Council Tax Discretionary Discount & Reduction Policy.

Background Papers:

Local Government Finance Act 1992 Section 13a

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes/No
SLT Rep briefed	Yes/No
Relevant Exec Director sign off (draft)	Yes/No
Data protection issues considered	Yes/No
If exempt information, public (part 1) report also drafted. (Cabinet/Scrutiny)	Yes/No