

SEVENOAKS DISTRICT COUNCIL

COUNCIL TAX  
DISCRETIONARY  
REDUCTIONS  
GUIDELINES

## **1. Introduction and purpose of the guidelines**

- 1.1 Section 13A of the Local Government Finance Act 1992 (as amended) gives billing authorities a general power to reduce or remit the council tax for any liable person in the authority's area.
- 1.2 The Council may choose whether to reduce or remit council tax liability on a case by case basis or by specifying a class of use. A class of use is where several customers fall into a group because their circumstances are similar e.g. customers who have had to leave their homes due to flooding.
- 1.3 The Council will only exercise this power where there is clear evidence of hardship or personal circumstance that justifies a reduction in council tax liability and where it is judged reasonable for it to do so having regard to the interests of local council taxpayers in general.

The application and award criteria rules are set out below.

1.4 These guidelines:

- set out the factors that will be considered when making a decision to reduce council tax liability or refuse an application;
- set out the delegated authority to approve a reduction in appropriate circumstances as provided for in the Council's constitution;
- establish a review process for applicants dissatisfied with the Council's decision;
- safeguard the interest of the local council taxpayers by ensuring that funds that are allocated for such reductions, are used in the most effective and economic way.

1.5 These guidelines will apply to all decisions made on applications received by the Council after 1 April 2013.

## **2. General principles**

2.1 All decisions in respect of applications for reduction or remission of council tax liability will be taken by the Council in accordance with statutory requirements and with due regard to any guidance issued by the Secretary of State.

### **Requirement for Applications**

2.2 Applications must be submitted in writing by the liable person, an appointee or an authorised third party acting on the applicant's behalf. Where the application is made by any party other than the liable person, evidence of written authority to act will be required before the application can be progressed.

2.3 The Council will request such supporting evidence as it considers necessary to enable the merits of the application to be properly assessed.

### **Financial Impact of awards of discretionary council tax reductions**

2.4 The Council is required to fund 100% of any discretionary reduction or remission of council tax.

### **Relationship to other council tax discounts, exemptions or reductions**

2.5 Applications for discretionary reduction or remission of council tax liability will only be considered after consideration of any other council tax discounts, exemptions or reductions for which the applicant may be eligible (including Council Tax Support)).

### **Authority to award a reduction**

2.6 Decisions on the award or otherwise of a discretionary reduction in council tax liability will be taken by an Officer under delegated authority, following recommendations from the Revenues Manager.

### **Timescale for decisions**

2.7 The Council will aim to make a decision within four weeks of receiving the application and all supporting evidence considered necessary to enable the application to be considered.

### **Publication of decisions and Data Protection**

2.8 To ensure there is a fair and consistent approach to the award of discretionary reductions in council tax liability, all applications will be considered with reference to these guidelines and the outcome of all applications will be published on the Council's website [www.sevenoaks.gov.uk](http://www.sevenoaks.gov.uk) Personal data will be processed in accordance with the Data Protection Act 1998 and the publication of information will be compliant with the 1998 Act.

## **Reviews and Appeals**

2.9 These guidelines provide unsuccessful applicants with a review mechanism. Any challenge to the Council's decision would be by way of judicial review in the High Court.

2.10 A decision may only be reviewed on one or more of the following grounds:

- an inconsistent or inappropriately harsh decision;
- extenuating circumstances;
- significant procedural flaw(s) in the decision making process (it is incumbent on an unsuccessful applicant to specify precisely what the significant procedural flaw(s) consists of);
- new evidence subsequently coming to light.

2.11 A request for the review of a decision must be made in writing to the Revenues Manager within four weeks of the date of the Council's decision letter. Reasons supporting each ground for review (see paragraph 2.10) must be fully set out. Any request for a review received outside of the four week period, will only be considered if the Council is satisfied that exceptional circumstances led to the delay in submitting the request.

Where the unsuccessful applicant is an organisation, the request for the review must be submitted by a person authorised on behalf of the organisation.

2.12 The reviewing officer (who will not be the same officer who made the original decision) will:

- consider the decision afresh having regard to the original documents submitted by the applicant and/or associated with the application;
- check that the decision has been made in accordance with the relevant sections in these guidelines;
- consider any new evidence submitted;
- consider whether an interview with the applicant is necessary;
- make a determination either:
  - upholding the original decision
  - substituting a revised decision
- prepare a written response for the applicant setting out the review decision and reasons.

2.13 The review decision will be issued within four weeks of the date of receipt by the Council of the review request. The review decision will be final.

## **Requirement to make payment of amounts falling due**

2.14 Council Tax payments remain legally due and payable in accordance with the most recent bill, until such time as any reduction is awarded. Applicants must therefore continue to pay any council tax that falls due whilst an application is

pending. If payments are not kept up to date, the Council may continue with its normal recovery procedures to secure payment.

### **3. The application and decision-making process**

3.1 Applications must be submitted in writing by the liable person, an appointee or an authorised third party acting on the applicant's behalf. Where the application is made by any party other than the liable person, evidence of written authority to act will be required before the application can be progressed.

Applications must be accompanied by the following:

- A statement setting out the circumstances for which the relief is being requested including any hardship or personal circumstances relating to the application;
- A full income and expenditure breakdown for the applicant and all other persons residing in the property (unless this requirement is specifically waived by the Council).
- Details of the amount of reduction being requested and the period of time it is being requested for.

#### **The decision making process**

3.2 Each application will be considered on an individual basis. The Council will consider the following before making any reduction:

- Has the applicant taken all reasonable steps to resolve their own situation prior to making an application?
- Is there an entitlement to Council Tax Support?
- Has the applicant applied for all other discounts/reductions available where there may be an entitlement?
- Does the applicant have access to any other assets that could be used to pay the council tax?
- What were the applicant's financial circumstances at the time the council tax charge became due or arrears accrued?

3.3 A reduction will not be awarded if it appears to the Council that the applicant's arrears for previous financial years have arisen either because the applicant has refused to make payment or has not prioritised the payment of council tax.

3.4 A reduction may be refused or capped if it is considered that the financial cost to the Council or the local community outweighs the benefits generated through the award of the reduction.

3.5 The Council will notify the applicant of the decision in writing and where the award is less than the amount of reduction requested or the application is refused, an explanation of the reasons why will be given.

3.6 The Council will not consider applications where the applicant has failed to provide information within the timescales stipulated by the Council. The applicant will be notified in writing that the application has been refused.

### **Period of reduction**

3.7 Discretionary reductions will normally only be awarded retrospectively. However, where the applicant can show that the circumstances giving rise to the award will remain the same for a period up to the end of the current financial year, the reduction may be awarded for the remainder of the financial year.

3.8 In all cases discretionary reductions will end in the following circumstances:

- At the end of the financial year;
- A change of liable person;
- The property becomes occupied (where the reason for the award is based on the inability to occupy the property e.g. because of flooding);
- The property becomes unoccupied;
- The applicant enters any form of Insolvency proceedings;
- The applicant's financial circumstances change. The applicant must inform the Council if their circumstances change.

### **Calculation of council tax reduction**

3.9 The amount of remission or reduction awarded will depend upon the individual circumstances of the case. It will take into account the level of arrears or council tax charge and the extent to which the criteria or guidelines are met.

3.10 If the council tax bill increases during the period of an award of a discretionary reduction e.g. a discount is removed or Council Tax Support is reduced, the amount awarded will not automatically be increased. In such cases, the Council at the request of the applicant, will reconsider the application and may award additional relief.

3.11 If the council tax bill reduces during the period of an award of discretionary reduction, the discretionary reduction will be amended so it remains proportionate to the reduced bill.

## **4. Promotion of the availability of relief**

4.1 The Council will proactively promote the availability of discretionary council tax reductions in the following ways:

- Council staff will be made aware of these guidelines and will actively promote the availability of relief when responding to enquiries;
- Information regarding the availability of reductions will be shown on every council tax bill as required by legislation;
- Information regarding the availability of reliefs will be published on the Council's website [www.sevenoaks.gov.uk](http://www.sevenoaks.gov.uk);
- A copy of these guidelines will be made available on request by contacting [revenues@sevenoaks.gov.uk](mailto:revenues@sevenoaks.gov.uk) or by calling the Council Tax Section on 01732 227000.

## **5. Review of these guidelines**

5.1 These guidelines will be reviewed periodically in order to ensure they remain valid, effective and relevant.