

COUNCIL TAX AND BUSINESS RATES DISCOUNTS ANNUAL REVIEW**Report of the Borough Treasurer****1. Introduction and Purpose of Report**

- 1.1 The Council is required to annually review the local scheme of Discounts and Exemptions which are available in respect of Business Rates and Council Tax.
- 1.2 Section 47 of the Local Government Finance Act 1988 supplemented by Sections 61 and 64 of the Local Government Act 2003 and also Section 69 of the Localism Act 2011 allows certain occupiers of non-domestic properties to be entitled to relief on the Business Rates payable. Some types of relief are mandatory but Local Authorities can further reduce the amount of Business Rates payable by awarding Discretionary Relief. Discretionary relief can either “top-up” mandatory relief or be awarded as a stand-alone discount. Stockport has agreed a number of local discounts for Business Rates.
- 1.3 In 2013/14 the Government abolished the national Council Tax Benefit scheme and replaced it with localised Council Tax Support (CTS). Stockport’s CTS scheme was established from 1 April 2013, with minor amendments agreed in subsequent years. The Council also agreed a range of discounts in respect of unoccupied Council Tax properties, along with an exemption for care leavers from 2017/18.
- 1.4 This report outlines the current arrangements and proposed changes as follows:
 - Section 2 – Funding Arrangements
 - Section 3 – Business Rates Discounts
 - Section 4 – Council Tax Empty Property Discounts
 - Section 5 – Council Tax and Care Leavers
 - Section 6 – Council Tax Support
 - Section 7 – Discretionary Support
 - Section 8 – Council Tax Base

2 Funding Arrangements**2.1 Business Rates**

- 2.2 In April 2013, the 50% Business Rates Retention Scheme was created. As a result Business were partially localised with the Council sharing the gains and losses associated with changes in Business Rates income with Government. From April 2017, the Greater Manchester 100% Business Rates Retention Pilot means that the full impact of a Business Rates income increases or decreases are borne by the Council. The Pilot is underpinned by a ‘No Detriment’ agreement that ensures the Council is guaranteed to receive the same resources that it would have received under the previous 50% Retention Scheme.
- 2.3 The Business Rates regime includes a safety net to protect local authority revenues should they fall below a certain threshold defined as 92.5% of baseline funding level (under the 50% Retention Scheme) and 97% of baseline funding level (under the 100% Retention Pilot) - (baseline funding level is the benchmark against which business rates growth or decline will be measured). An over-generous discretionary relief or discount

scheme could contribute to a decline in revenues which is why the government has stated that the impact of such schemes will be taken into account when calculating entitlement to safety net funding.

- 2.4 A revaluation of the rateable value of all business properties took effect from April 2017. The revaluation was done to maintain the accuracy in the rating system by reflecting changes in the property market since the last revaluation in 2010. Revaluation does not raise extra revenue for the Exchequer. This is because the government reduces the tax rate (the multiplier) to offset the overall change in rateable value.
- 2.5 Many ratepayers only saw a small change in their rates bill for 2017/18. However, some properties were subject to more significant change – both increases and reductions. The Government put in place transitional arrangements to phase in these changes by allowing time to adjust. Changes are capped to a percentage of the increase or decrease over a number of years. However, the transitional relief scheme does not provide support in respect of changes in other reliefs.
- 2.6 The Council has little influence over the value of and entitlement to Mandatory Rate Relief and the nationally prescribed Discretionary Relief. From 2017/18, as part of the 100% Business Rates Retention Pilot, the Council will incur 100% of the cost (loss of Business Rates income). However, Small Business Rates Relief and Local Newspaper Relief that were introduced as part of the 2013 Autumn Statement continue to be compensated for via a Section 31 Grant, along with the mandatory reliefs described at para 3.1.2 that were introduced following the 2017/18 revaluation and the Rural Rate Relief top up outlined at para 3.6.2.
- 2.7 Any local reliefs are applied after mandatory relief has been awarded. The Council can determine the amount of local Discretionary Rate Relief made available. From April 2017, 100% of Business Rates are retained by the Local Authority and so the full cost of any local discretionary discount will be borne by Stockport. Discretionary Rate Relief impacts on the Council's future Business Rates income which will, in turn, impact on the amount of funding available to support the Council's Budget in future years.
- 2.8 The change as a result of the pilot of 100% Business Rates Retention has removed any financial benefit for Stockport to award local Business Rates discounts. This means that using Business Rate Relief to provide additional support to organisations that we are already providing assistance to (in either grant or commissioned contracts) is unlikely to be the most appropriate way to provide help. It is more clear and transparent for any support to be given through the grant or commission contract.
- 2.9 **Council Tax** – Since the abolition of Council Tax Benefit in April 2013, the Local Authority has been required to agree a localised Council Tax Support (CTS) scheme, funding for this scheme is devolved to Local Authorities.
- 2.10 In addition, Local Authorities are also able to set certain local discounts, the cost of these discounts also sits with the Local Authority. The level of all Council Tax discounts including CTS directly impacts on the Councils finances. The impact of the current scheme has been built into the council tax base and forecasts which in turn are reflected in the latest Medium Term Financial Plan (MTFP). The impact of any variation to the current scheme would need to be reflected in the MTFP.

3 Business Rates Relief

3.1 Mandatory Relief

3.1.1 The Council is required to award Mandatory Relief to organisations which are eligible. Entitlement to this is currently as follows:

- Registered Community Amateur Sports Clubs (CASC) receive 80% Mandatory Relief
- Registered Charities receive 80% Mandatory Relief where the property is occupied and wholly or mainly used for charitable purposes
- Village shops which meet set criteria receive 50% Mandatory Relief
- Empty properties are exempt from Business Rates when they first become empty. The exemption is for the first 6 months for industrial property and 3 months for other property.
- Small Business Rates Relief (SBRR) - businesses with a rateable value (RV) of £12k and below currently receive 100% relief, whilst those between £12k and £15k will receive tapered relief.
- A £1.5k discount for office space occupied by local newspapers in England, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017, as they adapt to structural change in the industry.

3.1.2 At the Budget on 8 March 2017 the Chancellor announced three additional Government measures to provide discretionary support to businesses from 2017/18 following the Business Rates Revaluation, under Section 47.

- Supporting Small Businesses – a relief scheme for businesses facing large increases as a result of the loss of small business rate relief or rural rate relief. This will see an increase in bills capped to £600 per annum over 5 years.
- Business Rates Relief for Pubs – A scheme for one year only to provide a £1k discount based on nationally set criteria.
- Discretionary Fund –to support those businesses which face the steepest increase in their business rates as a result of revaluation over a four year period.

The Council will be refunded for expenditure in respect of these schemes via a Section 31 grant.

3.2 Discretionary Relief

3.2.1 The Council has previously established sets of criteria against which local Discretionary Rate Relief can be allowed in relation to the following circumstances:

- Top-up the statutory relief to 100% for some CASC's
- Provide relief of 50% for other "Not-for- Profit" Organisations that are neither Registered Charities nor CASCs

- To encourage business growth in Town and District Centres
- To encourage large businesses which are either new to the borough or are significantly expanding within the borough
- In exceptional circumstances which are essential to enable the Council to achieve its priorities.

3.3 A table showing the total of Mandatory and Discretionary Relief awards for 2018/19 along with a comparison to 2017/18 is shown at Appendix 1.

3.4 **CASC**

3.4.1 The number of CASCs qualifying for 80% Mandatory Relief in 2017/18 is 38, with no change from the previous year. The £11,752 reduction in award, as highlighted in Appendix 1, is attributed to the change in the Small Business Rates Relief threshold.

3.4.2 The Council's current DRR scheme enables registered CASC's to apply for an additional 20% 'Top Up' Discretionary Rate Relief providing they meet the criteria listed at Appendix 2. There has been no increase in the number of CASCs claiming the 20% 'Top Up' in 2017/18. A total of 20 organisations are currently receiving a total of £0.022m under this provision.

3.4.3 The Top Up relief encourages amateur sports organisations in the Borough to affiliate to Sport Stockport and also to accept the Council Leisure Key.

3.4.4 Ensuring the provision of independent sport clubs across the Borough which supports the Council's priorities is considered beneficial. It relieves pressure on Council provision and extends the range of provision available, making it easier for residents to adopt a healthy lifestyle. The CASC standard gives the Council some assurance about the quality of the provision offered and ensures that the money is used for the benefit of the sport rather than financial gain for the organisation.

3.4.5 It is recommended that the CASC Top-up scheme be continued for the year 2018/19, enabling CASCs to achieve 100% relief from Non-Domestic Rates, provided they meet the qualifying criteria at Appendix 2.

3.5 **Registered Charities**

3.5.1 The number of Registered Charities qualifying for 80% Mandatory Relief increased from 319 in 2016/17 to 337 in 2017/18, along with the total value of awards by £179k. This is attributed in part to a significant increase in rateable value on some premises occupied by charities following the revaluation. Letting premises to a Charity continues to remain an attractive option for landlords as a way of avoiding rates on otherwise empty premises. Controls around the awards and monitoring of charitable relief has been recently reviewed. More robust procedures have been put in to place to ensure correct entitlement.

3.5.2 For several years, the Council's DRR scheme has not included an opportunity for Registered Charities to apply for additional 20% "Top Up" relief, due to the potential cost to the Council which has been estimated to be as much as £0.5m p.a. However, organisations recognised within the Council's priorities will be considered under para 3.11 for any additional relief.

3.5.3 It is recommended that Charity Relief remains limited to the 80% Mandatory Relief for the year 2018/19.

3.6 Rural Relief

3.6.1 Any business which qualifies under the legislation as a Village Shop was previously entitled to 50% Mandatory Rural Rate Relief.

3.6.2 The 2016 Autumn Statement confirmed the doubling of rural rate relief available to eligible businesses. However, following the decision not to reintroduce the Local Government Finance Bill for 2018/19, Councils are expected to use their local discount powers to grant 100% rural rate relief to eligible ratepayers. Any awards will be compensated by a Section 31 grant.

3.6.3 There are currently no accounts which qualify for Village shop relief in Stockport.

3.6.4 It is proposed that Village Shop Relief continues to be limited to 50% Mandatory Relief for the year 2018/19 and should any village shops be established in the future, then additional discretionary relief will be granted up to 100%.

3.7 Discretionary Business Rate Relief post revaluation

3.7.1 The government has provided a national fund of £300 million over four years to support businesses. The cabinet approved scheme for Stockport uses the allocation of funding as a basis alongside the principals of encouraging businesses which have a positive impact on the Borough which were established through the existing local discount scheme for town and district centres.

3.7.2 Stockport's share of the four year discretionary fund is shown in the table below:

Year	Allocation
2017/18	£336,870
2018/19	£164,000
2019/20	£67,000
2020/21	£10,000

3.7.3 The relief is applied in circumstances where:

- The rateable value of the hereditament for which relief is being claimed is £200,000 or less; and
- The rates payable has increase for 2017/18 compared to 2016/17 as a direct result of the 2017 revaluation; and
- The increase in rates payable is £200 per year or more; and
- The relevant property is occupied.

3.7.4 The amount of relief is calculated as:

- 2017-18 – 70% of the increase in rates payable resulting from revaluation
- 2018-19 – 35% of the increase in rates payable resulting from revaluation
- 2019- 20 – 15% of the increase in rates payable resulting from revaluation

3.7.5 Awards will be made for a maximum of one year. Ratepayers will be invited to submit a further application for relief in year's two to four of the scheme. Each application will

be considered on its own merits and in accordance with the available funding in the relevant year.

3.7.6 The total award for 2017/18 is currently forecast at £261k, with 240 businesses potentially benefiting from this relief. Proactive work will be undertaken during the remainder of the year to identify further businesses that may be eligible to ensure that the funding allocation for year 1 is maximised.

3.7.7 It is recommended that Stockport's scheme for Discretionary Business Rate Relief post revaluation be maintained for year two as described in para 3.7.3 and 3.7.4 above.

3.8 Non-Profit Making Organisations (NPO's)

3.8.1 Non-Profit Making Organisations (NPO's) that are neither Registered Charities, nor Community Amateur Sports Clubs do not qualify for any Mandatory Relief. This includes organisations such as Scouts and Guides and amateur sports clubs which are not CASC registered.

3.8.2 Stockport's current Discretionary Rate Relief (DRR) scheme enables these organisations to apply for DRR limited to 50% of the rates payable. The number of NPO's receiving 50% Discretionary Rate Relief fell from 21 cases to 19 in 2017/8, with the total value of awards reducing by £34k. This is attributed to the change in the Small Business Rates Relief threshold from April 2017.

3.8.3 The criteria used to award Discretionary Rate Relief to Not For Profit Organisations is listed at Appendix 3.

3.8.4 It is proposed that the 50% discount and qualifying criteria for Not for Profit organisations be maintained for the year 2018/19.

3.9 Town and District Centre Business Rates Discount Scheme

3.9.1 In 2014/5, a Portas Pilot grant scheme was administered in the town, district and local centres which enabled businesses to apply for small match funded grants to improve their premises. A similar Property Improvement Award scheme linked to rate relief termed 'Commercial Properties (Business Rates off-set) Improvements Scheme' was established to run alongside this funding. Up to 50% of the cost of improvement work could be off set with local Business Rate Relief subject to qualifying criteria.

3.9.2 The funding available for the Business Rates Improvement off-set scheme has now been exhausted and therefore this local relief is no longer available.

3.9.3 With the increase in the Small Business Rate Relief threshold from 2017/18, more businesses in the Town & District Centres will benefit from zero business rates and so will have no liability to offset a reduction against.

3.9.4 It is recommended that the local scheme for the Town and District Centres be discontinued for 2018/19.

3.10 Large Businesses new to or significantly expanding within the Borough

3.10.1 It is recognised that where a large business relocates to the Borough, there is likely to be a significant positive impact on the general economy, both directly through

increased employment and building occupation as well as indirectly through trickle down to smaller businesses. The Council is keen to encourage large organisations to locate in the Borough to support the local economy and create additional jobs.

3.10.2 Businesses are required to submit a business case which demonstrates the significant positive benefits to the Borough which the business would bring in terms of:

- Occupation of otherwise empty premises
- Employment
- A proven track record of an established and viable business
- Wider benefits the business would bring to the borough
- A long term commitment to the borough
- Support for the Borough's Economic Development Strategy

And where appropriate

- The Town Centre Development Prospectus

3.10.3 Awards will be made on a case by case basis with the decision made by the Executive and /or the Executive Councillors as appropriate based on a set of principles agreed in 2014.

3.10.4 For 2017/18, relief has been awarded to the value of £18,216.79. Negotiations with three companies linked to Redrock, also resulted in agreement from Executive Councillors to award Business Rates Relief, taking effect once the development has been completed (November 2017) and the premises have been duly rated.

3.10.5 It is recommended that the local scheme for large businesses which are new to the Borough or those undergoing significant expansion in the Borough be continued for 2018/19. However, as outlined at para 2.8, the benefit to the Council of giving a Business Rates discount as opposed to other financial support is reduced.

3.11 Exceptional Circumstances

3.11.1 In addition to discounts linked to existing grants and awards, there may be exceptional circumstances which fall outside of any of the criteria listed but are essential for the Council to achieve its priorities. It is anticipated that these will be very exceptional cases.

3.11.2 It has been agreed previously that any additional cases to be considered for relief on this basis would be dealt with on a case by case basis with the decision made by the Executive Councillor for Support and Governance.

3.11.3 From 2017/18, 100% of the cost of any such awards will fall to the Authority. So far, no applications have been received in the current year.

3.11.4 It is recommended that the continuation of a case by case approach where exceptional circumstances exist be continued for 2018/19. However, as outlined at para 2.8, the benefit to the council of giving a Business Rates discount as opposed to other financial support is reduced. It is unlikely that Exceptional Circumstances Relief would be awarded to an organisation which was already in receipt of other support from the Council, either grant funded or commissioned.

4 Council Tax Empty Property Discounts

- 4.1 The Council is required to award Mandatory Relief against Council Tax liability in cases which satisfy the nationally agreed criteria. Some discounts and exemptions are linked to the circumstances of the person liable to pay the tax and others to criteria which relate to the property itself. These exemptions include provision for people moving to a nursing home and time for probate to be granted following a death. The full list of mandatory discounts and exemptions can be found at Appendix 4.
- 4.2 From April 2013, Councils were given the freedom to locally set discounts in relation to empty properties. The scheme of discounts in Stockport was reviewed during 2016/17 and a consultation exercise carried out. A revised scheme was subsequently approved and implemented from 1 April 2017.

4.3 Unoccupied property

- 4.3.1 Council Tax regulations define six property classes where no-one is resident, in respect of which a local discount can be set:

A dwelling which:

- Class A - is purpose built holiday homes and chalets*
- Class B - is unoccupied but furnished (includes second homes)
- Class C - is unoccupied and substantially unfurnished
- Class D - is unoccupied and substantially unfurnished homes undergoing, or having undergone, major repair work or structural alteration
- Class E - would otherwise be the sole or main residence of a member of the armed forces, who is absent from the property as a result of such service
- Class F - annexes which form part of a single property where it is felt that the liable person would have reasonable opportunity to be able to advertise the annexe for let/sale.

*There are specific and complex rules about this class of property. There currently are no properties of this type in Stockport.

- 4.3.2 The following table demonstrates the local discount scheme adopted by Stockport Council from April 2017. These discounts only apply where the property does not otherwise qualify for any of the national Council Tax Exemptions.

Unoccupied property which is:	Discount class	Amount of Discount	Premium
Furnished	B	Nil	Nil
Unfurnished	C	100% for first 2 months	50% after 2 years
Undergoing major repair or structural alteration to make it habitable	D	75% for first 12 months	50% after 2 years
Normally occupied by service personnel	E	100%	Nil
Annex to another property	F	100%	Nil

- 4.3.3 The discount/ levy relates to the property and not the charge payer. This means that the level of discount carries forward when ownership changes. This leads to the

greatest area of contention as many assume the discount will “reset” when a new person is made liable for Council Tax.

4.3.4 The revised scheme has generally been well received, partly as a result of the response to consultation and increased communication prior to implementation. To date, no appeals or complaints have been received regarding the empty property discount scheme effective from April 2017. Historically, any complaints usually relate to the 50% premium, applied when a property has been empty for over two years.

4.3.5 As at the time of writing a snapshot of the number of properties which qualify for the empty property discount is shown below, along with a comparison to the previous year:

Code	Description	Number in Oct 2017	Number in Oct 2016
C	Unfurnished < 2 months	389	466
D	Refurbishment < 12 months	88	56
E	Armed Forces	1	0
F	Annexes	0	0
Pre	Premium	265	271
Total		743	793

4.3.6 The premium on empty unfurnished properties means that tax payers for these properties are paying 150% of the basic Council Tax for the property. It was anticipated that this would result in the number of long term empties falling as people took steps which meant the property was no longer classed as empty. The number of properties attracting a premium charge has reduced by 32 since the start of the scheme but has remained reasonably static over the last two years:

Band	Number on a premium charge	
	Oct 17	Oct 16
A	117	122
B	46	52
C	46	47
D	20	22
E	12	14
F	10	8
G	12	4
H	2	2
Total	265	271

4.3.7 Details of all unoccupied properties are shared with the Councils Strategic Housing team who use it to target owners to work with them to bring the properties back into occupation.

4.3.8 The changes to the scheme no longer provides an incentive to declare a property as empty unless it falls under class D and undergoing major structural repair. This may lead to a loss of intelligence around which properties really are empty.

4.3.9 Customers may also re- arrange their affairs to take advantage of the other discounts available as we have seen with the increase in class D awards. We are currently achieving a £992k saving against a forecast of £1.2m, however it is anticipated that the saving will be more than contained within the Council Tax element of the collection fund.

4.3.10 Members views are sought on proposals to carry out a review Class D entitlement during 2018/19.

4.3.11 It is recommended that the range of discounts currently available in respect of unoccupied property be continued for 2018/19 and a review of Class D entitlement is carried out.

5 Council Tax and Care Leavers

5.1 The term 'care leaver' is defined in The Children (Care Leavers) Act 2000:

- **Eligible/relevant child** – aged 16 and 17 who has been looked after for at least 13 weeks since the age of 14 and who is still being looked after or who has left care.
- **Former relevant child/qualifying child** – aged 18 to 21 who were previously 'eligible' or 'relevant'.
- **Former relevant child pursuing education** - is any former relevant child whose case was closed, for any reason until their 25th birthday.

5.2 At a Council meeting in March 2017 it was recognised that care leavers are a particularly vulnerable group in relation to Council Tax debt. In order to ensure the transition from care to adult life is as smooth as possible, and to mitigate the chances of care leavers falling into debt as they begin to manage their own finances, it was agreed that they should be exempt from paying Council Tax until they reach the age of 21 or up to 25 where they are in full time education. This includes a reciprocal agreement across Greater Manchester Authorities in respect of care leavers up to the age of 21.

5.3 Under Section 13(a) of the Local Government Finance Act 1992, the Council has the power to reduce liability for Council Tax in relation to particular cases or by determining a class of cases that it may determine and where national discounts and exemptions cannot be applied.

5.4 The cost of any reductions under Section 13(a) are borne by the Authority. In March 2017 there were 172 young people aged 18-25 which had left the care of the Authority and are liable to pay Council Tax. In addition, there were 58 young people aged 16 to 17 about to begin the difficult transition from care and into adulthood.

5.5 Where a care leaver becomes liable for Council Tax at the age of 18, any remaining liability after the award of any nationally prescribed reliefs, exemptions or discounts is currently reduced to zero. To date, the total cost of reductions in 2017/18 amounts to £4,262. Work is ongoing to proactively identify those that should qualify for a reduction.

5.6 The Council's Discretionary Support Policy regarding reductions made under Section 13(a) is included at Appendix 6. Specific reference to care leavers as a priority group is covered at Section 3.

5.7 It is recommended that any Council Tax liability for care leavers up to the age of 21 and up to the age of 25 for those in full time education be reduced to zero for 2018/19.

6 Council Tax Support

- 6.1 Stockport's CTS scheme for the working age was established with an aim to provide support for the most vulnerable households, distributing it as widely and equally as practicable based on income, household size and Council Tax band. The scheme is designed on the following principles:
- Entitlement based on the size of the household rather than the Council Tax band of the property the household occupies
 - Supporting the people who are most in need/ most vulnerable
 - Supporting people moving into work and those in low paid work
 - Maximising the amount of Council Tax collectable
 - A clear and accessible scheme

The scheme is outlined at Appendix 5 and predominately based on the governments Council Tax Support Scheme for Pensioners. Therefore, any changes made by the Department for Communities and Local Government to this scheme will be automatically mirrored from April 2018. The pensioner scheme is also intended to reflect any changes in Housing Benefit wherever appropriate. Stockport specific adaptations are also made to the scheme such as Council Tax band capping and savings thresholds.

- 6.2 The scheme has now been in place for five years and continues to run smoothly. It is generally easy to understand as the CTS Scheme for Pensioners remains very similar to Council Tax Benefit which was abolished in March 2013 and is closely aligned to the Housing Benefit regulations.
- 6.3 No official complaints regarding the operation/principals of the scheme or appeals with regards to entitlement have been received to date. Council Tax collection rates for CTS cases are comparable to non CTS recipients, which would indicate that the scheme continues to provide appropriate support for the most vulnerable.
- 6.4 Only minor amendments have been made to the localised scheme since 2013 which have mainly been around our learning experiences with Universal Credit, which went live in Stockport during November 2014.
- 6.5 The most significant aspect of the scheme is the cap placed on the Council Tax band when calculating support. How this has impacted on working age cases by band is illustrated in the table below:

COUNCIL TAX SUPPORT									
Description	2017/18 (snapshot as at 02/11/2017)								
	A	B	C	D	E	F	G	H	Total
1. Total CTS claims by band	11,914	4698	2405	913	348	124	42	2	20,446
1a. Of which number are capped to Band A liability	0	1603	527	144	35	20	9	0	2,338
1b. Of which number are capped to Band B liability	0	0	387	119	59	26	9	0	600
1c. Of which number are exempt from the Band cap	11,914	3095	1491	650	254	78	24	2	17,508

- 6.6 86% of working age customers in receipt of Council Tax Support are exempt from the band cap either because they reside in appropriately sized property or in receipt of Council Tax Disabled Persons Relief.

6.7 Universal Credit

- 6.7.1 For customers in receipt of Universal Credit (UC), CTS is assessed from the Monday following the first day of entitlement to UC, providing a separate claim for CTS is made within one month of the date on which the claim for UC was received. Customers currently have a six week wait before a UC payment is received. Despite having an advisor based at the Jobcentre, many do not make a separate claim for Council Tax Support until they receive their UC award letters. This coupled with a no CTS backdating provision will potentially lead to an increase in Council Tax arrears with little prospect of recovery.
- 6.7.2 It is recommended that the time limits for UC recipients making a claim for CTS be extended from one month to 6 weeks in order for entitlement to be assessed from the Monday following the first day of entitlement to Universal Credit.**

6.8 Disregarded Income

- 6.8.1 Under the current scheme, various income types are disregarded in the calculation of CTS. These include Bereavement Payment, Bereavement Allowance and Widowed Parents Allowance, all of which were replaced by a new Bereavement Support Payment for new claims from April 2017.
- 6.8.2 It is recommended that Bereavement Support Payments are continued to be disregarded in the calculation of CTS in line with Housing Benefit and Universal Credit assessments.**

7 Discretionary Support

- 7.1 Despite the provisions of the CTD and CTS schemes, some customers will still suffer from financial hardship. These can be addressed through either Section 13A(1)(c) of the Local Government Finance Act 1992 Regulations, which enables the Authority to reduce Council Tax Liability for individual cases or a Discretionary award.
- 7.2 To improve the efficiency of discretionary support, an integrated Policy was implemented in 2017/18 to cover both elements of support which impacts on the Council's Collection Fund and ensure transparency of decision making. This is shown at Appendix 6.
- 7.3 Short term discretionary awards are made to meet immediate needs and provide time for customers to seek a long term solution to their financial difficulties.
- 7.4 A discretionary fund was established at the outset of the CTS scheme. At the start of 2017/18, £100k was set aside. As at November 2017, the balance stands at £39k. Between April and October 2017, 323 applications have been considered, with 164 awards being made (51%). Based on previous years spend and forecast of current spend it is unlikely there will be sufficient funds to address need in 2018/19.
- 7.5 It is recommended that the discretionary fund is refreshed to £100k for 2018/19. This will support vulnerable customers facing financial difficulty who have no alternative means of meeting their Council Tax liability and to manage the transition of any Welfare Reform measures.**

8 Council Tax Base

- 8.1 The content of this report does not impact on the 2018/19 Council Tax Taxbase presented to Cabinet at its meeting on 19th December 2017. Thus the Cabinet/Council is recommended to approve the 2018/19 Council Tax Taxbase for budget setting purposes of 93,361.2 Band D equivalent properties.

9 Matters for Consideration

- 9.1 Members are asked for views on the following recommendations:
- 9.1.1 That the CASC Top-up scheme be continued for the year 2018/19, enabling CASCs to achieve 100% relief from Non-Domestic Rates, provided they meet the qualifying criteria at Appendix 2.
 - 9.1.2 That Charity Relief remains limited to the 80% Mandatory Relief for the year 2018/19.
 - 9.1.3 That Rural Rate Relief continues to be limited to 50% Mandatory Relief for the year 2018/19 and should any village shops be established in the future then additional discretionary relief should be awarded up to 100%.
 - 9.1.4 That Stockport's scheme for Discretionary Business Rate Relief post revaluation be maintained for year two and calculated as 35% of the increase in rates payable.
 - 9.1.5 That the 50% discount and qualifying criteria for Not for Profit organisations be maintained for the year 2018/19.
 - 9.1.6 That the local improvement scheme for the Town and District Centres be discontinued for 2018/19.
 - 9.1.7 That the local scheme for large businesses which are new to the Borough or those undergoing significant expansion in the Borough be continued for 2018/19.
 - 9.1.8 That the continuation of a case by case approach for Business Rates discounts where exceptional circumstances exist be continued for 2018/19. It is unlikely that Exceptional Circumstances Relief would be awarded to an organisation which was in receipt of support from the Council, either grant funded or commissioned.
 - 9.1.9 That the current scheme for Council Tax empty property discounts is maintained for 2018/19 as detailed at para 4.3.2 above and a review of Class D entitlement be carried out during 2018/19.
 - 9.1.10 That any Council Tax liability for care leavers up to the age of 21 and up to the age of 25 for those in full time education be reduced to zero for 2018/19.
 - 9.1.11 That Stockport's Council Tax Support scheme is maintained for 2018/19 as detailed at Appendix 5.
 - 9.1.12 That the time limits for Universal Credit recipients making a claim for Council Tax Support be extended from one month to 6 weeks
 - 9.1.13 That Bereavement Support Allowance be disregarded in the calculation of Council Tax Support for 2018/19 in line with Housing Benefit and Universal Credit regulations.

9.1.14 To refresh the Council Tax Support discretionary fund to £100k for 2018/19, supporting customers facing financial difficulty, with no alternative means.

9.1.15 That the 2018/19 Council Tax Taxbase for budget setting purposes of 93,361.2 Band D equivalent properties is approved.

BACKGROUND PAPERS

There are none

Anyone wishing to inspect the above background papers or requiring further information should contact Alison Blount on Tel: 0161 474 5107 or by Email: alison.blount@stockport.gov.uk

Appendix 1

MANDATORY RELIEF	Caseload	Relief Granted	Total Value of Relief
CASC Relief			
2016/17	38	80%	£252,804
2017/18	38	80%	£241,052
Change in Caseload/Value	0		-£11,752
Charitable Relief			
2016/17	319	80%	£4,534,122
2017/18	337	80%	£4,725,218
Change in Caseload/Value	+18		+£191,096
Rural Relief			
2016/17	0	50%	£0
2017/18	0	50%	£0
Change in Caseload/Value	0		£0
Discretionary Rate Relief post revaluation (forecast)			
2016/2017	0	0	£0
2017/2018	240	70% of increase in rates payable	£261,185
Change in Caseload/Value	0	0	£0
Pub Relief			
2016/2017	0	0	£0
2017/2018	63	£1k	£58,813
Change in Caseload/Value	0	0	£0
Supporting Small Businesses Relief			
2016/2017	0	0	£0
2017/2018	24	Increase capped to £600 pa	£27,289
Change in Caseload/Value	0		£0

DISCRETIONARY RELIEF	Caseload	Relief Granted	Total Value of Relief
Not For Profit Organisations Relief			
2016/17	21	50%	£86,807
2017/18	19	50%	£52,632
Change in Caseload/Value	-2		-£34,175
CASC Top Up Relief			
2016/17	20	20%	£22,251
2017/18	20	20%	£21,577
Change in Caseload/Value	0		-£674
Large business relocation or expansion			
2016/17	1	Case by case basis	£6,755
2017/18 (Total value not yet known as the 3 premises at Redrock have not yet been rated by the Valuation Agency)	4	Case by case basis	£18,217 to date.
Change in Caseload/Value	+3		Not yet known
Exceptional circumstances			
2016/17	0	Case by case basis	£0
2017/18	0	Case by case basis	£0
Change in Caseload/Value	0		£0

DISCRETIONARY RATE RELIEF FOR COMMUNITY AMATEUR SPORTS CLUBS

Qualification criteria for DRR for Community Amateur Sports Clubs in Stockport

1. Valid Sport England Clubmark/ associated National Governing Body Accreditation.
2. Acceptance of Stockport Metropolitan Borough Council's Leisure Key discount scheme.
3. Affiliation to Sport Stockport (formerly Stockport Sports Council).
4. Attendance at the Sport Stockport Annual and General Meeting.
5. Membership rates must not be such, as in the opinion of the Council, to exclude the general community.
- 4 The facilities of the Organisation should be made available to people other than members, e.g. schools, casual public sessions etc. subject to licensing requirements.
- 5 Membership of the Organisation must be open to all members of the community, regardless of ability, subject to the physical capacity of the premises.
- 6 Organisations must actively encourage membership from groups such as young people, older age groups, persons with a disability or ethnic minorities, such encouragement to be demonstrated by either –
 - (a) Differential fee structures for such groups or
 - (b) Provision of schemes of training or
 - (c) Education for such groups; or
 - (d) Membership which consists of at least 25% of people from such groups.
- 7 Sports Clubs have considered applying for Community Amateur Sports Club (CASC) status with HM Revenues and Customs and must supply a reason why this is not appropriate for the club.
- 8 At least 51% of the membership must be made up of Stockport residents.

For CASC's where a Clubmark/Associated National Governing Accreditation Scheme is not in operation, Discretionary 20% 'Top Up' Rate Relief will be awarded to CASC's meeting the criteria detailed in points 2 to 9 above.

Relief is granted for 12 months at a time. Any change to the current scheme requires the Council to notify recipients 12 months ahead of the change being implemented. This allows organisations to plan for the impact on their budgets of any change to their entitlement. Organisations granted Discretionary Rate Relief must inform the Council of any change in circumstances, which might affect eligibility for Relief.

NON-PROFIT MAKING ORGANISATIONS DISCRETIONARY RATE RELIEF CRITERIA

Non-profit organisations are defined in Section 47(2)(b) and (c) of the Local Government Finance Act 1988:

1. The hereditament is not an 'excepted' hereditament (excluded from the scheme under Section 47(9) of the Local Government Finance Act 1999 and amended under Section 137(Sch 34) of the Greater London Authority Act 1999), and all or part of it, is occupied for the purposes of one or more institutions or other Organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature of the fine arts;
2. The hereditament is not an 'excepted' hereditament, it is wholly or mainly used for purposes of recreation, and all or part of it, is occupied for the purposes of a Club, Society or other Organisation not established or conducted for profit.

DRR qualification criteria for Non Profit Making Organisations in Stockport:

3. The activities of the Organisation must support the Council priorities.
4. The Organisation must promote its services for the benefit of Stockport residents.
5. Membership of the Organisation must be open to all members of the community, regardless of ability, subject to the physical capacity of the premises, unless there are legitimate restrictions placed on membership.
6. Membership rates must not be such, as in the opinion of the Council, to exclude the general community.
7. Organisations must actively encourage membership from groups such as young people, older age groups, persons with a disability or ethnic minorities, such encouragement to be demonstrated by either –
 - a) Differential fee structures for such groups; or
 - b) Provision of schemes of training or education for such groups; or
 - c) A membership which consists of at least 25% of people from such groups.
8. The facilities of the Organisation should be made available to people other than members, e.g. schools, casual public sessions etc, subject to licensing requirements.
9. The Organisation must be affiliated to a local or national Organisation where one exists.
10. At least 51% of the membership must be made up of Stockport residents.
11. The Organisation must provide a copy of their constitution and a copy of the last 2 years audited annual accounts.
12. The Organisation granted Discretionary Rate Relief, must inform the Council of any change in circumstances, which might affect eligibility for Relief.

COUNCIL TAX EXEMPTION CLASSES

Exemption Class	Unoccupied Property Description	Exemption Period
B	Unoccupied property owned by a Charity and set up for charitable purposes. It must have been last occupied for the purpose of that charity. .	The exemption can continue for up to 6 months after becoming unoccupied
D	Unoccupied property, which is owned or leased by a person now in detention or held in remand (except for non-payment of a fine or Council Tax). The property must have been their main home immediately before they went into prison.	May be exempt as long as the property remains unoccupied and the owner / tenant is detained.
E	Unoccupied property, which is owned or leased by a permanent resident in a hospital or nursing home.	May be exempt as long as the property remains unoccupied and the owner / tenant is a permanent resident in the hospital / home.
F/F1	Unoccupied property which forms part of the estate of the owner / tenant who has died.	Will be exempt until letters of administration or probate have been granted. This exemption will continue for a further 6 months unless a person(s) becomes the owner, either as a beneficiary of the estate or as a result of the sale of the property.
G	A property where occupation is prohibited by law or an Act of Parliament or, which is kept unoccupied because of impending compulsory purchase.	Will be exempt for as long as the property remains unoccupied and the order remains in force.
H	Unoccupied property kept available for a Minister of any religious denomination to use as a residence from which to perform his/her duties.	Will be exempt as long as it remains unoccupied.
I	Unoccupied property, which is owned or leased by a person who is currently living elsewhere, so that they can receive personal care due to old age,	May be exempt as long as the property remains unoccupied and the personal circumstances of the owner /

	disablement, illness, mental disorder, or alcohol or drug dependence. This exemption does not apply to those properties left unoccupied where the owner / tenant is receiving care in a hospital, residential care home, nursing home or hostel.	tenant do not change. (They must have been away for this reason only since they left).
J	Unoccupied property, which is owned or leased by a person who is currently living elsewhere, to provide personal care for another person due to old age, disablement, illness, mental disorder, or alcohol or drug dependence.	May be exempt as long as the property remains unoccupied and the personal circumstances of the owner / tenant do not change. (They must have been away for this reason only since they left).
K	Unoccupied property, which was last occupied ONLY by one or more student/s, one of them being the owner of the property and still a student living elsewhere. The property will be exempt if the liable person becomes a student up to 6 weeks after he/she last occupied the property.	Will remain exempt as long as the property remains unoccupied and the owner remains a student.
L	Unoccupied property that has been repossessed by the mortgage lender.	Will be exempt as long as the property remains empty or until it is resold.
M	Halls of Residence provided for the accommodation of students.	Are exempt.
N	Occupied entirely by full time students. However, properties occupied by a mixture of full time students and people who are not full time students will not be exempt and will receive a bill. It will be for the members of the household to decide how to apportion the bill but the full time students will not be liable for Council Tax.	Will be exempt until the course ends or there is a change in the household situation e.g. Non students move into the property.
O	Property owned by the Secretary of State for Defence.	Will be exempt, whether occupied or unoccupied, until the situation changes.
P	Properties occupied by visiting service personnel who are not British citizens or normally resident in the UK.	Will be exempt until the situation changes.
Q	Where a property is left unoccupied because of a Bankruptcy and the Trustee is liable for the Council Tax.	Will be exempt until the property situation changes. e.g. The property is occupied or sold.

R	Unoccupied - caravan pitch or boat mooring.	Will be exempt until the pitch or mooring is occupied by a caravan or boat.
S	Property occupied only by persons under the age of 18.	Will be exempt until one of the occupiers becomes 18 years of age.
T	Unoccupied annexe, connected to a main property which is occupied by the liable person, and difficult to let separately.	The annexe will be exempt until the situation changes.
U	Properties occupied only by people who are severely mentally impaired who would otherwise be liable to pay the Council Tax. This exemption does not apply to Residential Care Homes / Nursing Homes or Houses In Multiple Occupation where the landlord is liable for the Council Tax.	Will be exempt until the situation changes.
V	Property occupied by at least one Foreign Diplomat or a Member of a specified International Organisation.	Will be exempt until the situation changes.
W	Annexe of a property occupied by a dependant relative of the person who is resident in the main property. (A relative is dependant if he / she is 65 or over, severely mentally impaired, or is substantially or permanently disabled.)	Will be exempt until the situation changes.

Appendix 5

COUNCIL TAX SUPPORT SCHEME FOR WORKING AGE CLAIMS

Stockport's Council Tax Support Scheme is predominately based on the government's scheme for pension credit age customers - The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012.

The additional changes which affect working age people are;

1. The Council Tax band used to calculate entitlement will be the equivalent of band A for all calculations unless the household is such that three or more bedrooms are required (using the national criteria defined for Local Housing Allowance payments) when a band B equivalent will be used unless the property is in band A in which case band A will be used.
2. Second Adult Rebate is not available.
3. Non dependant deductions will be made at either the higher rate of £10 per week where gross income exceeds £188 per week or the lower rate of £5 per week if the gross weekly income is less. If the non-dependant deduction would not be due under The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, then no deduction will be made.
4. The savings and capital upper limit is £8,000.
5. New claims will not be backdated. Entitlement will be assessed from the Monday following the date the application is made.
6. The time limits for Universal Credit recipients to return a claim for Council Tax Support will be 6 weeks for entitlement to be assessed from the Monday following the first day of entitlement to Universal Credit.
7. Beneficial changes in circumstances will be treated in the same way as the Housing Benefit regulations.
8. The minimum amount of Council Tax Support is £1 per week. There will be no entitlement below this amount.
9. Earnings from gainful self-employment will be assessed based on the calculation defined in The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, for the first 12 months of self-employment. After this time earnings will be calculated based on the national minimum/living wage based on the hours declared to HMRC for the purpose of claiming working tax credits up to a maximum of a 37 hour week. Where tax credits are not claimed then a standard 37 hour week will be used.

The calculation of notional income from self-employed earners will be reduced by notional tax and national insurance contributions.

9. Any claim where the person is receiving Disabled Persons Relief on their Council Tax will be exempt from point 1, and will have their entitlement calculated on their actual Council Tax liability.
10. All Council Tax Support calculation figures stated in the Stockport Scheme will be assessed in-line with the applicable amounts and premiums applied to the national pensioner scheme and Housing Benefit regulations where appropriate, with the exception of non-dependant deductions.
11. War Pensions and Bereavement Support will be fully disregarded as an income in the calculation of Council Tax Support.
12. Where payments of Universal Credit include housing costs, these will be treated as income. However the housing element will not be included in the applicable amount for those in remunerative work.
13. A discretionary fund is available to provide further financial assistance towards Council Tax costs in exceptional circumstances.



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

REVENUES & BENEFITS SERVICE

DISCRETIONARY SUPPORT POLICY

***Additional help for rent
and council tax costs***

Policy Title	Discretionary Payment Policy
Version	1.0
Author	Andrea Griffiths
Location	<ul style="list-style-type: none"> • Original copy held by Revenues & Benefits Service • Council Website
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***DISCRETIONARY POLICY
HELP TOWARDS RENT AND COUNCIL TAX COSTS***

POLICY GUIDELINES:

1. Background

On 2nd July 2001, a Discretionary Housing Payment (DHP) scheme was introduced, giving Local Authorities power to provide financial assistance to claimants with their housing costs. Funding for this assistance is provided by the Department for Work and Pensions (DWP) and ring fenced.

From 1st April 2013, the scheme no longer includes help towards Council Tax payments but will continue to provide discretionary support where the claimant demonstrates a need for further financial assistance towards their rent and they are in receipt of Housing Benefit or Housing Costs element of Universal Credit.

The legislation governing Discretionary Housing Payments can be found in:

- The Child Support, Pensions and Social Security Act 2000
- The Discretionary Financial Assistance Regulations 2001
- Council Tax Benefit Abolition (Consequential Amendments) Regulations 2013
- The Welfare Reform Act 2012 (Consequential Amendments Regulations 2013)

Stockport Council will provide a local Discretionary Payment Fund to help with Council Tax in exceptional circumstances where claimants are affected by the differences in The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 and Stockport Council's Local Council Tax Support Scheme. This will be reviewed on an annual basis as part of any proposed changes to the local Council Tax Support Scheme that is currently in place. Funding will be cash limited.

Both the Discretionary Housing Payment Scheme and the Local Council Tax Support Discretionary Payment Schemes are discretionary; customers do not have a statutory right to a payment.

Section 13A(1)(c) of the Local Government Finance Act 1992 provides the Council with the discretionary power to reduce a Council Tax liability. This provision can be used in cases where a Discretionary Council Tax payment cannot be awarded. This provision also allows the Council the discretion to provide assistance to taxpayers affected by Stockport's Local Council Tax Empty Property Discount Scheme.

This policy sets out how the Council will use its discretionary powers to help customers with both their rent and Council Tax charges and the criteria that must be satisfied before a payment/reduction can be made.

2. Policy Aims

To ensure that Discretionary Payments/reductions contribute to the Council's aims and objectives for the Borough's development and promote social inclusion for all Stockport residents whilst not subsidising poor accommodation, not encouraging irresponsible behaviour or disadvantaging other charge payers in the borough.

To provide transitional support to claimants who require further assistance with their rent and/or Council Tax costs. A shared responsibility will be encouraged to enable the claimant to better themselves through their own actions.

3. Priority Groups

Following a Council motion on 30th March 2017, Care Leavers up to the age of 25 will have any outstanding Council Tax liability (arising from 1st April 2017 onwards) reduced to zero under Section 13A(1)(c) of the LGFA 1992, after deducting any Council Tax Support entitlement.

Since April 2013, the DWP has provided additional Discretionary Housing Payment funding towards housing costs so that Local Authorities can help customers manage the impact of Welfare Reforms. This additional funding is specifically aimed at:

Customers affected by Social Sector Size Criteria

- Disabled people who live in significantly adapted accommodation
- Foster carers, including those who need to keep an extra room when they are in between fostering.

Customers affected by the Benefits Cap

- Those in supported, exempt or temporary accommodation
- Individuals or families fleeing domestic violence
- Households moving to more appropriate accommodation
- Individuals or families who cannot move immediately for reasons of health, education or child protection.

Customers subjected to LHA restrictions

Priority will be given to these groups of people who claim a Discretionary Payment for help with their rent, where they can demonstrate they require additional financial assistance.

Each case will be treated strictly on its merits and all claimants will receive equal and fair treatment. The Revenues & Benefits Service is committed to joint working with other partners and organisations to increase entitlement to all Welfare Benefits and will reflect this in managing the Discretionary Payment Scheme.

Where the customer is not claiming a Council Tax discount or exemption to which they may be entitled or a welfare benefit or additional financial assistance, they will be advised to make such a claim and given details of other agencies that may be able to help.

4. Specific Policy Objectives

- To help members of the community who are unable to pay their rent to remain in their current home and safeguard their tenancy.
- To help members of the community who are unable to meet their rent payments for Temporary Accommodation to secure or safeguard permanent accommodation.
- To help members of the community who are unable to pay their Council Tax charge because they are not receiving as much support as they would under The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012
- To provide transitional support to members of the community who are unable to pay their Council Tax charge because they are suffering hardship as a result of

a reduced award under Stockport's Local Council Tax Empty Property Discount Scheme.

- To encourage social inclusion by ensuring that disadvantaged claimants are able to afford to live in communities that provide support, and enable the claimant to contribute to the borough
- To help residents who are unable to increase their income
- To help those who are trying to help themselves
- To encourage those in need of financial budgeting advice to access assistance
- To encourage and support people who are starting work
- To alleviate poverty
- To keep families together
- To support care leavers under the age of 25
- To support the vulnerable and elderly in the local community
- To ensure that no claimant/charge payer suffers any undue short-term disadvantage resulting from circumstances beyond their control.
- To help claimants through personal and difficult events
- To ensure that assistance is available and accessible to those most in need
- To re-profile Council Tax instalments or set alternative payment arrangements where this would make them more affordable to the customer.
- To ensure Discretionary Payments/reductions are only awarded where no other means of assistance is available.
- Discretionary Payments/reductions towards Council Tax costs should not undermine the purpose and nature of the Local Council Tax Support Scheme or the Local Empty Property Discount Scheme, nor should they support irresponsible behaviour.

5. Decision Process

The Council will provide an on-line [application form](#) for claimants to complete when requesting a Discretionary Payment. Paper forms will also be made available where required. The claimant will detail all income, expenses and capital. The claimant will also be given the opportunity to provide details of any circumstances they wish to be considered by the Council.

The decision to award a Discretionary Payment and/or reduction will be made at a senior level by Adjudication and Appeals Officers or Senior Benefit Officers. The application will be checked to ensure that the appropriate criteria are met. Decisions will be taken in line with legislation, policy objectives and awarding criteria.

The Council will aim to notify the applicant of the outcome in writing, as soon as reasonably practicable.

6. Awarding Criteria

Each case will be considered on 'its merits', no blanket decisions will be made in common situations as this will fetter the application of discretion. All the following criteria should be satisfied before an award will be made:

I. The claimant must:

- be entitled to Housing Benefit **or** Universal Credit that includes a housing element towards rental liability, in the benefit week for which a Discretionary Payment is to be made

and/or

- be liable for Council Tax at an address in Stockport

AND

- evidence hardship that justifies a Discretionary Payment award and/or reduction.
- have taken reasonable steps to resolve their situation prior to application.
- engage with debt advice where deemed appropriate.
- not have access to other assets that could be realised and used to pay the rent and/or Council Tax.
- have claimed all other eligible benefits, discounts and reliefs that are available.
- be experiencing difficulties that prohibit them from being able to meet their rent and/or Council Tax liability; account will be taken of the likely length of time this difficulty will exist.

II. Overall cash limits, the effect on other charge payers and the Council's financial situation will be valid elements of the decision-making process.

III. Principles of reasonableness will apply in all cases.

7. Amount payable

There are no prescribed time limits for making a claim for a Discretionary Payment and/or reduction.

The maximum level of Discretionary Housing Payment for help with rent shall not exceed the maximum amount of housing costs within Universal Credit or the difference between the Housing Benefit award and the eligible rent on the home.

Both the amount and the duration of a payment/reduction towards Council Tax will be determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of each case.

8. Overpayments

The Council has the discretion to revise, reduce or withdraw a Discretionary Payment and/or reduction if it is found that the circumstances of the applicant have changed and the award is no longer appropriate.

The recovery of any overpaid Discretionary Payment will be decided taking account of all relevant circumstances, including the claimant's current financial circumstances. Where appropriate, an overpaid Discretionary Payment made towards rental payments will be recovered via an invoice; and an overpayment towards Council Tax will be recovered by means of debiting the amount from the Council Tax account.

Where a reduction in liability has been granted incorrectly or in error, either due to a failure to provide the correct or accurate information to the Council or some other circumstances, the Council may decide to reverse all or some of the reduction on the charge payer's account.

9. Appeals

Under the Local Government Finance Act 2012 and Discretionary Financial Assistance Regulations 2001, there is no right of appeal against the Council's use of discretionary powers regarding a payment from the Discretionary Payment Funds. The claimant can however, make representations to the Council if they disagree with a decision, which will then be reviewed. The Council can also review a decision itself where it is considered to be appropriate.

Where a decision is refuted, this will be considered by a Senior Officer who was not involved in the original decision. If this is upheld and the claimant still refutes the decision, the Benefits & Local Taxation Manager will undertake a review of the case and where appropriate, arrange for a panel of Senior Managers who are independent of the Revenues & Benefits Service to consider the case.

The outcome of the review will be communicated to the claimant in writing, as soon as reasonably practicable.

Although there is no appeal procedure within the regulations for Discretionary Housing Payments, claimants can pursue the matter to Judicial Review but would be advised to seek independent advice in the first instance.

An Appeal against a decision under Section 13A(1)(c) of the Local Government Finance Act 1992 may be made in accordance with Section 16 of the Local Government Finance Act 1992.

The Council Taxpayer must first write to the Council outlining the reason for their appeal. Once received, the Council will reconsider its decision and notify the Council Taxpayer accordingly.

If the decision remains unchanged, and the charge payer is still aggrieved, they can appeal to a Valuation Tribunal. They can only do this if they have asked us to look at the

decision first and they still disagree with our reply, or the Council does not reply to their letter within 2 months.

10. Fraud

The Revenues & Benefits Service is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim a Discretionary Payment and/or reduction by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968. Where the Revenues & Benefits Service suspects such a fraud may have occurred, the matter will be investigated and this may lead to the instigation of criminal proceedings.

11. Joint Working

The Housing Benefit Service will work closely with front line services, partners and other organisations by providing Discretionary Payment training on policy objectives and qualifying criteria in order to promote take up and awareness in appropriate circumstances. This will ensure vulnerable groups and individuals are targeted effectively.

The Stockport Local Assistance Scheme (SLAS) replaced elements of the Social Fund; which are no longer administered by the DWP; specifically Community Care Grants and Crisis Loans. The aim of the scheme is to assist the most vulnerable people of Stockport and will:

- Provide a safety net in an emergency, when there is a threat to health or safety;
- Enable independent living or continued independent living, preventing the need for institutional care through referrals to and appropriate use of Supporting People funded housing support services.

The SLAS funding has been top sliced to create a clear budget for paying rent in advance in appropriate circumstances. This will be administered by SHL and cross referenced against applications for rent deposits.

The housing element of SLAS will not be made to those also applying for a Discretionary Payment for help with rent and therefore, close links are now in place with the Adult Social Care's Supporting People Team. The implementation of an on-line application form for Discretionary Payments and SLAS awards provides a holistic view of a person's needs along with an understanding of the financial support that they are already in receipt of from across different council departments.

12. Recording of Expenditure/Reductions

The Benefits & Local Taxation Manager will monitor Discretionary Payment/reduction decisions to ensure that payments are made within budget, qualifying criteria has been met and that expenditure is correctly profiled to ensure fair distribution of the Discretionary Payment Fund throughout the year.

Applications received and outcomes will be analysed in order to review policy, methodology and target resources.