Council Meeting: 21st January 2021

BUSINESS RATES AND COUNCIL TAX DISCOUNTS ANNUAL REVIEW

Report of the Corporate Director (Corporate and Support Services) and Deputy Chief Executive

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 Regulations allow for 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 The Council has also agreed a Council Tax premium charge in respect of properties that have been empty for two years or more, an exemption for care leavers and a localised Council Tax Support scheme, to help people who are on a low income.

1.4 This report outlines the current arrangements and any proposed changes as follows:

- Section 2 – Funding Arrangements
- Section 3 – Business Rates Discounts
- Section 4 – Council Tax Empty Property Discounts & Premiums
- Section 5 – Council Tax and Care Leavers
- Section 6 – Council Tax Support
- Section 7 – Council Tax 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 Rates 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 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

AGENDA ITEM

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 considered when calculating entitlement to safety net funding.

2.4 The Council has no 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, the Council will continue to be compensated for the loss of Business Rates income as a result of these reliefs via a Section 31 Grant.

2.5 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.

2.6 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 aiding (in either grant or commissioned contracts) is unlikely to be the most appropriate way to provide help. It is clearer and more transparent for any support to be given through the grant or commissioned contracts.

2.7 Government have confirmed that the Comprehensive Spending Review will be for one year – 2021/22. As a result, it is expected (but yet to be confirmed) that the 2021/22 Local Government Finance Settlement (LGFS) will be a 'roll-over settlement' with an expectation that the Greater Manchester 100% Business Rates Pilot will continue for a further financial year. It is expected that this will be confirmed by government in mid-December as part of the LGFS announcement.

2.8 **Council Tax**

2.9 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 sits with the Local Authority. The level of all Council Tax discounts including CTS directly impacts on the Councils finances. The impact of any variation to the current arrangements would need to be reflected in the Council's Council Tax Taxbase.

3 Business Rates Relief

3.1 **<u>Mandatory Relief</u>**

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.

3.1.2 The Council will be compensated for the loss of Business Rates income 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 (DRR) 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 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.

3.2.2 There are also a range of temporary nationally prescribed discretionary relief schemes in place which are awarded under Section 47 of the Local Government Finance Act 1988:

- 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 following the 2017 revaluation. This will see an increase in bills capped to £600 per annum over 5 years.

- New Fibre Infrastructure - 100% relief to be given for a period of five years from 2017/18, to support the installation and rollout of new optical fibre connectivity for broadband and future 5G communications to homes and businesses. We do not currently have any hereditaments in Stockport that qualify for this type of relief.

- Newspaper Offices - extension of the £1.5k business rates discount for local newspapers' office space until 31 March 2025, as they continue to adapt to structural change in the industry. We do not currently have any hereditaments in the Borough that would qualify for this relief.

- Public Toilets – 100% relief to be given in respect of all standalone public toilets with effect from 1 April 2020.

- Retail Relief – a two-year scheme was introduced from 2019/20 for retail properties that have a rateable value of below £51,000. Qualifying businesses were to receive a one third discount, subject to State Aid rules. This was increased to 50% for 2020/21 and extended to cover cinemas and music venues. An additional £1,000 discount for eligible pubs with a rateable value of less than £100,000 was also introduced. In response to Covid-19, the government further increased the retail discount to 100% and extended it to include the leisure and hospitality sectors. Awards for 2020/21 total £42.9m. It is not yet known what support may be available in respect of Retail Relief for 2021/22. An announcement on this is expected as part of the government's Comprehensive Spending Review at the end of November.

- Nursery Relief - in response to Covid-19, the government announced that many childcare providers would pay no business rates in 2020/21. 100% relief has been granted for those properties subject to business rates and are occupied by providers on Ofsted's Early Years Register and is wholly or mainly used for the provision of the Early Years Foundation Stage. Awards for 2020/21 total £441k. Again, it is not currently known whether Nursery Relief will be accessible in 2021/22. An announcement on this is expected as part of the government's Comprehensive Spending Review at the end of November.

3.2.3 The Council will be compensated for the loss of Business Rates income in respect of these schemes via a Section 31 grant.

3.2.4 A table showing the total of Mandatory and Discretionary Reliefs awarded to date for 2020/21 along with a comparison to 2019/20 is shown at Appendix 1.

3.3 **CASC**

3.3.1 The number of CASCs qualifying for 80% Mandatory Relief in 2020/21 is 35, one less than in the previous year. The value of awards has increased by £2.5k due to a reduction in the level of transitional relief applied to accounts, which is then offset in part by Mandatory Relief.

3.3.2 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. 18 organisations are currently receiving a total of £21.2k under this provision.

3.3.3 The Top Up relief encourages amateur sports organisations in the Borough to affiliate to Sport Stockport and to also accept the Council Leisure Key which is currently subject to review.

3.3.4 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.

3.3.5 It is recommended that the CASC Top-up scheme be continued for the year 2021/22, enabling CASCs to achieve 100% relief from Non-Domestic Rates, provided they meet the qualifying criteria at Appendix 2.

3.4 Registered Charities

3.4.1 The number of Registered Charities qualifying for 80% Mandatory Relief reduced from 324 in 2019/20 to 322 in 2020/21, although the total value of awards increased by £31.9k. This is largely attributed to a reduction in transitional relief being applied to accounts which is then offset in part with mandatory relief. Letting premises to a Charity continues to remain an attractive option for landlords as a way of avoiding rates on otherwise empty premises. Robust procedures are in place to ensure correct entitlement.

3.4.2 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 in excess of £0.5m p.a. However, organisations recognised within the Council's priorities will be considered under para 3.9 for any additional relief.

3.4.3 It is recommended that Charity Relief remains limited to 80% Mandatory Relief for the year 2021/22.

3.5 Rural Relief

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

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

3.5.3 It is recommended that Village Shop Relief continues to be limited to 50% Mandatory Relief for the year 2021/22 and should any village shops be established in the future, then additional discretionary relief will be granted up to 100%.

3.6 Non-Profit Making Organisations (NPO's)

3.6.1 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.

3.6.2 Stockport's current 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 reduced from 19 to 12 in 2020/21, with the total value of awards decreasing by £4,387.

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

3.6.4 It is recommended that the 50% discount and qualifying criteria for Not for Profit organisations be maintained for the year 2021/22.

3.7 **Large Businesses new to or significantly expanding within the Borough**

3.7.1 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.

3.7.2 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
- The Town Centre Development Prospectus (where appropriate).

3.7.3 Awards are 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.

3.7.4 During 2019/20, DRR had been made available to four businesses relocating or expanding within the Borough, totalling £93,014. This relief continued into 2020/21 for two of those companies, amounting to £18,169. No further applications have been received to date this year.

3.7.5 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 2021/22. **However, as outlined at para 2.6, the benefit to the Council of giving a Business Rates discount as opposed to other financial support is reduced.**

3.8 **Exceptional Circumstances**

3.8.1 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.

3.8.2 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 Cabinet Member for Resource, Commissioning and Governance.

3.8.3 Since 2017/18, 100% of the cost of any such awards will fall to the Authority. No applications have been received on an exceptional circumstances' basis from this date.

3.8.4 It is recommended that the continuation of a case by case approach where exceptional circumstances exist be continued for 2021/22. However, as outlined at para 2.6, 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 & Premiums

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. Since April 2019, Stockport Council has no longer offered any discounts in relation to unoccupied properties, except for those satisfying the criteria for a Class E & F discount as described in para 4.3.1.

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 are no properties of this type currently in Stockport.

4.3.2 During 2019/20, a total of 7 official complaints were received following the withdrawal of empty property discounts (representing 0.5% of recipients in 2018/19). The complaints received included:

- Charge payer's unhappy that they had to pay Council Tax on properties they were trying to sell, as well as paying Council Tax for their main home;
- Landlord complaining at having to pay Council Tax between tenants; and
- Charge payer not satisfied with the removal of the discount as they had not received confirmation of SMBC's intention to withdraw.

4.3.3 There have been no formal complaints lodged so far during 2020/21.

4.3.4 It is recommended that the Council continues with its decision to not offer Council Tax discounts in respect of empty properties for 2021/22.

4.4 **Premiums**

4.4.1 The Council Tax regulations also give Authorities the discretion to implement a premium to be charged in addition to the current liability on properties that have been empty and unfurnished for two years. Stockport Council agreed to implement a 50% premium charge from April 2013.

4.4.2 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. However, the number of properties attracting a premium charge has remained reasonably static over the years.

4.4.3 New legislation allowing Councils to change the premium levels that can be charged after two years, was introduced from April 2019:

Effective date	Property empty and unfurnished	Premium Charge (up to a maximum of:)
April 2019	After 2 years	100%
April 2020	After 2 years but less than 5 years	100%
	At least 5 years	200%
April 2021 onwards	After 2 years but less than 5 years	100%
	At least 5 years	200%
	At least 10 years	300%

4.4.4 Stockport Council agreed to implement the maximum premium charge levels from April 2019 and April 2020 as shown in the table above. A 100% premium is added to the Council Tax bill in respect of properties left empty for more than two years, which increases to 200% after five years.

4.4.5 The amount of Council Tax forecast to be raised from premium charges for 2020/21 is £612,187:

Band	2019/20 100% charge	2020/21 100% charge	2020/21 200% charge
	Number of accounts	**Number of accounts**	**Number of accounts**
A	111	88	43
B	51	48	20
C	38	34	12
D	23	20	7
E	14	20	2
F	9	9	4
G	7	9	3
H	0	1	0
Total	**253**	**229**	**91**

4.4.6 Legislation now also allows Councils to increase premium charges to 300% for properties that have been empty for at least 10 years from April 2021. Implementation supports the Council's Empty Homes Strategy and provides an incentive to reduce the number of empty properties which could lead to more homes being brought into occupation, which the previous levels have failed to achieve.

4.4.7 It is recommended that the maximum premium charge levels are implemented in accordance with those shown in the table at para 4.4.3 from 2021/22.

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 It is 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, members have previously agreed a scheme to exempt care leavers from paying Council Tax up to the age of 25. This includes a reciprocal agreement across Greater Manchester Authorities.

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, the cost of which is borne by the Council.

5.4 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. The total cost of reductions in 2020/21 to date, amounts to £36,904 in respect of 60 care leavers.

5.5 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.

5.6 It is recommended that any Council Tax liability for care leavers up to the age of 25 continues to be reduced to zero for 2021/22.

6 Council Tax Support

6.1 Stockport's localised Council Tax Support scheme for the working age is shown at Appendix 5. This has now been in place since April 2013 and is predominately based on the government 's scheme for pension credit age customers.

6.2 The CTS scheme 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

6.3 There have been minor changes to the scheme in subsequent years, largely in response to the implementation of Universal Credit in the Stockport area. The scheme

continues to run smoothly as it is generally easy to understand. The nationally prescribed Council Tax Support Scheme for pension credit age remains very similar to Council Tax Benefit which was abolished in March 2013. The working age scheme is also closely aligned to the Housing Benefit regulations.

6.4 The most significant aspect of the scheme is the cap placed on the Council Tax band when calculating support. How this impacts on working age cases by band is illustrated in the table below:

COUNCIL TAX SUPPORT – Working Age									
Description	**2020/21 (snapshot as at 06/10/2020)**								
	A	***B***	***C***	***D***	***E***	***F***	***G***	***H***	***Total***
1. Total CTS claims by band	8,689	2,845	1,109	398	176	63	34	1	13,315
1a. Of which number are capped to Band A liability	0	1,999	738	260	86	34	15	1	3,133
1b. Of which number are capped to Band B liability	0	0	369	129	84	28	15	0	625
1c. Of which number are exempt from the Band cap	8,689	846	2	9	6	1	4	0	9,557

6.5 72% 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. Where this is the case, customers can receive up to a 100% reduction in their Council Tax depending on household income/savings. All pensioner cases are exempt from the band cap.

6.6 No official complaints regarding the operation/principals of the scheme have been received to date. Council Tax collection rates for CTS cases continue to be comparable to non-CTS recipients, which would indicate that the scheme continues to provide appropriate support for the most vulnerable. Any risk of financial hardship as a result of the scheme is mitigated by the provision of a Council Tax Discretionary Support Fund outlined at Section 7.

6.7 It is recognised that a high proportion of working age customers in receipt of Council Tax Support have been adversely impacted by the Covid-19 pandemic, for example those working reduced hours, their businesses have closed, or been furloughed. Whilst financial assistance of up to £150 as a government grant was provided during 2020/21 to reduce Council Tax liability, it is not known at this stage whether this will be available for 2021/22. The distribution of the grant payments further demonstrate that the CTS scheme still provides the appropriate level of help to those most in need and enabled more of the funding to be redirected to Council Tax Discretionary Support and to Humanitarian Support Funds.

6.8 It is recommended that Stockport's Council Tax Support scheme is maintained for 2021/22 as detailed at Appendix 5.

7 Council Tax Discretionary Support

7.1 Despite the mandatory Council Tax reductions that are available, some customers will still suffer from financial hardship. These can currently be addressed through 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 via the Discretionary Support Fund. The cost of either option is born entirely by the Authority.

7.2 A £100k discretionary fund was established at the outset of the CTS scheme in order to mitigate the risk of financial hardship where a claimant has been adversely affected by changing from a national to localised scheme. Over the years this has been reduced and for 2020/21 the amount was set at £25k.

7.3 Between April and October 2020, 134 applications have been considered, with 37 awards being made (27.6%) to those who demonstrated financial hardship and met the eligibility criteria as shown at Appendix 6. A balance of £16k remains for the rest of the financial year.

7.4 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.

7.5 The application process was included as part of the strategic review of Support Funds under the medium-term financial plan proposals. Discretionary help towards Council Tax is now accessed via the same form. However, the decision-making aspect still sits with the Revenues & Benefits Service as it was agreed this is integral to the Council Tax processing function.

7.6 To improve the efficiency of discretionary support, an integrated Policy was implemented in 2017/18 to cover all elements of help available for rent and Council Tax, ensuring the transparency of decision making. This is shown at Appendix 6. The policy was last updated for 2020/21 in response to recommendations from an Ombudsmen Report, making it clear on how the Council will treat Council Tax Support reversals under S13A(1)(c) of the Local Government Finance Act 1992 resulting in the customer having an increased Council Tax bill to pay.

7.7 In response to the Covid-19 pandemic, the government provided Local Authorities with £500m of new grant funding to support economically vulnerable people and households in their local area, to be used primarily to reduce Council Tax liability using existing discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992. Stockport Council received £2.462m of this funding.

7.8 All recipients of working age CTS during the financial year 2020/21 will be granted a further reduction in their annual Council Tax bill of £150. Where a taxpayer's liability for 2020/21 is, following the application of CTS, less than £150, then their liability will be reduced to nil. Where a taxpayer's liability for 2020/21 is nil, no reduction to the council tax bill will be available.

7.9 Alongside this, the Council also implemented a further Council Tax hardship discretionary scheme, with awards made on a case by case basis where the following criteria is satisfied:

- the applicant has checked that they are not entitled to any other financial help/benefits.
- has provided details of income, expenses and capital
- has provided documentary evidence as required
- has evidenced financial vulnerability
- has demonstrated the need for financial assistance

Unlike the other Council Tax Discretionary Scheme outlined at para 7.2 above, applicants do not need to be in receipt of Council Tax Support to access this assistance.

7.10 The balance of the grant funding amounting to £0.646m has been allocated for humanitarian purposes and administered by the Support Funds Team for 2020/21.

7.11 At this stage, it is not known whether any grant funding to further reduce Council Tax liability will be available for 2021/22.

7.12 It is recommended that the Council Tax discretionary fund is refreshed to £25k, subject to whether a separate government grant is given to Local Authorities to reduce Council Tax liabilities in 2021/22, in which case this will not be required.

7.13 It is recommended that the Revenues & Benefits Discretionary Support Policy is endorsed for 2021/22.

8 Council Tax Base

8.1 The basis of the calculation of the Council's 2021/22 Council Tax Taxbase for budget setting purposes was set out in the Council Tax Taxbase and Non Domestic Rates Forecast report presented to the Cabinet meeting on 22 December 2020. The report highlighted that in setting its Council Tax Taxbase, the Council has the discretion to allow for the impact of changes to its Council Tax support and discount schemes.

8.2 **Following the annual review of the Council Tax support and discount schemes, it is recommended that the Council's 2021/22 Council Tax Taxbase for budget setting purposes is set at 95,945.1 Band D equivalent dwellings.**

9 Conclusions and recommendations

9.1 It is recommended that the Council Meeting agree:

- That the CASC Top-up scheme be continued for the year 2021/22, enabling CASCs to achieve 100% relief from Non-Domestic Rates, provided they meet the qualifying criteria at Appendix 2.

- That Charity Relief remains limited to the 80% Mandatory Relief for the year 2021/22.

- That Rural Rate Relief continues to be limited to 50% Mandatory Relief for the year 2021/22 and should any village shops be established in the future then additional discretionary relief should be awarded up to 100%.

- That the 50% discount and qualifying criteria for Not for Profit organisations be maintained for the year 2021/22.

- That the local scheme for large businesses which are new to the Borough or those undergoing significant expansion in the Borough be continued for 2021/22.

- That the continuation of a case by case approach for Business Rates discounts where exceptional circumstances exist be continued for 2021/22. 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.

- That the Council continues to no longer offer a Council Tax discount in respect of unoccupied and unfurnished properties from 2021/22.

- That the maximum Council Tax premium charge levels in respect of unoccupied and unfurnished properties are implemented in accordance with those shown at para 4.4.3 from 2021/22.

- That any Council Tax liability for care leavers up to the age of 25 be reduced to zero for 2021/22.

- That Stockport's Council Tax Support scheme is maintained for 2021/22 as detailed at Appendix 5.

- That in the absence of a government funded grant, the existing Council Tax discretionary fund is refreshed to £25k for 2021/22, supporting customers facing financial difficulty, with no alternative means.

- That the Revenues & Benefits Discretionary Support Policy at Appendix 6 is endorsed for 2021/22.

- To approve the setting of the Council's 2020/21 Council Tax Taxbase at 95,945.1 Band D equivalent dwellings.

BACKGROUND PAPERS

There are none

Anyone wishing to inspect the above background papers or requiring further information should contact Jonathan Davies on Tel: 218 1025 or by email jonathan.davies@stockport.gov.uk

Appendix 1

MANDATORY RELIEF	Caseload	Relief Granted	Total Value of Relief
CASC Relief			
2019/20	36	80%	£238,321
2020/21	35	80%	£240,855
Change in Caseload/Value	-1		£2,534
Charitable Relief			
2019/20	324	80%	£5,292,759
2020/21	322	80%	£5,324,750
Change in Caseload/Value	-2		£31,991
Rural Relief			
2019/20	0	50%	£0
2020/21	0	50%	£0
Change in Caseload/Value	-		-

DISCRETIONARY RELIEF	Caseload	Relief Granted	Total Value of Relief
CASC Top Up Relief			
2019/20	19	20%	£21,586
2020/21	18	20%	£21,253
Change in Caseload/Value	-1		-£333
Not For Profit Organisations Relief			
2019/20	19	50%	£53,676
2020/21	12	50%	£49,289
Change in Caseload/Value	-7		-£4,387
Large business relocation or expansion			
2019/20	4	£93,014	£93,014
2020/21	2	£18,169	£18,169
Change in Caseload/Value	-2		-£74,845
Exceptional circumstances			
2019/20	0	Case by case basis	£0
2020/21	0	Case by case basis	£0
Change in Caseload/Value	-		-
Supporting Small Businesses Relief			
2019/20	13	Increase capped to £600 pa	£22,898
2020/21	10	Increase capped to £600 pa	£26,381
Change in Caseload/Value	-3		£3,483
**** Retail Relief***			
2019/20	761	33%	£1,991,824
2020/21 *(expanded criteria)*	1563	100%	£42,925,298
* Change in Caseload/Value	802		£40,934,276
***** Nursery Relief***			
2019/20	Not applicable	Not applicable	Not applicable
2020/21	45	£441,201	£441,201
Change in Caseload/Value	-	-	-

** The government extended the qualifying criteria and amount of retail relief for 2020/21 in response to Covid-19, see para 3.2.2 of main report*

*** 100% Nursery Relief was introduced for 2020/21 for businesses providing Early Years Foundation Stage childcare, as a result of the financial impact of Covid-19*

Appendix 2

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.

6. 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.

7. Membership of the Organisation must be open to all members of the community, regardless of ability, subject to the physical capacity of the premises.

8. 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.

9. 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.

10. 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.

Appendix 3

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.

Appendix 4

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, 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.	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).
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 (CTS) Scheme is predominately based on the government ‘s scheme for pension credit age customers - The Council Tax Reduction Schemes (Prescribed Requirements) (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. 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.

3. Second Adult Rebate is not available.

4. The minimum amount of Council Tax Support is £1 per week. There will be no entitlement below this amount.

5. The savings and capital upper limit is £8,000.

6. 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.

7. War Pensions and Bereavement Support will be fully disregarded as an income in the calculation of Council Tax Support.

8. 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 (Prescribed Requirements) (England) Regulations 2012, then no deduction will be made.

9. New claims will not be backdated. Entitlement will be assessed from the Monday following the date the application is made.

10. 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.

11. DWP Universal Credit data sharing documents will be treated as a claim for Council Tax Support.

12. New Council Tax Support claims following a break in entitlement to Universal Credit or Council Tax Support of up to six months are treated as being made on the date on which entitlement to UC resumes (or falls to a level at which CTS is payable) or six months before the day on which the claim is received, whichever is the later.

13. Beneficial changes in circumstances will be treated in the same way as the Housing Benefit regulations.

14. 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.

15. The net earnings figure provided to the Council by the Department for Work and Pensions will be used in the calculation of Council Tax Support for Universal Credit recipients.

16. Earnings from gainful self-employment will be assessed based on the calculation defined in The Council Tax Reduction Schemes (Prescribed Requirements) (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.

17. A discretionary fund is available to provide further financial assistance towards Council Tax costs in exceptional circumstances.

Appendix 6

STOCKPORT
METROPOLITAN BOROUGH COUNCIL

REVENUES & BENEFITS SERVICE

DISCRETIONARY SUPPORT POLICY

Additional help for rent and council tax costs

Document Control	
Policy Title	Discretionary Payment Policy
Version	7.0
Author	Andrea Griffiths
Location	• Original copy held by Revenues & Benefits Service • Council Website
Date of policy	28th February 2013
Last edited	October 2019
Review date	November 2020 – no amendments

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 (Prescribed Requirements) (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 exceptional circumstances and where financial hardship is evidenced. It can also 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 and those who, through no fault of their own, receive an increased bill due to receiving too much Council Tax Support. Charge payers will need to show that paying their account will cause financial hardship. Regard will be given to the Policy Aims, Objectives and Awarding Criteria when considering a request for a Section 13A(1)(c) discretionary reduction.

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 (Prescribed Requirements)(England) Regulations 2012, or, through no fault of their own, the amount of Council Tax Support is reduced.

- 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 can 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. A request for a discretionary reduction in accordance with Section 13A(1)(c) must be made in writing.

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.

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 based on 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 discretionary 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 discretionary 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.

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.

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.