

# Council Tax and Business Rates Discretionary Discount Policy

---



## Council Tax and Business Rates Discretionary Discount Policy



# Council Tax and Business Rates Discretionary Discount Policy

---

## Contents

<b>1. Introduction</b>	<b>04</b>
<b>2. Policy Objectives and Action Plan</b>	<b>05</b>
<b>3. Discretionary Discounts – Customers already in receipt of local Council Tax Reduction</b>	<b>09</b>
<b>4. Discretionary Discounts – Customers not in receipt of local Council Tax Reduction</b>	<b>11</b>
<b>5. Discretionary Discounts – Rate Relief Policy (Organisations established for charitable, sporting and community purposes)</b>	<b>13</b>
<b>6. Other Discretionary Discounts</b>	<b>18</b>
<b>7. Rural Rate Relief</b>	<b>19</b>
<b>8. Temporary Part Occupation Relief</b>	<b>21</b>

# Council Tax and Business Rates Discretionary Discount Policy

## Document Control

<b>Document owner:</b>	Andrew Turpin
<b>Document number:</b>	1.5
<b>Document category:</b>	Original copy held within the Revenues and Benefits Service
<b>Document location:</b>	Council Website
<b>Issued by:</b>	Louise Jones / Graeme Ruse
<b>Last edited:</b>	26 <sup>th</sup> October 2016

## Record of Amendments:

Date	Version	Amended by	Description of changes
10/03/2014	1.1	Graeme Ruse	Business Rates Reliefs added - Retail Relief pages 19 to 22, New Build Relief page 23 to 24, Temporary Reoccupation Relief page 25 to 26.
01/10/2014	1.2	Andrew Turpin	Rural Rate Relief pages 27 to 28
19/12/2014	1.3	Andrew Turpin	Retail Relief page 19
02/11/2015	1.4	Graeme Ruse	Temporary Part Occupation Rlf.
21/10/2016	1.5	Graeme Ruse	Removal of new build and re-occupation relief

## Approved By:

Name	Title	Signature	Date
	Head of Revenues and Exchequer Services		26 <sup>th</sup> October 2016

# Council Tax and Business Rates Discretionary Discount Policy

---

## **1. Introduction**

Section 13A of the Local Government Finance Act 1992 (as amended) and sections 47, 48 and 49 of the Local Government Finance Act 1988 (as amended) empowers a billing authority to reduce the amount of tax payable.

Fylde Borough Council has adopted a local Council Tax Reduction Scheme, to take effect from 1st April 2013, which replaces Council Tax Benefit. However it is likely that other circumstances will arise where the Council could consider a further discretionary reduction in respect of Council Tax and Business Rates in exceptional circumstances.

Funding for such reductions must be provided by the Council. This policy sets out how the Council will use these powers and the criteria that must be satisfied.

The Council is committed to ensuring that the local taxpayers are aware of the policy as set out in this document.

## **Aims of the Discretionary Discount Policy**

- Provide a mechanism for the Council to support members of the community to enable them to meet the financial burden of local taxation
- Helping residents in receipt of Council Tax Reduction who are unable to increase their income
- Alleviating poverty
- Helping those who are trying to help themselves
- Supporting people who are starting work
- Supporting the most vulnerable in the local community
- Helping customers through difficult personal events
- Assisting customers in accordance with the Council's Child Poverty Strategy

# Council Tax and Business Rates Discretionary Discount

---

## **2. Policy Objectives and Action Plan**

### **Objective 1: To ensure that assistance is available and accessible to members of the community most in need**

- Issue regular bulletins to staff reminding them of the policy and qualifying criteria
- Regular refresher training for assessment staff to promote proactive identification of potential cases
- Provide effective overview training to non-benefits staff on the policy and qualifying criteria to promote take-up and awareness in appropriate circumstances.
- Promote access to the scheme through:
  - Leaflets and posters in areas accessed by customers.
  - Continued development of the Fylde Borough Council website to ensure that up to date information is provided and that relevant forms and information can be downloaded.
- Ensure third sector advice agencies are aware of the policy and qualifying criteria.
- Promoting awareness to Members
- Identifying target client groups who will be unlikely to be able increase their income. This may include:
  - Council Tax Reduction recipients in receipt of Employment Support Allowance (Support Component) and Long Term Incapacity Benefit
  - Council Tax Reduction recipients, in receipt of Carer's Premium, who are full time carer's
  - Council Tax Reduction recipients with disabled children
  - Council Tax Reduction recipients with children under 5
  - Council Tax Reduction recipients who are starting employment
  - Council Tax Reduction recipients who do not have English as a first language
  - Council Tax Reduction recipients with learning difficulties

# Council Tax and Business Rates Discretionary Discount

---

- Identify target groups from records held by other Council Services:
  - Social and Private Sector Housing Tenants with significant arrears who may qualify for a Discretionary Housing Payment (DHP).
  - Council Tax payers who have been issued with a summons.
  - Customers who are eligible for but have not claimed a disabled parking badge.
  - People requiring assistance following an emergency
- Providing a facility to visit customers to assist them in making an application and provide supporting documents.
- Working closely with existing and new service partners and stakeholders to promote awareness of the policy.

## **Objective 2: To ensure discretionary discounts are only considered when no other means of assistance is available.**

- Ensure assessments of applications for local Council Tax Reduction incorporate a benefits maximization check.
- Ensure the applicant does not have income or capital which should be used to meet the liability.
- Signpost customers who do not meet the criteria to appropriate alternative advice services
- Conduct a regular review of the policy and outcomes of applications in order to review qualifying criteria and improve targeting procedures and processes.
- Provide guidance for decision makers (Senior Benefits Assistant, Senior Benefits Specialist or Team Manager) which is regularly reviewed and updated.
- Implement a quality monitoring regime to ensure decisions are independent, fair and consistent.
- Ensure publicity is available to encourage customers to claim other benefits they are entitled to and where to access debt advice and money management tools.

# Council Tax and Business Rates Discretionary Discount

---

- Ensure other sums owed to the Council (e.g. sundry debts, Housing Benefit overpayments) are reviewed and reduced repayments agreed where appropriate.
- Ensure a Discretionary Housing Payment for Housing Benefit is awarded if appropriate
- Ensure recovery action is delayed where appropriate
- Awards will be tailored to match need. The period and amount of an award will be determined based upon the circumstances in each case.
- Awards will only be made for a period relating to the financial year in which the application is made.
- Awards may be reviewed at any time and may be revised, reduced or withdrawn if it is found that the circumstances of the applicant have changed and the award is no longer appropriate.

### **Objective 3: To monitor and evaluate the administration of the policy to ensure that the service reflects the needs of the community**

- Monitoring of fund spending:
  - Monthly reporting of expenditure to be provided to Divisional Management Team meetings.
  - Quarterly reporting to the Chief Financial Officer.
  - Analysis of applications received and outcomes in order to review policy, methodology and improve targeting.
- Conduct a regular review of income and expenditure forms, policy, criteria and guidance for decision makers.
- Review the outcome of requests for reconsideration to improve guidance and methodology.

# Council Tax and Business Rates Discretionary Discount

---

- Conduct an annual review and analysis of applications received to identify and learn from:
  - Reasons for the award
  - Reasons for the refusal of an award
  - Origin of the application
- Invite and action feedback on processes and procedures from partners and stakeholders.

# Council Tax and Business Rates Discretionary Discount

---

## **3. Discretionary Discount - Customers in receipt of local Council Tax Reduction (Hardship Fund)**

Fylde Borough Council adopted a local Council Tax Reduction Scheme which is effective from 1<sup>st</sup> April 2013. During the development of the scheme the Councils' Equality Analysis identified that certain groups affected by the reduction in support would be unlikely to be able to increase their income. The Discretionary Discount Policy will prioritise these customers.

For an award of this type of discretionary discount to be considered, the applicant must be:

- In receipt of Council Tax Reduction; and
- Have a shortfall between the level of Council Tax Reduction and their council tax liability; and
- In the opinion of the Council, be in need of further assistance with Council Tax in accordance with the qualifying criteria.

Requests for further reductions in Council Tax liability will be required in writing from the customer, their advocate / appointee or a recognised third party acting on their behalf.

Each case will be considered on 'its merits' however all of the following criteria should be met:

- There must be evidence of hardship or personal circumstance that justifies a further reduction in Council Tax liability.
- The Council must be satisfied that the customer has taken reasonable steps to resolve their situation prior to application.
- The customer does not have access to other assets that could be realised and used to pay the Council Tax.
- All other eligible discounts/reliefs have been awarded to the customer.

### **Responsible officer**

The responsibility for making discretionary discount decisions will rest with the Chief Financial Officer, who will discharge this responsibility by the following process:

# Council Tax and Business Rates Discretionary Discount

---

## **Decision making process**

Stage 1: The initial request will be dealt with by a decision maker (Senior Benefits Assistant, Senior Benefit Specialist or Team Manager) who will consider the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council.

Stage 2: A Senior Benefits Manager will authorise the decision.

## **Notification of decision**

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

## **Review of decision/re-determination requests**

The Council will accept an applicant's written request for a redetermination of its decision. The process will be as follows:

Stage 1: The original decision and any additional information provided will be reviewed by a different decision maker who will recommend either to confirm or amend the original decision.

Stage 2: The Head of Benefits and Customer Services, or Head of Revenues and Exchequer Services, will consider the application for review and the recommendation and determine whether to award a discretionary discount.

## **Notification of review/re-determination decision**

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

A discretionary reduction made under section 13A (1)(a) or (c) of the Local Government Finance Act (LGFA) 1992 can be the subject of an appeal to the Valuation Tribunal under section 16 of the LGFA 1992.

# Council Tax and Business Rates Discretionary Discount

---

## **4. Discretionary Discounts – Customers not in receipt of local Council Tax Reduction**

Requests for reductions in Council tax liability will be required in writing from the customer, their advocate / appointee or a recognised third party acting on their behalf

Each case will be considered on 'its merits' however all of the following criteria should be met:

- There must be evidence of hardship or personal circumstance that justifies a reduction in Council Tax Liability.
- The Council must be satisfied that the customer has taken reasonable steps to resolve their situation prior to application.
- The customer does not have access to other assets that could be realised and used to pay the Council Tax.
- The customer is not entitled to an award under the local Council Tax Reduction Scheme.
- All other eligible discounts/reliefs have been awarded to the customer.

### **Responsible officer**

The responsibility for making discretionary decisions will rest with the Chief Financial Officer, who will discharge this responsibility by the following process:

The Senior Revenues Team Manager will liaise with the applicant in each case to request sufficient information in order that a decision can be made

### **Decision making process**

Stage 1: The initial request will be dealt with by a decision maker (Senior Revenues Team Manager) who will consider the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council. The decision maker (Senior Revenues Team Manager) will liaise with the applicant in each case to request sufficient information in order that a decision can be made.

# Council Tax and Business Rates Discretionary Discount

---

Stage 2: A Senior Revenues Manager will authorise the decision.

## **Notification of decision**

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

## **Review of decision/re-determination requests**

Council will accept an applicant's written request for a redetermination of its decision.

Stage 1: The original decision and any additional information provided will be reviewed by a different decision maker who will recommend either to confirm or amend the original decision.

Stage 2: The Head of Revenues and Exchequer Services, or Head of Benefits and Customer Services, will consider the application for review and the recommendation and determine whether to award a discretionary discount.

## **Notification of review/re-determination decision**

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

A discretionary reduction made under section 13A(1)(a) or (c) of the Local Government Finance Act (LGFA )1992 can be the subject of an appeal to the Valuation Tribunal under section 16 of the LGFA 1992.

# Council Tax and Business Rates Discretionary Discount

---

## **5. Discretionary Discounts – Rate Relief Policy relating to Organisations established for Charitable, Sporting and Community Purposes.**

Each case will be considered on its merits however all of the following criteria should be met:

- Requests for reductions in Business Rates will be required in writing from the ratepayer or a recognised third party acting on their behalf.
- It must be in the interest of Council Tax payers for the local authority to grant a reduction.
- All other eligible discounts/reliefs have been awarded to the ratepayer.

In addition to the above, the Council has determined the following guidelines for the granting of discretionary rate relief.

- a) The organisation is small in stature in that it occupies a hereditament with a Rateable Value of less than £13,000 in the National Non-Domestic Rating List effective from 1 April 2010.

(The premise is that larger organizations are generally well established and can, to a certain extent, exist without any external aid at all).

And

- b) The organisation is not part of a charging or precepting authority.

And

- c) The organisation has been specifically set up for the benefit of the young, the aged, the disabled or for ethnic minorities.

## Council Tax and Business Rates Discretionary Discount

---

Sports organisations that allow or promote junior or senior citizen membership would not necessarily fall under the jurisdiction of this rule. The organisation must have been created or is in being for the sole or main purpose of aiding any one of these sections of the community.

Or

- d) The property is for the general use of the local community without any membership and/or subscription requirements and has no specific use except for the general benefit of the community

Or

- e) The property is used for the housing of vehicles used only for offshore emergency purposes

Or

- f) The aims of the organisation are to educate volunteers in emergency training for the benefit of the local community.

Discretionary Relief of the remaining balance (taking into account 80% mandatory relief granted to all charitable bodies) may be granted to any non-profit making organisations that meet the above criteria.

The above is intended only as a guide when considering applications for discretionary rate relief. All applications will be considered on their merits and it might be found that it is only right and proper to approve applications which do not conform exactly to the above.

# Council Tax and Business Rates Discretionary Discount

---

- g) The Council will continue with its current policy regarding granting discretionary rate relief, each application be considered on its merits and favourable consideration be given to applications from qualifying organisations in instances when the non-granting of relief could seriously jeopardize the financial viability of the organisation.
- h) One factor to be taken into account in determining discretionary rate relief shall be the training or coaching provided by sports clubs for the youth of the Borough.

In addition, Organisations with charitable status and not being Limited Companies, and set up for recreational purposes:

- Whose membership is open to all sections of the community.
- Do not restrict membership on the grounds of ability or the availability of their facilities,
- Whose membership levels are not set at such a rate to preclude membership by all sections of the community,
- Who provide outside sporting activities,
- Who actively encourage participation by young people,
- Make their facilities available to people other than members eg. to schools or casual public sessions,
- Whose main aim is sporting rather than social,
- Whose members are mainly from Fylde Borough.

May be given discretionary relief of 100% based on the Rateable Value of the outside playing area and changing areas only.

- i) Retail premises operated by a registered charity which have been granted mandatory rate relief may, in exceptional circumstances, receive a further discretionary award. The Council will consider the merits of each case but such an award is likely to be the exception rather than the rule.

## **Responsible officer**

The responsibility for making discretionary decisions will rest with the Chief Financial Officer, who will discharge this responsibility by the following process:

# Council Tax and Business Rates Discretionary Discount

---

## **Decision making process**

Stage 1: The decision making process will involve the Principal Income and Recovery Manager making a recommendation to the Head of Revenues and Exchequer Services, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council. The Senior Revenues Team Manager will liaise with the applicant in each case to request sufficient information in order that a decision can be made.

Stage 2: The Chief Financial Officer will consider the application and the recommendation of the Head of Revenues and Exchequer Services and determine whether to award a discretionary discount.

## **Notification of decision**

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

## **Review of decision/re-determination requests**

The Council will accept an applicant's written request for a redetermination of its decision. The process will be as follows:

Stage 1: The original decision and any additional information provided will be reviewed by a different decision maker who will recommend either to confirm or amend the original decision.

Stage 2: The Chief Financial Officer will consider the application for review and the recommendation and determine whether to award a discretionary discount.

# Council Tax and Business Rates Discretionary Discount

---

## **Notification of review/re-determination decision**

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

Following the redetermination of a request for discretionary discount, there is no further right of appeal.

# Council Tax and Business Rates Discretionary Discount

---

## **6. Other Discretionary Discounts**

It is possible that other exceptional circumstances will arise where the Council could consider a further discretionary reduction in respect of Business Rates.

Each case will be considered on its merits however all of the following criteria should be met:

- Requests for reductions in Business Rates will be required in writing from the ratepayer or a recognised third party acting on their behalf.
- It must be in the interest of Council Tax payers for the local authority to grant a reduction.
- All other eligible discounts/reliefs have been awarded to the ratepayer.

The Chief Financial Officer will consider such applications in line with the Council's Financial Regulations.

# Council Tax and Business Rates Discretionary Discount

---

## **7. Rural Rate Relief**

Relief of up to 100% can be granted to the occupier of a general store, post office, pub or petrol station if it is the only such business in the authority's rural settlement list. Each case will be dealt with on its own set of circumstances and rateable value limits will apply.

### **Responsible officer**

The responsibility for making discretionary decisions will rest with the Chief Financial Officer, who will discharge this responsibility by the following process:

### **Decision making process**

Stage 1: The decision making process will involve the Principal Income and Recovery Manager making a recommendation to the Head of Revenues and Exchequer Services, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council. The Senior Revenues Team Manager will liaise with the applicant in each case to request sufficient information in order that a decision can be made.

Stage 2: The Chief Financial Officer will consider the application and the recommendation of the Head of Revenues and Exchequer Services and determine whether to award a discretionary discount.

### **Notification of decision**

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

### **Review of decision/re-determination requests**

The Council will accept an applicant's written request for a redetermination of its decision. The process will be as follows:

Stage 1: The original decision and any additional information provided will be reviewed by a different decision maker who will recommend either to confirm or amend the original decision.

# Council Tax and Business Rates Discretionary Discount

---

Stage 2: The Chief Financial Officer will consider the application for review and the recommendation and determine whether to award a discretionary discount.

## **Notification of review/re-determination decision**

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

Following the redetermination of a request for discretionary discount, there is no further right of appeal.

# Council Tax and Business Rates Discretionary Discount

---

## **8. Temporary Part Occupation Relief**

The Ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Under s44A of the Local Government Finance Act 1988, where a property is partly occupied for a short time the Council has discretion to request that the Valuation Office apportion the rateable value of a property between the occupied and unoccupied parts; thereby reducing the amount payable.

Applications must be made in writing and supported by: -

- Detailed maps which outline the whole property and indicate the partly occupied section.
- Details of the planned period of time for the part occupation.
- Details of future intentions.
- Details of the cause for the part occupation.

A site visit will normally be undertaken.

Where necessary the ratepayer may be required to provide additional information to support their application.

### **Responsible officer**

The responsibility for making discretionary relief decisions will rest with the Chief Financial Officer, who will discharge this responsibility by the following process:

### **Decision making process**

Stage 1: The decision making process will involve the Principal Income and Recovery Manager making a recommendation to the Head of Revenues and Exchequer Services, considering the application against the criteria set out in this policy, based upon the information provided by the applicant and known to the Council. The Senior Revenues Team Manager will liaise with the applicant in each case to request sufficient information in order that a decision can be made.

Stage 2: The Chief Financial Officer will consider the application and the recommendation of the Head of Revenues and Exchequer Services and determine whether to award a discretionary discount.

### **Notification of decision**

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

# Council Tax and Business Rates Discretionary Discount

---

## **Review of decision/re-determination requests**

The Council will accept an applicant's written request for a redetermination of its decision. The process will be as follows:

Stage 1: The original decision and any additional information provided will be reviewed by a different decision maker who will recommend either to confirm or amend the original decision.

Stage 2: The Chief Financial Officer will consider the application for review and the recommendation and determine whether to award a discretionary discount.

## **Notification of review/re-determination decision**

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

Following the redetermination of a request for discretionary discount, there is no further right of appeal.

# Council Tax and Business Rates Discretionary Discount

---

## © Fylde Borough Council copyright 2014

You may re-use this document/publication (not including logos) free of charge in any format or medium. You must re-use it accurately and not in a misleading context. The material must be acknowledged as Fylde Borough Council copyright and you must give the title of the source document/publication.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

This document/publication is also available on our website at [www.fylde.gov.uk](http://www.fylde.gov.uk).

Any enquiries regarding this document/publication should be sent to us at the Town Hall, St Annes Road West, St Annes FY8 1LW, or to [listening@fylde.gov.uk](mailto:listening@fylde.gov.uk).

Date: Oct 2014

Review Date: Oct 2016

Our Ref: Discretionary Discount Policy

Authorised by: A Turpin,

Head of Revenues and Exchequer Services

