

Management Committee

10 July 2018

Applications for Council Tax Discount, Discretionary Rate Relief & Hardship Relief

For Decision

Briefholder(s)

Cllr J Cant - Finance & Assets

Senior Leadership Team Contact:

J Vaughan, Strategic Director

Report Author:

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Statutory Authority

Local Government Finance Act 1988 (as amended)

Local Government Finance Act 1992 (as amended)

Purpose of Report

- 1 To consider the application received for Council Tax discretionary discount
- 2 To consider the applications received for Discretionary Rate Relief
- 3 To consider the application received for Hardship Relief.

Officer Recommendations

- 4 That Committee considers the application for Council Tax discount listed at Appendix 1, the applications for Discretionary Rate Relief listed at Appendix 2 and the application for Hardship Relief listed at Appendix 4.

Reason for Decision

- 5 That the applications for discount and relief are considered having regard to their individual merits.

Background and Reason Decision Needed

Council Tax discount

- 6 Under Section 13A of the Local Government Finance Act 1992, Councils have the discretion to award Council Tax discounts of up to 100% of the amount due. Discounts can be awarded on an individual basis or in respect of a specific class of property or Council Taxpayer.

7 Any application for discretionary discount must be considered on its individual merits. The costs of any such discount awarded are met from the Council's General Fund.

8 Where a Council grants a discretionary discount it can be made for a specific period or can be for a period where the end date is not specified.

9 An application for Council Tax discretionary discount has been received from the Council Taxpayer whose details are listed at Appendix 1.

Discretionary Rate Relief

10 Under the Local Government Finance Act 1988, registered charities are entitled to apply for 80% Mandatory Rate Relief in respect of charges due. Councils have the discretion to top-up any relief awarded to a registered charity up to 100% of the rates payable. Following arrangements introduced in 2012, Councils also have the discretion to award up to 100% rates relief to all ratepayers. Under these new arrangements, the Council is required to meet 40% of the cost of awards made with the balance being met by government (50%) and the County (10%).

11 Where a Council grants Discretionary Rate Relief, the award can be made for a specific period or can be a period where the end date is not specified.

12 Committee has agreed guidelines which are to be used when considering an application for Discretionary Rate Relief. A copy of the guidelines is attached at Appendix 2.

13 Applications for Discretionary Rate Relief have been received from the ratepayers listed at Appendix 3. As the Council is required to meet 40% Committee will want to satisfy itself that it is in the interests of the Council Taxpayer to award any relief.

Hardship Relief

14 Under the Local Government Finance Act 1988, Councils have the discretion to award relief from Non Domestic Rates to ratepayers in order to alleviate hardship.

No relief can be awarded unless the Council is satisfied that, having regard to the interests of its Council Taxpayers, it would be reasonable to do so.

15 Hardship Relief is not confined to financial hardship and all of the ratepayer's circumstances should be considered when determining whether relief should be awarded.

16 The awarding of the relief is at the discretion of the Council. However, government has issued the following guidance to assist authorities:

- Each case should be considered on its own merits
- The awarding of the relief should be the exception rather than the rule
- Hardship need not be confined strictly to financial hardship. All relevant factors affecting the ability of the business to meet its rates liability should be considered
- The "interests" of the local Council Taxpayers may go wider than direct financial interests, (e.g. where the employment

prospects in the area would be worsened by the company going out of business, or the amenities of the area reduced, etc.)

- Where the granting of the relief would have an adverse effect on the financial interests of the local Council Taxpayers, the case for awarding relief may still on balance outweigh the cost to the Taxpayer.

- 17 An application for Hardship Relief has been received from the ratepayer listed at Appendix 4. As the Council is required to meet 40% Committee will want to satisfy itself that it is in the interests of the Council Taxpayer to award any relief.
- 18 Committee is asked to consider the applications for discounts and reliefs received, having regard to the merits of each case.

Implications

- 14 **Financial implications**
As set out in the report appendices.
- 15 **Risk Management (including Health & Safety)**
As the guidelines require that applications are considered on their individual merit, the risk of challenge should be reduced

Appendices

- 16 Appendix 1 – Application for Council Tax discount
Appendix 2 – Discretionary Rate Relief guidelines
Appendix 3 – Applications for Discretionary Rate Relief
Appendix 4 – Application for Hardship Relief.

Footnote

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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