

## Report to Cabinet

# Local Taxation and Benefits Discretionary Policies 2023/24

**Portfolio Holder:** Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Low Carbon

**Officer Contact:** Anne Ryans, Director of Finance

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(Revenues)  
Ext 1656

**20 March 2023**

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## Reason for Decision

The purpose of the report is to seek approval for a number of amended Local Taxation and Benefits Discretionary Policies, and the introduction of an Empty Property Premium Policy for 2023/34.

## Executive Summary

This report provides the full detail of proposed updates to the discretionary policies used to support Local Taxation and Benefits administration i.e., Council Tax, Business Rates, Housing Benefits and Council Tax Reduction administration. The policies and proposed changes are:

- **The Discretionary Council Tax Discount Policy**
  - To introduce the option to award a discretionary discount under the Exceptional Hardship Payment (EHP) scheme to Council Tax arrears accrued outside of the current financial year. The EHP scheme is the means in which the Council consider requests for discretionary discounts from residents in Exceptional financial hardship under Section 13A (1)(c) of the Local Government Finance Act.

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- The Discretionary Council Tax Discounts Policy provides guidance in regard to requests for the removal of empty property premiums. The proposed update would remove this guidance so that a new expanded policy can be introduced solely for this purpose as outlined in the Empty Property Premium Policy.
  - The proposed Discretionary Discount Policy is presented at Appendix 1.
- **The Discretionary Rate Relief Policy**
    - Central Government have introduced additional discounts and reliefs for the 2023/24 financial year. They have been incorporated into the proposed Discretionary Rate Relief Policy 2023/24 which is presented at Appendix 2.
- **The Empty Property Premium Policy**
    - For 2023/24 there is the introduction of a policy covering the application of the Empty property Premium in relation to Council Tax.
    - The Council currently applies a 100% empty property premium for property unoccupied and unfurnished for over 2 years. From April 2023, further premiums will be applied for properties unoccupied and unfurnished for over 5 years. This will mean empty property premiums will be applied as set out below.
      - 100% premium on properties unoccupied and unfurnished for at least 2 years
      - 200% premium on properties unoccupied and unfurnished for at least 5 years
      - 300% premium on properties unoccupied and unfurnished for at least 10 years
    - To help provide guidance to affected property owners and to Council Officers administering the premium it is proposed that a specific policy detailing the circumstances in which the Council would consider the removal of the premium is appropriate. This is included at Appendix 5 of the report.
- **Local Welfare Provision and Discretionary Housing Payments**
    - The Local Welfare Provision (LWP) and Discretionary Housing Payments (DHP) policies have also been subject to an annual review. No proposals for changing the policies have been identified for 2023/24.

## **Recommendation**

It is recommended that;

- 1) Approval is given to the proposed amendments to the existing Local Taxation and Benefits Discretionary Policies for 2023/24 together with and the introduction of the Empty Property Premium Policy for the 2023/24 financial year.
- 2) The Discretionary Policies presented as appendices 1-5 are adopted for 2023/24.

## Local Taxation and Benefits Discretionary Policies

### 1 Background

1.1 This report reviews four discretionary Local Taxation and Benefits policies and proposes amendments to the policies where appropriate. It also proposes the introduction of a new policy, the Empty Property Premium Policy. Each policy will be set out in turn throughout the report.

#### Policy 1 - Discretionary Council Tax Discounts Policy

1.2 Local Authorities can reduce the amount of Council Tax payable by granting locally defined discounts under provisions contained in Section 13A of the Local Government Finance Act 1992.

1.3 The Local Government Act 2012 inserted a new section 13A in the Local Government Finance Act 1992, and this created two discounts.

- Section 13A (1)(a) and (b) requires the Council to operate a Local Council Tax Reduction Scheme. The implications under 13A (1)(a) and (b) are considered and agreed on an annual basis when deciding the Local Council Tax Reduction scheme.
- Section 13A (1)(c) allows for a discretionary reduction which can be used in relation to any individual on a case-by-case basis or by determining a class of case for which the charge should be reduced. The intention behind this legislation is to allow billing authorities the discretion to create local discounts or exemptions to cater for local circumstances, for example flooding. The discount must be funded from the Council's own Revenue Budget (General Fund) and can amount to anything up to 100% of the Council Tax charged.

1.4 The Council currently makes use of Section 13A (1)(c) of the Local Government Finance Act 1992 to provide for a discount of up to 100% for care leavers under the Council Tax Discount for Care Leavers policy. This was approved by Cabinet on 24 April 2017 (discount up to the age of 21) and the discount was extended up to the age of 25 in a report approved by Cabinet on 25 March 2019.

1.5 Section 13A (1)(c) can also be used to support residents on a case-by-case basis, typically when they are experiencing exceptional financial hardship and Cabinet approved the introduction of an Exceptional Hardship Payments (EHP) scheme from 2019/20 to support residents to pay their Council Tax when experiencing financial crisis.

1.6 The Discretionary Council Tax policy also currently provides guidance for officers when considering requests for removal of the Empty Property Premium. Up to 31 March 2023, the Empty Property Premium applied in Oldham is a 100% premium applied to properties unoccupied and unfurnished for over 2 years) and requires long term empty property owners to pay 200% Council Tax. A new policy is to be introduced with effect from 1 April (see 2.12) which in light of the introduction of new

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Council Tax empty property premium levels, sets out the circumstances under which the Council would consider the removal of the premium is appropriate.

### Policy 2 - Discretionary Rate Relief Policy

- 1.7 The Local Government Finance Act 1988 (LGFA 1988) and the Localism Act 2011 require the Council to maintain a Discretionary Rate Relief Scheme to award Business Rates Relief (also known as Non-Domestic Rates Relief) of up to 100% to certain organisations who operate within specified criteria. These criteria cover:
- Charitable bodies already in receipt of Mandatory Rate Relief of 80% – the Council has further discretion to ‘top up’ this relief to 100% of the rates due.
  - Registered community amateur sports clubs (CASCs) already in receipt of Mandatory Relief of 80% – the Council has further discretion to ‘top up’ this relief to 100% of the rates due.
  - Non-profit making organisations – the Council has discretion to grant Discretionary Rate Relief of between 0% -100% of the Business Rates due.
- 1.8 The Government has, in recent years, introduced several temporary Business Rate Relief schemes. Any awards made under these schemes are awarded under Section 47 of the LGFA 1988 i.e., under the provision enabling Councils to make discretionary payments. However, the Council is fully reimbursed by Central Government by way of grants awarded under Section 31 of the Local government Finance Act 2003. These include:
- Full business rate relief for the following rural businesses serving populations of under 3,000:
    - The only village shop or post office with a rateable value of up to £8,500
    - The only public house or petrol station with a rateable value of up to £12,500
  - The Retail, Hospitality and Leisure Business Rates Relief scheme which provides eligible, occupied, retail, hospitality and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business.
  - Newspaper relief which applies a £1,500 Business Rates discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per property, and up to state aid limits. This relief is applied for the financial years 2017/18 to 2024/25.
  - Heat Network Relief which applies to separately rated hereditaments that are wholly or mainly used for the purposes of a heat network and who expect over the next 12 months the heat to be generated from a low carbon source
- 1.9 The Council also has the power to reduce or remit the Business Rates charged in certain circumstances where the business is enduring temporary financial difficulties. This is known as Hardship Relief (HR) and may be awarded where the Council is satisfied that:
- The ratepayer would sustain financial hardship if the Council did not do so;

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and,

- It is reasonable for the Council to grant relief with regard to the interests of its Council Tax payers.

1.10 The Council also receives requests from ratepayers asking that the rateable value of premises subject to Business Rates is split between the occupied and unoccupied portions. This means that the Council would only apply and charge Business Rates on the occupied portion of the property. The Council has discretion to accept or refuse a request that the rateable value is split between the occupied and unoccupied portions under Section 44a of the Local Government Finance Act 1988. If the request is accepted, then the Valuation Office Agency is asked to supply a certificate indicating the relevant values for the occupied and unoccupied portions and this certificate is binding upon the Council.

#### Policy 3 - Local Welfare Provision Policy

1.11 The Welfare Reform Act 2012 ended the provision of Community Care Grants and Crisis Loans for living expenses under the Discretionary Social Fund administered by the Department for Work and Pensions (DWP).

1.12 There was no statutory duty requiring Local Authorities to deliver a scheme, but Oldham Council considered it to be in the best interests of the residents of the Borough to do so.

1.13 Oldham's Local Welfare Provision (LWP) scheme has been operating since 1 April 2013, providing vulnerable residents, who meet the criteria of the policy, with furniture, beds, white goods and more in order to establish or maintain a home in the community.

1.14 Oldham's residents access the LWP scheme by making a claim online or over the phone. In most circumstances a decision is made within 24 hours. The assessor will then notify the applicant of the outcome and order any items awarded from the relevant suppliers.

1.15 All applicants are signposted to other external agencies or internal avenues of support such as the Department for Work and Pensions (DWP) or Welfare Rights Service as appropriate. This approach supports residents to address the longer-term issues which might have contributed to their crisis situation in the first place, helping to ensure that they have the tools they need (e.g., such as budgeting skills) to be able to manage an unexpected crisis in the future.

#### Policy 4 - Discretionary Housing Payment Policy

1.16 The Discretionary Housing Payments (DHP) Scheme gives local authorities power to make Discretionary Housing Payments (DHPs) to top up Housing Benefit or the Housing Element of Universal Credit to residents who are most in need.

1.17 Central Government provides funding for the scheme. The Department for Work and Pensions (DWP) allocation for DHPs for 2023/34 is £428,970.

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- 1.18 The Council can add additional resources of its own to support the DHP budget up to a ceiling of 2.5 times the DWP allocation, should it wish to do so. For Oldham this would mean a maximum contribution of £1,072,425. There is no budgetary provision in 2023/24 for any additional contribution.
- 1.19 Awards of Discretionary Housing Payments are focused on enabling people to secure, retain and pay for appropriate and sustainable accommodation to support them through temporary difficulties (i.e. where Housing Benefit or the Housing Element of Universal Credit doesn't cover all the rent payable) This is in order to reduce the risk of homelessness and support the stability of families and communities.
- 1.20 All applicants are signposted to other external agencies or internal avenues of support such as the Department for Work and Pensions (DWP) or Welfare Rights Service as appropriate. This approach supports residents to address the longer-term issues which might have contributed to their crisis situation in the first place, helping to ensure that they have the tools they need (e.g., such as budgeting skills) to be able to manage an unexpected crisis in the future.

## 2 **Current Position**

### Policy 1 - Discretionary Council Tax Discounts Policy

- 2.1 The Council currently provides a 100% Council Tax Discount for Care Leavers aged up to the age of 25.
- 2.2 The Council operates an Exceptional Hardship Payments (EHP) scheme to support residents who are experiencing exceptional financial hardship in paying their Council Tax.
- 2.3 The document (attached as Appendix 1) includes a proposed amendment to the 2023/24 Discretionary Council Tax Discounts Policy. This is:
- Removal of the Empty premium/discount guidance so that it can be expanded upon in the proposed Empty Property Premium policy (see 2.12).
  - Removal of the restriction for EHP to only be considered for the current financial year.

### Policy 2 - Discretionary Rate Relief Policy

- 2.4 The Council's existing Discretionary Rate Relief Policy outlines the areas of local discretion and the Council's approach to the various discretionary awards. This approach considers the impact:
- of granting Discretionary Rate Relief on the Council's wider financial position and Council Tax payers.
  - on the organisations and businesses that currently receive or may apply for relief in the future.
  - for Oldham residents if relief is awarded and the regeneration benefits for the borough.

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- 2.5 When deciding whether to award any Discretionary Rate Relief, the principal consideration is that in making the award there should be a resultant positive impact for residents and Council Tax payers of Oldham. This consideration also includes long term benefits to both the community and the Council Tax payer, such as increasing employment or improving amenities available to the local community.
- 2.6 The policy document (attached as Appendix 2) sets out proposed amendments to the 2023/24 Discretionary Rate Relief policy. These include the removal of temporary Business Rates discounts that ended on 31<sup>st</sup> March 2023 and the inclusion of temporary schemes for 2023/24.
- 2.7 The Government confirmed a number of additional Business Rates discounts and reliefs for the 2023/24 financial year that would be funded by a grant awarded under powers of Section 31 of the Local Government Act 2003. Local Authorities are expected to ensure these changes are applied for the start of the 2023/24 billing period. These are:
- Full business rate relief for the following rural businesses serving populations of under 3,000:
    - The only village shop or post office with a rateable value of up to £8,500
    - The only public house or petrol station with a rateable value of up to £12,500
  - Retail, Hospitality and Leisure Relief. The Government has announced the scheme will continue into the 2023/24 financial year and has increased the relief that is available to eligible businesses from 50% to 75%. The cash cap limit per business of £110,000 remains.
  - Supporting Small Business Relief Scheme for ratepayers who are losing some or all of their small business rate relief as a result of a large rateable value increases following the 2023 revaluation. The scheme is available for the 2023/24 and 2024/25 financial years.
  - Newspaper relief. A £1,500 Business Rates discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per property, and up to state aid limits. This relief is applied for the financial years 2017/18 to 2024/25
  - Heat Network Relief. This relief is targeted at Non-Domestic properties being used wholly or mainly as a heat network which have their own rating assessment. The relief will be for those networks generating from a low carbon source. The Government intends to make this relief mandatory, but the necessary legislation will not be in place before 1 April 2023. Local Authorities are expected to award the relief under discretionary powers using Section 47 of the LGFA 1988.

### Policy 3 - Local Welfare Provision Policy

- 2.8 The current Local Welfare Provision (LWP) scheme has been in operation since 2013. This scheme is designed to meet short term emergency and immediate support needs of vulnerable residents and to assist them to establish or maintain a home in the community. Each application is treated strictly on its merits and all applicants are treated equally and fairly. The policy is subject to regular reviews to ensure it is fit for purpose.

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2.9 There are no proposed amendments to the policy for 2023/24 (Appendix 3).

Policy 4 - Discretionary Housing Payment Policy

2.10 The current policy specifies how the Council operates the Discretionary Housing Payment scheme and details some of the factors that are considered when determining whether a Discretionary Housing Payment can be made. Each case is treated strictly on its merits and all applicants are treated equally and fairly.

2.11 There are no proposed amendments to the policy for 2023/24 (See Appendix 4).

Policy 5 – Empty Property Premium Policy (new policy)

2.12 The Council currently applies a 100% empty property premium for property unoccupied and unfurnished for over 2 years. From April 2023, further premiums will be applied for properties unoccupied and unfurnished for over 5 years. This will mean empty property premiums will be applied as set out below.

- 100% premium on properties unoccupied and unfurnished for at least 2 years
- 200% premium on properties unoccupied and unfurnished for at least 5 years
- 300% premium on properties unoccupied and unfurnished for at least 10 years

2.13 To help provide guidance to affected property owners and to Council Officers administering the premium, it is proposed that a specific policy detailing the circumstances in which the Council would consider the removal of the premium is appropriate. This policy is presented at Appendix 5.

### 3 **Options/Alternatives**

3.1 The following options are available:

#### 3.2 **Option 1 - Do nothing**

Policy 1 - Discretionary Council Tax Discount Policy

The Council would continue to award a 100% Council Tax Discount for care leavers up to the age of 25 and consider requests from residents for Exceptional Hardship Payments.

Council Officers would have limited guidance in place for considering requests from long term empty property owners to remove the 100% Council Tax empty premium and could only consider Discretionary Council Tax reductions through the Exceptional Hardship payment scheme for the current financial year.



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### Policy 2- Discretionary Rate Relief Policy

The Council would still administer the temporary Business Rates discount and relief schemes introduced by Central Government. However, the Discretionary Rate Relief Policy would not provide guidance to ratepayers about the operation of the scheme.

### Policy – 3 Local Welfare Provision Policy

No amendments are proposed to the Local Welfare Provision Policy in 2023/24 so this option would have no effect.

### Policy 4 - Discretionary Housing Payment Policy

No amendments are proposed to the Discretionary Housing Payments Policy in 2023/24 so this option would have no effect.

### Policy 5 - Empty Property Relief Policy

Council Officers would continue to use the limited guidance outlined in the Discretionary Council Tax discount policy.

## 3.3 **Option 2 – Approve the Local Taxation and Benefits Discretionary Policies**

### Policy 1- Discretionary Council Tax Discount policy

Adopting a revised policy and introducing the Empty Property Premium Policy (see below) would ensure clear and transparent guidelines are used when assessing requests for removal of the Empty Property Premium from property owners. The aim of these changes is to ensure the Council does not penalise property owners who have made reasonable efforts to bring their empty properties back into use but have been prevented from doing so due to exceptional circumstances.

### Policy 2 - Discretionary Rate Relief Policy

Adopting a revised policy for 2023/24 would ensure that:

- Guidance is incorporated into the policy about the increase in Retail Hospitality Leisure Relief, Supporting Small Businesses relief and Business Rates Heat Network Relief.

### Policy 3 - Local Welfare Provision Policy

No changes to the policy are proposed in 2023/24 so the policies would remain as 2022/23.

### Policy 4 - Discretionary Housing Payment Policy

No changes to the policy are proposed in 2023/24 so the policies would remain as 2022/23.

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## Policy 5 - Empty Property Premium Policy

Adopting the new policy would ensure there is clear criteria the Council will consider when requested to waive the Council Tax Premium for property owners under certain circumstances.

### **4 Recommended Option**

- 4.1 Option 2 – The recommended option is to approve the updated Local Taxation and Benefits Discretionary Policies and the introduction of the Empty Property Premium Policy for the 2023/24 financial year.

### **5 Consultation**

- 5.1 During the review of each policy, feedback has been obtained from relevant services involved in the application.

### **6 Financial Implications**

- 6.1 The proposed update to the policies outlined in this report will have the following direct financial implications:

#### Discretionary Council Tax Discounts Policy

The introduction of the ability to award EHP for Council Tax debts accrued outside of the current year will have a negligible impact on the amount of cash received but would allow the Council to more accurately assess its ability to recover any outstanding debts.

#### Discretionary Rate Relief Policy

Any costs associated with the Rural Rate Relief, Retail Discount, Local Newspaper Relief, Supporting Small Business Relief and Low Carbon Heat Network Relief scheme will be reimbursed by the Government through Section 31 grants.

#### Local Welfare Provision Policy

There are no proposed changes to the policy and all payments are funded from an earmarked reserve.

#### Discretionary Housing Payment Policy

Government resources for 2023/24 were confirmed by Central Government on the 28 February 2023 to help support DHPs. The Council has been granted a sum of £428,970 for the financial year ending 31 March 2024. The Council has not allocated any top-up resources to the DHP scheme for 2023/24.

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## Empty Property Premium Policy

The establishment of clear and transparent guidelines when assessing requests for both application and removal of Empty Property Relief, will help ensure that property owners who have made reasonable efforts to bring their empty properties back into use are not unduly financially penalised. The impact of any Empty Property Premium removals under these circumstances will result in a negligible impact on the amount of cash received but would simultaneously help increase Council Tax collection rates in the future as stock comes back into use.

With regards to the application of Empty Property Premium Charges, current estimates are that by applying an additional premium of an extra 100% for unfurnished/unoccupied properties of between 5-10 years and 200% for unfurnished/unoccupied properties of over 10 years, the Council will increase its net collectible debit by approximately £0.293m. Applying a collection rate of 67.05%, calculated from historic Council Tax Premium collection data, the Council will increase cash collection by approximately £0.196m. This has already been factored into relevant budget estimates.

- 6.2 All policy changes are required to fit within the existing budgetary provision.

(John Hoskins – Finance Manager)

## **7 Legal Services Comments**

- 7.1 Option 2, approval of the updated Local taxation and Benefits Discretionary Policies is supported. It is important that guidance is up to date and transparent. For example, the improved clarity on the guidance around Empty Property Premiums in the Borough is helpful to those who might contact the Council about the policy and help show clarity about decisions that have been made by the Council. This reduces the risk of any challenges around such decisions and helps to avoid reputational risks. Alex Bougatef – Group Solicitor – Litigation.

## **8. Co-operative Agenda**

- 8.1 The operation of Local Taxation and Benefits discretionary policies is consistent with the Council's Co-operative ethos.

## **9 Human Resources Comments**

- 9.1 Not applicable

## **10 Risk Assessments**

- 10.1 Not applicable

## **11 IT Implications**

- 11.1 Not applicable

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## 12 **Property Implications**

12.1 Not applicable

## 13 **Procurement Implications**

13.1 Not applicable

## 14 **Environmental and Health & Safety Implications**

14.1 Not applicable

## 15 **Equality, community cohesion and crime implications**

15.1 Not applicable

## 16 **Implications for Children and Young People**

16.1 The application of the Council Tax discount for care leavers is the only specific impact on children and young people.

## 17 **Equality Impact Assessment Completed?**

17.1 In taking financial decisions the Council must demonstrate that it has given “due regard” to the need to eliminate discrimination, promote equality of opportunity and promote good relations between different groups.

17.2 Demonstrating that “due regard” has been given involves:

- assessing the potential equality impacts of proposed decisions at an appropriate stage in the decision-making process - so that it informs the development of policy and is considered before a decision is taken;
- ensuring that decision makers are aware of the equality duties and any potential equality issues when making decisions.

NB – having due regard does not mean the Council cannot make decisions which have the potential to impact disproportionately, it means that we must be clear where this is the case and must be able to demonstrate that we have consulted, understood and mitigated the impact.

17.3 To ensure that the process of impact assessment is robust, it needs to:

- Be specific to each individual proposal;
- Be clear about the purpose of the proposal;
- Consider available evidence;
- Include consultation and involvement with those affected by the decision, where appropriate;
- Consider proposals for mitigating any negative impact on particular groups;
- Set out arrangements for monitoring the actual impact of the proposal.

17.4 The Equality Act 2010 extends the public sector equality duties to cover eight protected characteristics, namely: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion and belief and sexual orientation.

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17.5 There is no duty to undertake an equality impact assessment (EIA) but an EIA is recognised as a useful tool in performing and recording the duty to have due regard. Equality Impact Assessment documents have been prepared for each policy and are included at Appendices 6 to 10.

18 **Key Decision**

18.1 Yes

19 **Key Decision Reference**

19.1 FLC-02-23

20 **Background Papers**

20.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: The background papers to this report are the Council Tax Discount for Care Leavers policy approved by Cabinet on 24th April 2017 (discount up to the age of 21) and The Local Taxation and Benefits Discretionary Policies approved by Cabinet on 23 March 2020. Both papers are publicly available at [www.Oldham.gov.uk](http://www.Oldham.gov.uk)

Officer Name: Adam Parsey

Contact No: 1656

21 **Appendices**

21.1 Appendix 1 – Discretionary Council Tax Discount Policy

21.2 Appendix 2 – Discretionary Rate Relief Policy

21.3 Appendix 3 – Local Welfare Provision Policy

21.4 Appendix 4 – Discretionary Housing Payment Policy

21.5 Appendix 5 – Empty Property Premium Policy

21.6 Appendix 6 – Equality Impact Assessment – Discretionary Council Tax Discount Policy

21.7 Appendix 7 – Equality Impact Assessment – Discretionary Rate Relief

21.8 Appendix 8 – Equality Impact Assessment – Local Welfare Provision scheme

21.9 Appendix 9 – Equality Impact Assessment – Discretionary Housing Payments

21.10 Appendix 10 – Equality Impact Assessment – Empty Property Premium Policy

# Discretionary Council Tax Discount Policy

**Guidelines for the award of Discretionary  
Discounts for Council Tax**

March 2023

# 1 Introduction and Scope

- 1.1 This policy sets out the Council's approach to the awarding of Council Tax discretionary discounts and demonstrates that the Council is fair, consistent in its approach and sufficiently flexible to consider individual circumstances.
- 1.2 The policy has been developed to provide guidance in two areas. Section 2 sets out the guidance to support awards of Exceptional Hardship Payments (EHPs) which are available to support residents experiencing exceptional financial hardship in paying their Council Tax. Section 3 sets out guidance to support the award of discounts to care leavers.
- 1.3 Under The Local Government Finance Act 1992 (Section 13A (1) (c)) (as amended) and the Local Government Act 2003 (Section 76), Local Authorities can use discretion to reduce a part or all of the Council Tax liability where they are satisfied that the Council Tax payer would suffer hardship if it did not do so.
- 1.4 Section 13A(1)(c) allows for a discretionary reduction which can be used in relation to any individual on a case-by-case basis, or by determining a specific class of case for which the charge should be reduced.
- 1.5 Although the decision to reduce an individual's Council Tax liability is discretionary, the actual award (or refusal of) can be challenged by way of an appeal to a Valuation Tribunal.
- 1.6 Periodically the Government may introduce a specific scheme in response to an event such as a natural disaster (e.g. flooding). Where such schemes are introduced, funding is normally fully met by Government. Any such schemes that are introduced with the intention to be awarded under Section 13A (1) (c) of The Local Government Finance Act 1992 (as amended), will be administered in accordance with any instructions and guidance set out by Government.
- 1.7 This policy will be reviewed on an annual basis, or as required, in response to changes in legislation or the priorities of the Council. The Cabinet Member for Finance and Low Carbon, in conjunction with the Director of Finance is authorised to vary the criteria, funding and application processes set out in this policy to ensure it continues to remain fit for purpose and within budget.

## **2 Exceptional Hardship Payments (EHPs)**

### **2.1 Introduction and Scope**

- 2.1.1 The Council is aware of its statutory duties under Section 13A(1)(c) of the Local Government Finance Act 1992 (as amended). This regulation allows billing authorities the discretion to reduce Council Tax in individual cases.
- 2.1.2 The Council has therefore made provision to assist residents who are facing exceptional financial hardship. Payment made under this provision will be known as Exceptional Hardship Payments (EHPs).
- 2.1.3 EHPs are not the same as payments made under the Council's Council Tax Reduction Scheme (CTR). Residents on low incomes should first explore whether there is an entitlement to CTR before making an application for EHP.
- 2.1.4 The Council will ensure each application received for EHP, will be treated on its own merits and all applicants will receive equal and fair treatment regarding accessibility to the fund and the decisions made.
- 2.1.5 EHPs are only intended as short-term assistance and should not be considered as a way of reducing Council Tax liability indefinitely.
- 2.1.6 The Council will give particular (but not exclusive) consideration to applications where the applicant is experiencing specific, exceptional or unforeseen situations which then impact on their ability to meet their Council Tax liability.
- 2.1.7 In considering an award the Council must be satisfied that:
- It is reasonable to expect other Council Tax payers to meet the cost of reducing the tax.
  - It would be unfair to ask the applicant to meet their Council Tax liability based solely on their own individual circumstances and not on circumstances that affect all or a significant proportion of the residents of Oldham.

### **2.2 Criteria for an application**

- 2.2.1 The Council recognises the importance of protecting its most vulnerable residents. This policy has been created to ensure that an appropriate level of protection and support is available to those claimants most in need.
- 2.2.2 Hardship can be a result of many different and exceptional circumstances which could include, but are not limited to: -
- Multiple and complex issues facing the claimant and his/her household
  - The death of a partner or dependant
  - Sudden increases in other expenses due to a family member's illness or incapacity
  - Sudden reduction in income due to loss of employment.



The Council will consider all relevant circumstances and resources. For example, it may not be appropriate to attempt to alleviate hardship through the award of financial assistance where advice and assistance in accessing other available support may be of greater benefit.

The Council will consider the full circumstances of the applicant before deciding whether to award an EHP. The Council will be looking for something out of the ordinary that makes it very difficult for the claimant to pay their Council Tax.

2.2.3 When assessing a claim for EHP, The Council must be satisfied that:

- The applicant is unable to meet either all or part of their Council Tax liability.
- All reasonable steps have been taken to meet the full Council Tax liability prior to submitting the EHP application.
- The applicant's current circumstances are unlikely to improve during the period for which the EHP may be awarded, which would make payment of their Council Tax unlikely.
- There is evidence of exceptional hardship or exceptional personal circumstances that justify a reduction in Council Tax liability.
- The applicant has no assets that could be realised and used to pay Council Tax.
- Entitlement to all other reliefs, discounts, exemptions, discretionary payments and other available support have been considered.
- Non-payment of Council Tax is not due to the taxpayer's own wilful refusal or culpable neglect.

## 2.3 What an EHP does not cover

2.3.1 EHPs cannot be awarded:

- To help towards payment of rent
- Where the applicants Council Tax liability is nil as a result of any other discount or exemption
- For any reason other than to reduce Council Tax liability.

## 2.4 Making an Application

2.4.1 The applicant, or a party authorised by the applicant such as an appointee or advocate, must complete and submit an EHP application form along with any evidence requested within the application form. To support applicants the Council will encourage the use of an online application form which will be available on the Council's website [www.oldham.gov.uk](http://www.oldham.gov.uk).

(Applications will not be considered if they are made by landlords or managing agents of properties where the claimant is liable for Council Tax).

- The application must detail the hardship or personal circumstances upon which the request is based.
- Applicants are required to include evidence of their financial circumstances to enable the Council to make an informed assessment of their ability to pay. Financial evidence can include, but is not limited to, household income and expenditure details, utility bills, household bills and all debt.

- Further evidence may be requested that is relevant to the application (e.g., specific details about income and expenditure details and medical evidence) where appropriate.
- Applicants will be expected to provide further information in support of their claim within one month of submitting their application or the application will be rejected.
- The Council will not reimburse any costs an applicant may incur in making an application or in providing requested evidence.

## 2.5 Making an Award

2.5.1 Applications will be reviewed initially by the Council's Exchequer Client Manager (Revenues) and a recommendation made to the Council's Assistant Director, Revenues and Benefits for a decision.

2.5.3 Any reasonable request for backdating an award of EHP will be considered but such consideration will generally be limited to the current financial year and will not normally be granted for a period exceeding 3 months prior to the date of application.

2.5.4 EHPs are intended as short-term assistance and the claimant will be expected to have made clear attempts to improve their financial circumstances during any award.

2.5.5 Claimants may make subsequent applications once their initial award has expired or if their circumstances have changed or worsened since an original application was refused.

2.5.6 Awards will normally be paid only once. The reduction in liability will be applied to the relevant Council Tax account and a revised bill will be issued. No cash alternative to this approach is available.

2.5.7 An award will usually be a percentage of the net Council Tax liability (the amount payable following the award of any benefit, discount, exemption or relief) and be for a specified period. The award will not exceed 100% of Council Tax liability.

2.5.8 The claimant must inform the Council about any changes in their circumstances that might affect their claim for EHP within 21 days of that change.

2.5.9 Decisions will normally be made within one month of the application provided all supporting information has been received and will be notified to the applicant as soon as practicable thereafter. The award notification will set out:

- The amount of EHP awarded
- The period of the award
- When the award will be paid
- The requirement to report changes in circumstances
- What the claimant can do if they do not agree with the award decision, and
- Details of where the claimant can obtain independent debt advice

2.5.10 If the application is not successful, the notification will include:

- The reasons for refusal and the appeal rights.
- Details of where the claimant can obtain independent debt advice

- 2.5.11 If it is subsequently identified that an award was made as a result of false or fraudulent information, the Council will withdraw the award and recover the resulting sum due. The Council has a zero tolerance regarding fraud and reserves the right to report any suspected fraudulent claims to the Councils Counter Fraud team.
- 2.5.12 Under Section 16 of the Local Government Finance Act 1992, there is a right of appeal if a Council Taxpayer applying for a discretionary reduction under Section 13A(1)(c) is not satisfied with the Council's decision. The guidance detailing how to appeal is set out in Section 4.

### **3 Council Tax Discount for Care Leavers**

3.1.1 Oldham Council wants to support care leavers in their transition to independent living by offering a 100% Council Tax discount up to the age of 25.

3.1.2 A care leaver is defined as a person who has been in the care of a local authority (looked after) for at least 13 weeks since the age of 14 and who was in care on their 16th birthday.

#### **3.2 Qualifying Criteria**

3.2.1 Confirmation will be sought from Oldham Council's Children's Social Care or other public body or professional organisation that care leaver status applies. Most discount cases will be referred directly by the Council's Children's Services team. However, care leavers can also make a direct application for a discount and this will be made available on the Council's website [www.oldham.gov.uk](http://www.oldham.gov.uk)

3.2.2 The care leaver must live in the Borough at the address the award relates to and be the person responsible for payment of Council Tax to qualify for the discount.

3.2.3 The discount will not be means tested.

#### **3.3 Discount Scheme**

3.3.1 The care leavers discount was introduced in April 2017, as such care leavers who become responsible for Council Tax after this date will be granted the discount from the date of occupation.

3.3.2 The level of discount applied will be 100% of Council Tax liability after any entitlement to any national reliefs, exemptions or other discounts including entitlement to Council Tax Reduction have been calculated and awarded.

3.3.3 If, subsequent to an award, the care leaver's liability for Council Tax reduces during the period of the award, for example if the care leaver becomes entitled to a single person discount, the care leaver's discount will be amended to ensure the award does not exceed the care leaver's Council Tax liability.

3.3.4 Where awarded, the discount will remain in force until the care leaver reaches the age of 25 years or ceases to become responsible for Council Tax whichever date occurs first.

- 3.3.5 When a discount has been given, a Council Tax bill will be issued showing the detail. If a discount request is refused, a letter will be issued outlining the reasons for the refusal.
- 3.3.6 Under Section 16 of the Local Government Finance Act 1992, there is a right of appeal if a customer applying for a discretionary reduction under Section 13A(1)(c) is not satisfied with the Council's decision. The guidance detailing how to appeal is set out in Section 4.

## **4 Appealing a Decision**

- 4.1 If an applicant disagrees with a decision, there is a right to request that the application is reviewed by the Assistant Director, Revenues and Benefits.
- 4.2 Any requests for a review of the decision must be made within one calendar month of the original decision letter being issued.
- 4.3 All applications for a review of the decision must be made in writing or via email and must outline the reasons why the applicant is disputing the decision.
- 4.4 The applicant will be notified in writing of the outcome of the review and the reasons for the decision.
- 4.5 If the applicant disagrees with the outcome of the internal review undertaken by the Assistant Director, Revenues and Benefits they can appeal to the Valuation Tribunal. Appeals must be made directly to the Valuation Tribunal.
- 4.6 The Valuation Tribunal can only consider whether the decision made by the Council was made reasonably by applying judicial review principles. The Valuation Tribunal cannot award discretionary reductions but may ask the Council to review its policy or decision again.

**APPENDIX 2**

# Discretionary Business Rate Relief Policy 2023/24

## **Guidelines for the Award of Discretionary Business Rates Relief**

## **1. INTRODUCTION AND SCOPE**

- 1.1 Discretionary Rate Relief (DRR) is granted in accordance with Section 43 and Section 44a of the Local Government Finance Act 1988 (LGFA 1988) and Section 47 and 49 of the LGFA 1988 as amended by the Localism Act 2011.
- 1.2 Clause 69 of the Localism Act 2011 amended Section 47 of the LGFA 1988 to allow billing authorities the discretion to fund their own local discounts. Since April 2012, the Council has been able to grant Business Rates discounts entirely as it sees fit within the limits of the primary legislation and European rules on state aid. These powers can be used to encourage new business and investment, as well as to support local shops or community services.
- 1.3 The introduction of the Business Rates Retention scheme in 2013 meant that Local Authorities now have a financial stake in the income generated from Business Rates in their area. Since April 2017, the Council has participated in the 100% Business Rates Retention pilot scheme.
- 1.4 This means that Mandatory and Discretionary Relief is financed 99% by the Council and 1% by the Greater Manchester Combined Authority. The Government has pledged that Greater Manchester authorities will suffer no financial detriment as a result of participating in the 100% pilot scheme. This extends to the awarding of mandatory and discretionary rate reliefs.
- 1.5 In view of the direct cost of awarding Business Rates relief, the Council has determined that its DRR policy is reviewed annually to ensure that awards of DRR are appropriate and maximise benefits to Oldham residents.
- 1.6 This policy document outlines the areas of local discretion and the Council's approach to the various awards. This approach has regard to the impact:
  - Of granting DRR (including Section 44a Relief and Hardship Relief) on the Council's wider financial position and Council Tax payers;
  - On the organisations and businesses that currently receive or may apply for relief in the future;
  - For Oldham residents and any regeneration benefits to the borough.
- 1.7 The principal consideration when making an award is that any relief granted is in the best interests of the residents and taxpayers of Oldham and produces a local benefit. It will also be reflective of and complementary to the co-operative ethos of the Council.
- 1.9 The Government has introduced several rate relief schemes in recent years, some of which are available for specified years only. The criteria and funding for these schemes are detailed within Government guidance issued to Local Authorities. The Government funded schemes in relation to 2023/24 can be found in section 11.

## **2 CHARITABLE RELIEF (CHARITIES)**

2.1 Mandatory Rate Relief of 80% is granted to charities in the following circumstances where the:

- Ratepayer of a property is a charity or the trustees of a charity; and
- The property is wholly or mainly used for charitable purposes (including charity shops, where the goods sold are mainly donated and the proceeds are used for the purpose of the charity).

2.2 The Council does not have any discretion regarding the award of Mandatory Rate Relief; however, the Council must be satisfied that the statutory criteria has been met. For this purpose, the Council will use guidance provided in both the LGFA 1988, and by reference to other enactments and case law.

2.3 The Council will refer to the Charity Register for evidence of charitable status however absence from the register does not mean an organisation has not been established for charitable purposes as certain organisations are exempt from registration under the Charities Act 1993.

2.4 In cases where a charity is in receipt of mandatory rate relief of 80%, the Council has discretion to grant up to 20% additional rate relief known as a DRR top up.

2.5 The Council will consider applications for a DRR top up from charities based on their own merits, on a case-by-case basis. However, the principal consideration is that the relief is in the best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will be awarded generally to the following type of registered charities:

- Scouts, guides, cadets and other clubs/associations for young people;
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents' associations;
- Organisations providing support in the form of advice, training for employment, counselling;
- Organisations that provide services that address the consequences of ill health and disability;
- Charitable sporting clubs (also see CASCs);
- Locally based leisure and cultural organisations;
- Armed forces veteran's associations;
- Locally based charities;
- Charity shops (operated by either locally based or national charities);
- Local childcare providers registered as charities

### **3 REGISTERED COMMUNITY AMATEUR SPORTS CLUBS (CASC) RELIEF**

3.1 Mandatory rate relief of 80% is granted to registered community amateur sports clubs (CASCs). To qualify as a CASC, a sports club must fulfil all the following criteria. It must be:

- Open to the whole community;
- Run as an amateur club;
- Non-profit making and
- Aiming to provide facilities for, and encourage people to take part in, eligible sport.

3.2 In cases where a CASC is in receipt of Mandatory Rate Relief of 80%, the Council has discretion to grant up to 20% additional rate relief as a DRR top up.

3.3 The principal consideration is that any relief is in the best interests of the residents and taxpayers of Oldham. However, in determining the application the following matters will be taken into consideration:

- How the CASC supports and links into the Council's corporate vision and priorities;
- A club should have an open access policy. If a club effectively discriminates by only accepting members who have reached a particular standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not fulfil the requirements;
- Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are not discriminatory in intent but a genuine result of physical restraints (such as changing room facilities) or the requirements of the sport. In such cases, the organisation will be required to provide proof of such limiting factors.

3.4 If the organisation applying for a DRR requires membership or an entry fee, the Council will consider whether:

- Membership is open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief,
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community
- Fee reductions are offered for certain groups such as, for example, under 18s or over 60s
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education or training; people above working age; or people with disabilities
- Facilities are made available to people other than members.

3.5 It should be noted that sports clubs which run a bar are unlikely to be awarded relief if their main purpose is the sale of food or drink. However, if the sale of food or drink by the organisation aids the overall operation and development of the organisation in achieving its objectives, this would be permissible if the principal objectives of the organisation meet the eligibility criteria detailed at 3.1. If the bar makes a profit, this profit must be reinvested to support the organisation in achieving its principal objectives. Financial information will be required to evidence any profit and its use.



## **4 NON-PROFIT MAKING ORGANISATIONS INCLUDING COMMUNITY INTEREST COMPANIES (CIC)**

4.1 The Council has the power to grant discretionary rate relief of up to 100% f to non-profit making organisations. The main objectives of the organisation must be related to:

- Relief of poverty
- Advancement of religion
- Advancement of education
- Social Welfare
- Science
- Literature
- Fine arts
- Recreation
- Or be otherwise beneficial to the community

An organisation must be able to demonstrate how it:

- Meets local needs and benefits local people; and
- Provides a valuable service to the community; and
- Is open to all sections of the community and operates in such a way that it does not discriminate against any section of the community; and
- It is not conducted or established for the primary purpose of accruing profit.

4.2 The Council will consider applications for a DRR top up from non-profit making organisations based on their own merits, on a case-by-case basis. However, the principal consideration is that the relief is in the best interests of the residents and Council Tax payers of Oldham and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will generally be awarded to the following type of non-profit making organisations:

- Scouts, guides, cadets and other clubs/associations for young people;
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents' associations;
- Organisations providing support in the form of advice, training for employment or counselling;
- Organisations that provide services that address the consequences of ill health and disability;
- Locally based leisure and cultural organisations;
- Armed forces veteran's associations.

4.3 If the organisation applying for DRR requires membership or an entry fee, the Council will consider whether:

- Membership is open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, disability, age, religious affiliation or political belief,
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community;

- Fee reductions are offered for certain groups such as, e.g., , under 18s or over 60s;
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education or training; people above working age; or people with disabilities;
- Facilities are made available to people other than members.

4.4 Where the applicant organisation requires membership, at least 50% of the members should reside within the boundaries of the Borough of Oldham (evidence of this will be required).

## 5 LOCAL CHILD CARE PROVIDERS

5.1 The Council will consider applications for DRR from local childcare providers based on their own merits on a case-by-case basis. The principal consideration is that any relief is in the best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must bear a percentage of the cost of any relief granted. Criteria in relation to an award are:

- A local childcare provider is in receipt of Mandatory Rate Relief of 80% as a registered charity, in these cases the Council has the discretion to grant up to 20% additional rate relief.
- In cases where a local childcare provider is not in receipt of Mandatory Rate Relief the Council has the discretion to consider granting an award up to 100% of rate relief.
- If a local childcare provider applies for relief, they must not charge fees that would be considered unaffordable by most Oldham residents. The provider must also not restrict attenders with admittance policies that are deemed unfair.
- If a nursery charges unreasonable fees or if they make significant profits that are not reinvested into the business that they are unlikely to be awarded DRR.
- In reviewing an application from a childcare provider, there will be consultation with the Early Intervention and Families team to determine if providing relief would meet the aim of supporting local childcare provision.

## 6 RURAL RATE RELIEF

6.1 Organisations or businesses which operate within a designated rural settlement (with a population of 3,000 or less) may be eligible for Discretionary Rural Rate Relief. Eligible organisations/businesses must be located in one of the settlements identified in the Council's rural settlement list, which is reviewed periodically:

- Current areas designated as rural settlements are:

Delph	Denshaw	Diggle	Dobcross
Grasscroft	Grotton	Scouthead	Woodhouses

6.2 Discretionary Rural Rate Relief is open to any type of business within a classified rural settlement that satisfies the following criteria:

- The only qualifying village shop or post office with a rateable value of up to £8,500 and already in receipt of mandatory relief of 50%.

- The only qualifying public house or petrol station with a rateable value of up to £12,500 and already in receipt of mandatory relief of 50%
- Within the boundaries of a qualifying rural settlement.

6.3 The Council also has the discretion to remit all or part of rate bills on other property in a settlement on the rural settlement list if the rateable value is £16,500 or less and is used for a purpose that benefits the local community.

6.4 Rural rate relief was doubled to 100% in April 2017 with the intention to introduce legislation to make the award of the relief mandatory.

6.5 Until the necessary legislation is in place to award 100% Mandatory Rural Rate Relief the Council will use its discretionary powers to award 50% Discretionary Relief to ensure 100% relief is awarded in total to eligible businesses. Central Government will fully reimburse the Council using a grant under Section 31 of the Local Government Act 2003. Awards will be granted for the period of one financial year at a time.

## **7 LOCALISM RELIEF**

- 7.1 The Council is now able to grant Business Rates discounts entirely as it sees fit within the limits of the primary legislation and the UK Subsidy Control regime. The Council will place particular focus on using these powers to support the regeneration objectives of the Council, encouraging new business and investment in the Borough.
- 7.2 In reviewing an application from a business requesting DRR under these powers, there will be consultation with the Council's Business and Investment Team to determine if providing relief would support the economic objectives of the borough.
- 7.3 Applicants will also be signposted to the Council's Business and Investment team for support and for advice on other options available to the business prior to an award being considered.

## **8 HARDSHIP RELIEF**

- 8.1 The Council has the power to reduce or remit the Business Rates charged in certain circumstances where the business is enduring temporary financial difficulties beyond their control. This is known as Hardship Relief.
- 8.2 The Council may grant Hardship Relief if it is satisfied that:
- The ratepayer would sustain financial hardship if the Council did not do so; and
  - It is reasonable for the Council to grant relief, with regard to the interests of its residents and Council Tax payers.
- 8.3 Loss of profitability due to increased competition would not generally be considered as Financial Hardship.
- 8.4 Hardship Relief is a temporary measure which should not be used to artificially sustain a failing business. Hardship Relief will be awarded where the applicant organisation is facing temporary financial difficulties and where the community would be significantly disadvantaged if the business were to close due to these temporary financial constraints.

## **9 SECTION 44A RELIEF (PARTLY OCCUPIED PROPERTIES)**

- 9.1 The Council has discretion to consider requests from ratepayers asking that the rateable value of premises that is charged Business Rates is split between the occupied and temporarily unoccupied portions and that the Council then only charges rates of the occupied portion. This is permitted under Section 44a of the LGFA 1988.
- 9.2 The Council has the discretion to accept or refuse such a request. If the request is accepted, then the Valuation Office Agency (part of Her Majesty's Revenues and Customs (HMRC)) is asked to supply a Certificate indicating the relevant values for the occupied and unoccupied portions and this Certificate is binding on the Council.
- 9.3 The definition of 'temporary period' is not prescribed with the law and therefore Oldham Council has the discretion to decide the period of relief that should be awarded.

- 9.4 The law provides discretionary power, but the decision whether to exercise that power must be taken before the Valuation Officer's Certificate is requested, as the apportioned values are those upon which the charge must be levied once supplied. Discretionary power does not alter the general rule that occupation of part of a premise constitutes occupation of the whole of the premises.
- 9.5 The effect of the apportioned values applies to the **operative period**, which is defined as the period beginning with the day on which the premises became partly unoccupied and ending with the first day on which one or more of the following events occur.
- The occupation of any of the unoccupied part of the premises;
  - The ending of the financial year in which the apportionment was required;
  - The requiring of a further apportionment;
  - The complete occupation of the premises; or
  - The complete vacation of the premises.
- 9.6 The Authority is required to terminate this relief in the event of a change in the proportions of the premises occupied and unoccupied or at the end of a financial year, and then may, if appropriate consider requesting the Valuation Office to issue a further Certificate.
- 9.7 The amount of Rate Relief that is awarded is determined by statute and is calculated by reference to the Rateable Value attributed to the unoccupied area by the Valuation Office Agency.
- 9.8 Applications will only be considered in respect of unoccupied parts of a property that can be clearly defined and are reasonably segregated from the occupied part of the property.
- 9.10 The use of Section 44a is intended to apply to those premises where there are practical difficulties in either occupying the premises or vacating the premises. Therefore, it is not intended that all premises which temporarily become partly unoccupied should have their liability reduced.
- 9.11 No award shall be made where it appears to the Council that the reason that part of the property is unoccupied is wholly or mainly for the purpose of applying for Rate Relief.
- 9.12 Rate Relief under this section will not be awarded in respect of partly occupied property where the partial occupation of the property may arise due to the ordinary day to day nature of the business (for example the operation of a warehouse) or where a ratepayer is incrementally moving out of the premises and leaving the borough.
- 9.13 The period of Relief will not exceed either 3 or 6 months depending on the type of property the claim has been made for, in line with the current legislation for part-occupied properties.
- 9.14 In determining the application, favourable consideration will be given (but not limited to) where:

- There is a partial occupation of a warehouse, factory or commercial premises to facilitate relocation of the company into the borough or to extend the current portfolio and associated occupation levels in the borough; or
- Where fire, flood or other disaster prevents full use of the premises.

9.15 Favourable consideration would not normally be given:

- For a period that has now passed;
- For consecutive periods;
- To support a business moving its operation outside of the borough;
- Where the owner sublets part of the premises on a commercial basis;
- Where the part occupation is likely to continue for more than 3 months (6 months if industrial premises);
- Where there appears to be no effort to let, sell or occupy the empty part; or
- Where part occupation is seasonal or cyclical in nature.
- Where part occupation is due to refurbishment of the premises.

(N.B. This is not an exhaustive list.)

9.16 At all times consideration will be made for the regulations contained within Section 44a of the Local Government Finance Act 1988 and any relevant case law.

## **10 MAKING AN APPLICATION**

10.1 Applicants will be encouraged to submit applications for DRR online at [www.oldham.gov.uk](http://www.oldham.gov.uk)

10.2 All Applications for Discretionary Rate Relief top up must be supported by, and include:

- The organisation's main purposes and objectives, as set out in, for example, a written constitution, a memorandum of association, or set of membership rules
- A full set of audited accounts relating to the two years preceding the date of application. Where audited accounts are not available, projected figures should be provided instead. (It is recommended that applicant organisations submit audited accounts dating back further than two years, if such information is available.)
- Details of how the organisation meets the criteria outlined in these guidelines.

### Localism Relief

10.3 Where applications seek rate relief in respect of new business set up etc., information provided should also include business plans and other information that demonstrate the regeneration or economic benefit to Oldham.

### Section 44A Relief

10.4 The following information will be required to support written requests for Section 44a relief:

- A plan of the property showing the dimensions of the occupied and unoccupied area of suitable quality to enable the Valuation Office Agency to apportion the

rateable value of the property between the occupied and unoccupied areas. Applications will not be considered until such time as the plan is provided;

- The period to which the application relates;
- Contact details in order to inspect the site where necessary.

- 10.5 If an application is received without the necessary supporting information, the application will be considered ineligible.
- 10.6 The Council will inform applicants in writing of any decision. This notification will also confirm the period for which relief has been awarded and a revised bill will be issued.
- 10.7 Unsuccessful applicants will be notified and provided instructions on how they can appeal the decision.
- 10.8 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review. If this information is not provided, no reminders will be issued, and the relief will be removed.
- 10.9 The Council can depart from its general policy if it sees fit to do so, taking into account the facts of each case and the interests of residents and Council Tax payers.

## **11 Temporary Government funded Relief schemes**

- 11.1 The Government has introduced several rate relief schemes in recent years, some of which are available for specified years only. The application process and eligibility criteria are individual to each relief scheme. The Council follows Government guidance in administering and awarding these reliefs.
- 11.2 The schemes available for 2023/24, and the applicable government guidance can be found using the links below.

Retail, Hospitality and Leisure Relief Scheme 2023/24.

<https://www.gov.uk/government/publications/business-rates-relief-202324-retail-hospitality-and-leisure-scheme-local-authority-guidance/business-rates-relief-202324-retail-hospitality-and-leisure-scheme>

Newspaper Relief 2023/24

<https://www.gov.uk/government/consultations/the-case-for-a-business-rates-relief-for-local-newspapers>

Supporting Small Businesses Relief 2023/24.

<https://www.gov.uk/government/publications/business-rates-relief-2023-supporting-small-business-relief-local-authority-guidance>

Business Rates Heat Network Relief 2023/24

<https://www.gov.uk/government/publications/business-rates-heat-network-relief-local-authority-guidance-2023-24/business-rates-heat-network-relief-local-authority-guidance-2023-24>

## 12 ASSESSMENT OF THE AWARD

- 12.1 The Council delegates the decision-making power for DRR awards to the Exchequer Client Manager (Revenues) and the Assistant Director for Revenues and Benefits (or equivalent post holders).
- 12.2 Any officer or Member involved in the decision-making process for DRR must declare if they have an interest in or association with any organisation which is applying for relief.
- 12.3 In making decisions about applications the Council may:
- Grant relief up to a maximum of 100% of the rates due
  - Grant relief for a sum less than 100% of the rates due or
  - Refuse any application for additional relief.
- 12.4 When considering an application for Section 44A relief, a visit may be made to the premises to confirm the accuracy of the submitted plan. Independent evidence may also be requested, and this may be in the form of surveyors' reports, dated photographs, solicitors' letters and estate or letting agents' records (list not exhaustive).
- 12.5 The granting of relief will be reviewed annually and those in receipt of Discretionary Rate Relief will be asked to supply or confirm relevant information for the purpose of the review.
- 12.7 All awards of Discretionary Rate Relief will typically be awarded as a temporary measure for a limited period e.g., one financial year.
- 12.8 The Local Government Finance Act 1988 Section 47 (7) states that a decision under this subsection is invalid as regards a day if made more than six months after the end of the financial year in which the day falls. This means:
- If an application is made before the 30th September, relief can be awarded from the start of the financial year proceeding the year the application has been made in or the date the organisation became liable for Non-Domestic Rates, if later. (i.e., from 1st April)
  - If the application is made after the 30th September, relief can be awarded from the start of the financial year the application has been made in, or the date the organisation became liable for Non-Domestic Rates, if later (i.e., from 1st April)
- 12.9 As a guide, for a charity, CASC or Non-Profit organisation to be eligible for DRR top up, the organisation must not have enough financial resources available in unrestricted funds to continue to operate for more than 12 months, nor should it have sufficient financial resources in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.



12.10 In exceptional cases, DRR will be granted to organisations which have enough financial resources in unrestricted funds to continue to operate for more than 12 months. This may include charities or community organisations which require large amounts of available resources to sustain the service they deliver to the community. In such cases, the organisation must be able to prove that it offers a service which the Borough's residents depend on, and which they would be unlikely to find elsewhere in the Borough.

### **13 APPEALS AGAINST DECISIONS**

13.1 Any organisation requiring a review of a decision may submit a request by email to [DiscretionaryRateRelief@oldham.gov.uk](mailto:DiscretionaryRateRelief@oldham.gov.uk)

13.2 Oldham Council can review a Discretionary Rate Relief, Hardship Relief or Section 44a decision in the event of a dispute or in light of any new information. Final decisions on appeals will be made by the Section 151 Officer (Director of Finance) and the Cabinet Member for Finance and Low Carbon.

13.3 If the Ratepayer is further dissatisfied the only remaining route to challenge the decision would be by judicial review in line with Section 138 of the Local Government Act 1988. Such a review would only consider whether the decision-making process had been followed correctly; it may not necessarily change a decision.

### **14 STATE SUBSIDY**

14.1 From 1st January 2021, the United Kingdom left the EU Single Market and Customs Union and is no longer subject to the De Minimis Regulations. The Government has introduced its own rules regarding state subsidies. Discretionary rate relief is considered a subsidy under the rules, but the matters that must be considered all relate to the effect of the subsidy on international trade. In making an award the Council must consider the award of relief:

- affects international trade;
- is prohibited under World Trade Organisation (WTO) rules;
- are in line with those agreed by the UK-EU Cooperation and Trade Agreement
- are unlikely to trigger a dispute under WTO trade rules

14.2 It is expected that in most cases an award of discretionary relief would not breach State Subsidy rules. However, for cases where the Council believes a breach may be possible the recipient of the relief will be asked to complete and return a state subsidy declaration. If this is not completed and returned the application will be refused.

### **15 POLICY REVIEW**

15.1 The Council will review the Discretionary Rate Relief policy on an annual basis, but the Council reserves the right to review and revise the policy at any time as a result of information gained through operating the policy or in response to Government initiatives.

15.2 The Cabinet Member for Finance and Low Carbon in conjunction with the Director of Finance are authorised by Cabinet to agree any revisions to the policy.

# Local Welfare Provision Policy 2023/24

**Guidelines for the operation of the Local Welfare  
Provision Scheme.**

March 2023

## **1. Introduction**

- 1.1 The Welfare Reform Act 2012 ended the provision of Community Care Grants and Crisis Loans for living expenses under the Discretionary Social Fund administered by the Department for Work and Pensions (DWP).
- 1.2 Funding was transferred from the DWP to Local Authorities (LAs) from 1 April 2013 to provide a locally administered scheme to help vulnerable residents in the Borough.
- 1.3 There was no statutory duty requiring LAs to deliver a scheme, but Oldham Council considered it to be in the best interests of the residents of the Borough to do so. As a result of the reduction in funding the Council administered a scheme in a way that ensures the funding provides support to Oldham's most vulnerable residents.
- 1.4 Oldham's scheme is known as the Local Welfare Provision (LWP) scheme.
- 1.5 As a Co-operative Council, the Council is committed to making the most of the strengths that lie in communities and neighbourhoods across the borough. This is reflected in the LWP scheme, which makes use of the expertise and local knowledge of community groups, charitable organisations, and partner agencies in working together to support residents in difficult circumstances.
- 1.6 Oldham Council is also committed to supporting local people to find sustainable, long-term solutions, so that help is provided to prevent people from facing crises and needing support in the future. As part of the process of assessing a claim for LWP, the Council seeks to identify whether applicants could benefit from other forms of support (such as benefit, debt or budgeting advice) which gives them the tools to address the root causes of any short-term problems which are causing them to turn to LWP for help.

## **2. Purpose of the Scheme**

- 2.1 The purpose of the Local Welfare Provision Scheme is to provide support:
  - To meet short term emergency/immediate support needs of vulnerable residents.
  - To assist vulnerable residents to establish or maintain a home in the community.
- 2.2 Examples of the types of residents and the circumstances where an award may be considered are:
  - Care Leavers under the age of 25
  - People who have suffered a disaster/crisis such as fire or flood
  - Families under exceptional pressure
  - People who are homeless or rough sleepers
  - Vulnerable older people
  - People fleeing domestic violence
  - People moving out of institutional or residential care
  - People moving to supported accommodation/independent living
  - People who are leaving prison or detention centres
  - People who are chronically or terminally ill
  - People with alcohol or drug issues

- People with learning difficulties.
- People returning to work after a short term on benefit

This list is not exhaustive.

### **3. Principles of the Scheme**

3.1 The LWP scheme is based around the following principles:

- The Council will treat each customer fairly and equitably with full consideration being given to their circumstances.
- The LWP scheme is a fund of last resort, this means that the Council will provide support to people who cannot access support through any other means. This will ensure that funding is retained to support those residents who are unable to access funding from other sources. The scheme is discretionary, which means an applicant does not have a statutory right to payment.
- The Council will consider making an LWP award to applicants who meet the qualifying criteria specified in this policy, providing that there is sufficient funding available.
- In each financial year the Council will spend no more on LWP awards than the DWP makes available in grant funding for the scheme.
- The Council reserves the right to vary the operation of the scheme during the year to ensure that the level of awards made does not exceed the funding available. This will be exercised through a formal review process.
- The Council will provide support to applicants by means of signposting or referrals to other partners, regardless of the outcome of their claim for LWP, to avoid a future need to claim LWP.
- The Council will consider bids for funding from groups / organisations who provide support to Oldham residents. Successful bids will be awarded monies from the fund providing there is sufficient funding.

### **4. Eligibility Criteria**

4.1 To be eligible for an award the applicant must be:

- aged 16 or over
- be a resident of the borough or be able to demonstrate that they are about to become a resident of the borough
- in receipt of one of the following:
  - Income Support
  - Income-based Jobseeker's Allowance
  - Employment and Support Allowance (income-related)
  - Pension Credit
  - Universal Credit
  - Housing Benefit

- Council Tax Reduction
- Child/Working Tax Credit
- Disability Living Allowance
- Personal Independence Payment
- Awards may be given in exceptional circumstances to applicants who are not in receipt of one of the above benefits.

4.2 An award will not be made where:

- help is likely to be available from other funds or schemes
- the applicant has access to other funds which could be used to cover the costs, such as savings, credit cards, overdraft facilities, loans.
- the applicant owns a property other than the one in which they live.
- the need for LWP has been self-imposed by the applicant e.g., a benefit sanction enforced, loss of employment due to misconduct etc. except in exceptional circumstances e.g., unjust sanction where there is no other support available. Must be supported by a trusted referrer or support worker.
- the applicant has received an LWP award in the past 6 months (in cases of significant exceptional need the criteria can be relaxed).

## **5. The Application Process**

5.1 The application process is clear, transparent and accessible.

5.2 Applicants can request support through several access channels:

- online via the Council website
- through a dedicated telephone line
- through a trusted referrer - these will be in a wide range of organisations across the Borough.

5.3 The application can be made by:

- the person to whom the application relates (the applicant)
- another person on behalf of the applicant (the representative)

5.4 The application process is designed to provide consistent and fair decision making by gathering appropriate data and supporting information in an accessible way.

5.5 The Council may request reasonable evidence in support of an application for an LWP award.

- The applicant will be asked to provide the evidence within 10 working days of the request although this can be extended in appropriate circumstances.
- If the applicant is unable to or does not provide the required evidence within the timeframe stipulated, then the application will be treated as withdrawn by the applicant.
- The Council reserves the right to verify any information or evidence that the applicant supplies with third parties including other council departments, government agencies, other local authorities, external organisations or

individuals. The Council may also use the information for the detection and prevention of fraud.

- Under new data sharing powers contained within the Welfare Reform Act 2012 those administering the scheme will have access to DWP data in relation to benefits to support decision making.

5.6 The Council will signpost or refer the applicant to other sources of funding rather than make a LWP award.

## **6. Decision Making**

6.1 In deciding whether to make a LWP award the Council will take a holistic look at the applicant's needs and circumstances, as well as the amount of funding available in the LWP fund and the anticipated demand for this funding.

6.2 The Council will consider:

- the financial circumstances of the applicant, their partner, their dependents, and anyone else who lives with them
- any sources of credit, such as cash cards, store cards, credit cards, cheque cards, cheque accounts, overdraft facilities and loans
- any other help which is likely to be available from other funds or schemes
- any expenditure of the applicant, any partner, their dependents and anyone else who lives with them
- the level of debt the applicant and their family has
- any medical issues, or other exceptional needs, of the applicant, their partner, their dependents, anyone else who lives with them
- whether an LWP award could address the needs of the applicant
- whether granting an award would help prevent further or additional needs.

6.3 If the Council decides that an LWP award can be made they will determine the type of support to be awarded.

## **7. Types of Support**

7.1 LWP is available to help with the provision of:

- Beds and Bedding
- Essential domestic appliances/cookware
- Essential domestic furniture
- Clothing
- Emergency transport costs
- Food
- Utility costs (including connection/reconnection)
- Provision of heating appliances

This list is not exhaustive.

7.2 LWP awards would not normally be given for:

- A television or satellite cost or repair
- Installation of a telephone or telephone line
- Housing costs or arrears of rent
- Costs which can be met from other sources
- Debts
- Motor vehicle expenses
- TV license
- Costs associated with care provision

This list is not exhaustive.

7.3 The Council has the discretion to determine which goods or services are essential and will consider the circumstances of each claim.

## **8. Methods of Support**

8.1 The Council will determine the most appropriate method of support to be provided to successful applicants. The decision will be made based on the type of support required and the individual's circumstances.

8.2 The Council may make awards of support to:

- the applicant
- their partner
- an appointee or authorised representative

8.3 The Council will make awards in the following ways:

- Vouchers for food
- Order and payment by the Council to suppliers of suitable goods or services
- Pre-payment cards for goods and utilities
- Cash payments will only be awarded in exceptional circumstances.

This list is not exhaustive.

## **9. Notification**

9.1 The applicant and any other interested party such as representative or trusted referrer will be notified of the outcome of the application on the day the decision is made.

9.2 The Council will notify the applicant of the decision by the most appropriate method. This may be by telephone call, letter or email.

9.3 Where the application is successful, the notification will include details of:

- the amount of the award;
- the purpose for which the award should be used;
- the method of support
- signposting to websites and contacts for other support agencies.

9.4 Where the application is unsuccessful or the award does not meet the full level of support that the applicant requested, the notification will include:

- an explanation of the reasons why the application was unsuccessful
- details of the right to request a review
- signposting to websites and contacts for other support agencies.

## **10. Rights of Review**

10.1 LWP awards are not subject to a statutory appeals process.

10.2 An applicant (or their representative) who disagrees with a decision may request an explanation of why their application was refused, or why they were not granted the full level of support they applied for.

10.3 The request must be received by the Council within 14 days of the date the decision was notified.

10.4 The request can be made

- Online via e-mail
- By telephone through a dedicated telephone line
- In writing

10.5 Where possible, the Council will try to resolve the matter by explaining the reasons for the decision to the applicant or their representative either verbally or in writing.

10.6 Where the applicant remains dissatisfied with the explanation provided, they may request a review of the decision.

10.7 Any request for review must be received by the Council within one calendar month of the LWP decision being notified to the applicant.

10.8 The Council will review the decision made in relation to the application. The review will be undertaken by an officer who was not involved in the original decision.

10.9 The Council may request additional evidence to support the review. The applicant will have one calendar month to respond to any request for further information. If no response is received within this period, a review will be undertaken based on the information already gathered by the Council.

10.10 The applicant (or their representative) will be notified in writing of the outcome of the review.

10.11 There is no right to appeal via the Independent Review Service (the agency which currently reviews discretionary Social Fund decisions made in Jobcentre Plus offices). However, the customer or their representative will have the right to make a complaint to the Local Government Ombudsman.



## **11. Fraud and recovery of awards**

- 11.1 If the Council becomes aware that the information contained in an application for a LWP award was incorrect or that relevant information was not disclosed either intentionally or otherwise the matter will be investigated.
- 11.2 Any applicant who tries to fraudulently claim a LWP award may be committing a criminal offence under the Fraud Act 2006, and this could lead to criminal proceedings.
- 11.3 The Council will seek to recover the value of any LWP award made as a result of a fraudulent application.

## **12. Monitoring**

- 12.1 The scheme is subject to monthly reporting and review.
- 12.2 ICT systems have been implemented which provide detailed and robust management information to allow continuous monitoring and real time information in relation to:
- payment of awards
  - methods of payment
  - projected allocation of funds
  - awards made
  - equalities data
  - speed of awards
  - number of reviews
  - outcome of reviews
  - referrals or signposting to other agencies

## **13. Publicity**

- 13.1 The Council will publicise the scheme and provide information to relevant agencies, stakeholders and other Council services, including a list of trusted referrers.

## **14. Scheme Review**

- 14.1 The Council reserves the right to review and revise the scheme at any time based on information gained as a result of operating the scheme.
- 14.2 The Cabinet Member for Finance and Low Carbon in conjunction with the Director of Finance are authorised by Cabinet to agree to any revisions to the scheme.
- 14.3 The latest version of the policy is available on the Council website

APPENDIX 4

# Discretionary Housing Payment Policy 2023/24

**Guidelines for the operation of the Discretionary  
Housing Payment Scheme.**

March 2023

## **1. Introduction**

- 1.1 In July 2001 the Discretionary Housing Payment Scheme was introduced giving Councils' powers to make Discretionary Housing Payments (DHPs) to top up Housing Benefit and Council Tax Benefit.
- 1.2 The DHP policy has been revised to reflect changes to the benefits system introduced by the Welfare Reform Act 2012; this includes the introduction of Universal Credit, the size criteria and the benefit cap.
- 1.3 From April 2013 Council Tax Benefit was replaced by a localised Council Tax Reduction (CTR) scheme and from that date, awards of DHP no longer covered help with paying Council Tax. From April 2019, the Council has instead made provision for the award of Exceptional Hardship Payments (EHPs) to support those facing exceptional hardship in paying their Council Tax. Information about EHPs can be found on the Council's website [www.oldham.gov.uk](http://www.oldham.gov.uk)
- 1.4 This policy has been developed based on the Discretionary Housing Payments Good Practice Guide (updated May 2022) issued by the Department for Works and Pensions.
- 1.5 All officers involved in the consideration and processing of DHP applications will adhere to this policy.
- 1.6 The purpose of this policy is to specify how Oldham Council will operate the DHP scheme and indicate some of the factors that will be considered when assessing if a DHP can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly.
- 1.7 The Discretionary Housing Payments Government contributions for 2023/24 is £428,970. This budget will be allocated to support those most in need, including those affected by Welfare Reform.

## **2. Purpose of the Scheme**

- 2.1 Oldham Council will consider making a DHP to customers who meet the qualifying criteria as specified in this policy. Oldham Council will seek through the operation of this policy to:
  - alleviate poverty
  - encourage and sustain people in employment
  - sustain tenancies and prevent homelessness
  - support vulnerable young people in the transition to adult life
  - encourage Oldham residents to obtain and sustain employment
  - safeguard residents in their homes
  - help those who are trying to help themselves
  - keep families together
  - support vulnerable or elderly in the local community
  - help claimants through personal crises and difficult events
  - promote good educational outcomes for children and young people
  - support those affected by welfare reform
  - support care leavers up to the age of 25

### **3. Principles of the scheme**

3.1 The main features of the DHP scheme are that:

- DHP's are not payments of Housing Benefit (HB)
- there must be entitlement to the minimum amount of HB or Universal Credit including the housing element for rental costs (UCHE), for any period that a DHP is awarded.
- the operation of the scheme is for Oldham Council to determine
- it is a discretionary scheme
- a customer does not have a statutory right to a payment
- the amount that can be paid by Oldham Council in any financial year is cash-limited by the Secretary of State and may be reduced, or increased in subsequent years
- the support should be seen as short term. However, in some instances the award can be used to provide longer-term support.

DHP's cannot be used to;

- pay ineligible service charges
- minimise the effect of DWP sanctions
- make payment when HB/UCHE is suspended or
- when a customer does not have a minimum entitlement of HB or UCHE

N.B. The housing costs to which the DHP relates do not have to be the housing costs of the property for which the benefit is awarded. For example, DHP can be used for a rent deposit or rent in advance for a property that the claimant is yet to move into, if the applicant is already entitled to HB or UCHE for their present home.

### **4. The Application Process**

4.1 A request for a DHP is made by the completion of an online application form which is available from the council website [www.oldham.gov.uk/DHP](http://www.oldham.gov.uk/DHP)

4.2 The claimant will be required to submit the e-form to the Council. The Council will request further information as required and/or verify any information or evidence provided. The Evidence must be provided within one month of the request, although this can be extended in appropriate circumstances. If the customer is unable to or does not provide the required evidence, the Council will still consider the application based on the information it does hold such as on the HB database and/or DWP systems.

4.3 Oldham Council will first explore options available to the claimant and will liaise with the homelessness prevention team in order to negotiate with the landlord a more affordable rent (where it is appropriate to do so.)

4.4 Oldham Council will make referrals to internal services and external advice agencies that can provide advice and information on managing finances and personal budgeting, where this could assist in providing a long-term financial solution.

4.5 Oldham Council will also undertake proactive exercises to determine specific categories of claimant who may be eligible for a DHP. These cases may be awarded a DHP without completing an application form.

## **5 Deciding whether to award a DHP**

5.1 In deciding whether to award a DHP, the Council will consider:

- the shortfall between HB/UCHE and rent liability;
- any steps taken by the customer to reduce their rent liability, such as seeking to take on more affordable accommodation
- the financial circumstances of the customer, any partner, their dependents and other occupiers of their household
- the income and expenditure of the customer, any partner, their dependents and other occupiers of their household
- any savings or capital the customer or any partner, their dependents and other occupiers of their household may hold
- the level of indebtedness of the customer and their family;
- any medical issues, or other special needs, of the customer, partner or dependents, or other members of their household;
- the nature of the circumstances of the customer, for example where the customer has moved house in order to find more affordable accommodation and the fares to their place of work are now considerably higher;
- whether the circumstances of the customer are such that a DHP would not alleviate the problems of the customer within a reasonable period (say 12 months);
- the Local Housing Allowance rates.
- the effect of the April 2013 Size Criteria changes for Social Housing Tenants; Priority will be given to those who:
  - have had a property significantly adapted to meet disablement needs
  - need additional space because of their disability
  - are taking the necessary steps to either downsize or take on a boarder/lodger, (but see circumstances when a DHP will not be awarded at 8.1 below)
- the effect of the Benefit Cap changes to Housing Benefit. Priority will be given to those who can demonstrate that they are;

- taking the necessary steps to help themselves and are working towards getting a job or additional income to meet the loss in HB/UCHE
- taking the necessary steps to move to cheaper alternative accommodation, but see circumstances when a DHP will not be awarded in 6.1 below

- any other special circumstances the Council are aware of
- the possible impact on the Council of not making such an award, e.g., the customer becoming homeless, fuel poverty, child poverty etc., and the costs associated with this
- the amount available in the DHP budget (the Council's overall cash limit is determined by the Government);

5.2 The Council will decide how much to award based on all the circumstances. This will be any amount between the rental liability and the amount of benefit already awarded. i.e., part or all of the shortfall in the rent.

5.3 An award of DHP does not guarantee that a further award will be made at a later date even if the customer's circumstances have not changed.

## **6 Circumstances when a DHP will not be awarded**

6.1 When a DHP application is received from a customer who cannot demonstrate that they are taking the necessary steps to help themselves i.e., they have not approached, or are not in continual engagement with relevant bodies that will help support them.

6.2 When a DHP application is received from a customer who is not considered to be a settled resident in Oldham i.e., is not living and claiming HB/UCHE in the boundary area for the borough.

6.3 When a DHP application is received from a customer that shows the overall income exceeds the outgoings or where the application shows there is unreasonable expenditure.

## **7 Period of Award**

7.1 The Council will decide the length of time for which a DHP will be awarded based on the evidence supplied and the facts known.

7.2 The start date of an award will normally be:

- the Monday following the date the application for DHP is received, or
- the date on which entitlement to HB or UCHE commenced (providing the application for DHP is received within one calendar month of the claim for HB/UCHE being decided), whichever is the earlier or the most appropriate.

- The Council will not usually award a DHP for a period exceeding 26 weeks. DHPs are intended as short-term assistance and the claimant will be expected to make clear attempts to improve their financial and housing circumstances during any award. In exceptional circumstances the Council will consider an indefinite award or until such a time the customer's circumstances change.
- Claimants may make subsequent applications once their initial award has expired or if their circumstances have changed or worsened if their original application has been previously refused. There is no guarantee that future applications will result in a DHP award or at the same level of award, but each case will be treated on its own merits.
- The Council will consider any reasonable request for backdating an award, but this consideration will normally be limited to the current financial year.

7.3 All awards will be dependent on the funding available to the Council.

## **8 Payment of One-Off Lump Sums**

8.1 The Council will consider all reasonable requests for one off lump sum payments for example for; rent deposit, help with removal costs and rent in advance but usually only where benefit is not being paid direct to the landlord.

8.2 Any one-off lump sum payment for rent in advance and rent deposit will usually be restricted to a maximum that is equal to one-month contractual rent.

8.3 DHPs can be awarded for a rent deposit or rent in advance for a property that the claimant is yet to move into if they are already entitled to HB or UC at their present home.

8.4 When awarding DHPs for a rent deposit or rent in advance, it must be established that:

- the property is affordable for the tenant; and
- the tenant has a valid reason to move; and
- the deposit or rent in advance is reasonable; and
- The move is within the borough.

8.5 It must be established with the claimant whether they:

- are due to have a deposit or rent in advance in respect of their existing tenancy returned to them; or
- have received assistance from another department within the Council with a rent deposit (such as a rent deposit guarantee scheme or similar).

## **9. Change of Circumstances**

9.1 The claimant must inform the Council if there has been a change in the claimant's circumstances.

## **10. Notification**

10.1 Oldham Council will notify the customer of the outcome of their request within fourteen days of making a decision.

Where the application is successful, Oldham Council will inform the customer of:

- the weekly amount of the award;
- the period of the award;
- the reason for the award;
- the method of payment;
- the conditionality (requirement to undertake take certain activities), where appropriate;
- the need to report changes of circumstances;

Where the request for a DHP is unsuccessful Oldham Council will explain the reasons why the decision was made and explain their rights for a review of the decision.

## **11. Payment of a DHP**

11.1 The Council will decide the most appropriate person to pay based on the circumstances of each case. This includes:

- the customer;
- their partner;
- an appointee;
- their landlord (or an agent of the landlord);
- any third party to whom it might be appropriate to make payment.

11.2 The Council will pay an award of DHP by electronic transfer

11.3 Payment frequency will normally be made in line with the HB/UCHE award.

## **12. Overpayments**

12.1 The Council will seek to recover any DHP found to be overpaid. Normally this will involve issuing an invoice to the customer or the person to whom the award was paid.

12.2 The Council will not normally seek recovery for any overpayment of DHP caused through our error.

12.3 A decision that a DHP is overpaid will be notified by decision letter. The claimant may request a review of the decision based upon the grounds that:

- the calculation of the overpayment is incorrect
- the overpayment should not be recoverable as it was caused by Council error.



### **13. Fraud**

- 13.1 Oldham Council is committed to the fight against fraud in all its forms. Where the Benefits Service suspects that such a fraud may have occurred, the matter will be investigated as appropriate, and this may lead to criminal proceedings being instigated. Any customer who tries to fraudulently claim a DHP might have committed an offence under the Theft Act (2006).

### **14. Review of a Decision**

- 14.1 Oldham Council can review a DHP decision in the event of a dispute, either at the time of the initial rejection or after a cancellation or recovery.
- 14.2 A DHP decision cannot be appealed to a Housing Benefit Tribunal. However, the claimant may take any disputes to the local government ombudsman, where there is an allegation of maladministration.

### **15. Publicity**

- 15.1 Oldham Council will publicise the scheme internally and externally through the Council's website and the use of partner organisations working with all interested parties to achieve this. A copy of this policy statement will be available on the Council's website.

### **16. Monitoring**

- Oldham Council will retain overall responsibility for the monitoring of DHP awards against DHP budget, to ensure the scheme is administered in accordance with Council policy and within Government and Council budget.
- Discretionary Housing Payments may be delivered by other organisations on behalf of Oldham Council.

### **17. Further assistance and information**

- Residents will be signposted and referred to other organisations which can provide assistance and support.
- Information will be available at [http://www.oldham.gov.uk/info/100001/benefits\\_and\\_money](http://www.oldham.gov.uk/info/100001/benefits_and_money)

### **18. Policy Review**

- 18.1 The Council reserves the right to review and revise the policy at any time based on information gained as a result of operating the scheme.
- 18.2 The Cabinet Member for Finance and Low Carbon in conjunction with the Director of Finance are authorised by Cabinet to agree any revisions to the policy.

# Empty Property Premium Policy

**Guidelines for the consideration of exceptions to the  
Empty Property Premium.**

March 2023

## **1 INTRODUCTION AND SCOPE**

- 1.1 This policy sets out the Council's approach to requests from property owners to be excepted for payment of premiums regarding their long-term empty property. This guidance demonstrates that the Council is fair, consistent in its approach.
- 1.2 The Local Government Finance Act 2012 allows Local Authorities the discretion to apply Council Tax Empty premiums for properties unoccupied and unfurnished (long-term empty) for over 2 years, and to determine its own discounts for unoccupied and unfurnished properties.
- 1.3 The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 allowed the Council to increase the Empty Property premium up to 100% for properties considered long term empty for over 2 years, a 200% premium for properties considered long term empty properties for over 5 years from April 2020 and a further 300% premium for long term empty properties for over 10 years from April 2021
- 1.4 The Local Government Finance Act 1992 Section 11B (8), sets out the criteria for determining whether a property is considered long-term empty which is that the property has been unoccupied and substantially unfurnished for a continuous period of at least 2 years.
- 1.5 The Council has determined to levy Council Tax Premiums as set out below:
  - From April 2019 - A maximum 100% Empty Property premium for Properties considered long term empty over 2 years.
  - From April 2023 - A maximum 200% Empty Property premium for Properties considered long term empty over 5 years.
  - From April 2023: - A maximum 300% Empty Property premium for Properties considered long term empty over 10 years.
- 1.6 This policy will be reviewed on an annual basis, or as required, in response to changes in legislation or the priorities of the Council. The Cabinet Member for Finance and Low Carbon, in conjunction with the Director of Finance is authorised to vary the criteria, funding and application processes set out in this policy to ensure it continues to remain fit for purpose and within budget.

## **2 PRINCIPLES OF THE EMPTY PROPERTY PREMIUM POLICY**

- 2.1 The Council will consider waiving the Council Tax Premium for property owners who meet the qualifying criteria specified in these guidelines. The Council will treat all applications on their individual merits, and will seek through the operation of these guidelines to grant exceptions to liability for the Council Tax Premium:
  - For those owners who are genuinely attempting to sell or let their property which has been vacant for at least two years.

- Those owners who are experiencing particular legal or technical issues which are preventing the sale or letting of the property.
- Cases where the dwelling has remained empty beyond a two-year period due to exceptional and unforeseen circumstances and/or any other circumstances that prove to be beyond the control of the owner/liable person.
- Cases where imposition of the Council Tax Premium would result in hardship and a reasonable person would regard the imposition as unfair.

### **3 MAKING AN APPLICATION**

- 3.1 Any application for the removal of an Empty Property Premium must be made on an application form provided by the Council and signed by the owner of the long-term empty property.
- 3.2 A Council Officer may make an appointment to visit any applicant who for whatever reason is unable to complete the application form or to confirm the details provided which may necessitate being given access to the premises.
- 3.3 The Council may request any (reasonable) evidence in support of an application, but the applicant will be asked to provide the evidence within one month of such a request although this may be extended in appropriate circumstances.
- 3.4 The Council reserves the right to verify any information or evidence provided by the Applicant, with third parties where appropriate.
- 3.5 Payment of Council Tax including the premium may not be withheld whilst awaiting the outcome of an application or the review of a previous decision.

### **4. PERIOD OF EXCEPTION**

- 4.1 In all cases, the Council will decide the length of time for which an exception will be awarded based on the evidence supplied and the facts known.
- 4.2 The start date of an exception is normally the date the application is received by the Council, providing it is satisfied the reasons for the exception existed at that time and the exception will continue to the end of the financial year in which the application is made. If circumstances remain the same the applicant will need to submit a new claim for the new financial year.
- 4.3 The Council reserves the right to make routine inspections of the property at any point during the period of the exception.
- 4.4 The Council will comply with any Regulations issued by the Secretary of State in relation to any application and have regard to any related national policy guidance.

## **5 AWARDING AN EXCEPTION TO LIABILITY FOR THE COUNCIL TAX PREMIUM**

5.1 In deciding whether to award an exception to payment of the Council Tax Premium, the Council will consider the following criteria:

5.1.1 For those owners who are genuinely attempting to sell or let their property which has been vacant for at least two years:

- Has professional advice and assistance been obtained?
  - A professional agent with specialist knowledge of the locality must have been engaged.
- Have any offers to purchase or rent the property been received?
  - If yes – why were those offers refused?
  - Written confirmation of the reasons for refusal will be required from a professional agent
- Is the sale price or rental in line with recent sale or rental prices for similar properties in the locality?
  - If not, does this property have special features that reasonably warrant a higher value or rent?
- Has the property been put up for sale by public auction?

5.1.2 Government guidance regarding consideration of the removal of premiums for properties for sale and rent can be found using the link below.

<https://www.gov.uk/government/publications/council-tax-empty-homes-premium/council-tax-empty-homes-premium-guidance-for-properties-for-sale-and-letting>

5.1.3 For those owners who are experiencing particular legal or technical issues which are preventing the sale or letting of the property

- Is there a legal difficulty or issue which is preventing the sale or letting of the property? (Other than waiting on planning or building control approvals).
  - A Solicitor's or Legal Conveyancer's letter should be produced in evidence detailing the reasons preventing sale or letting.
- Is a sale or letting being delayed by the actions of a Public Body?
  - Full details must be provided upon request.

5.1.4 Cases where the dwelling has remained empty beyond a two-year period due to exceptional and /or unforeseen circumstances and / or occasionally any other circumstances, proven to be beyond the control of the owner/liable person.

- Are the circumstances exceptional or unforeseen?

- Decision to be based on evidence, considered on the merits of each individual case.

5.1.4 Cases where imposition of the Council Tax Premium would result in hardship and a reasonable person would regard the imposition as unfair.

- Will imposition of the Council Tax Premium result in the owner suffering hardship?
  - Granting an exception under this criterion is likely to be the exception rather than the rule as it is expected most exceptions will be granted under earlier criteria.

## **6 CHANGES OF CIRCUMSTANCES**

6.1 The Council may need to revise the decision to grant an exception to the Premium if it becomes aware that the applicant's circumstances have materially changed. Individuals must advise the Council of any change in circumstances affecting the decision, within 21 days of the change. Failure to do so may result in the exception being revoked in full.

## **7 NOTIFICATION**

7.1 The Council will inform the applicant in writing of the outcome of their application within 28 days of receipt, or as soon as possible after. Where the application is unsuccessful, the Council will set out the reasons why this decision was made and explain the right of review.

## **8 THE RIGHT TO SEEK A REVIEW**

8.1 As the exceptions to the Premium in this policy are determined locally any decisions are not subject to a statutory appeals mechanism. The Council will therefore operate its own procedures for dealing with appeals against a refusal to award an exception to the Premium.

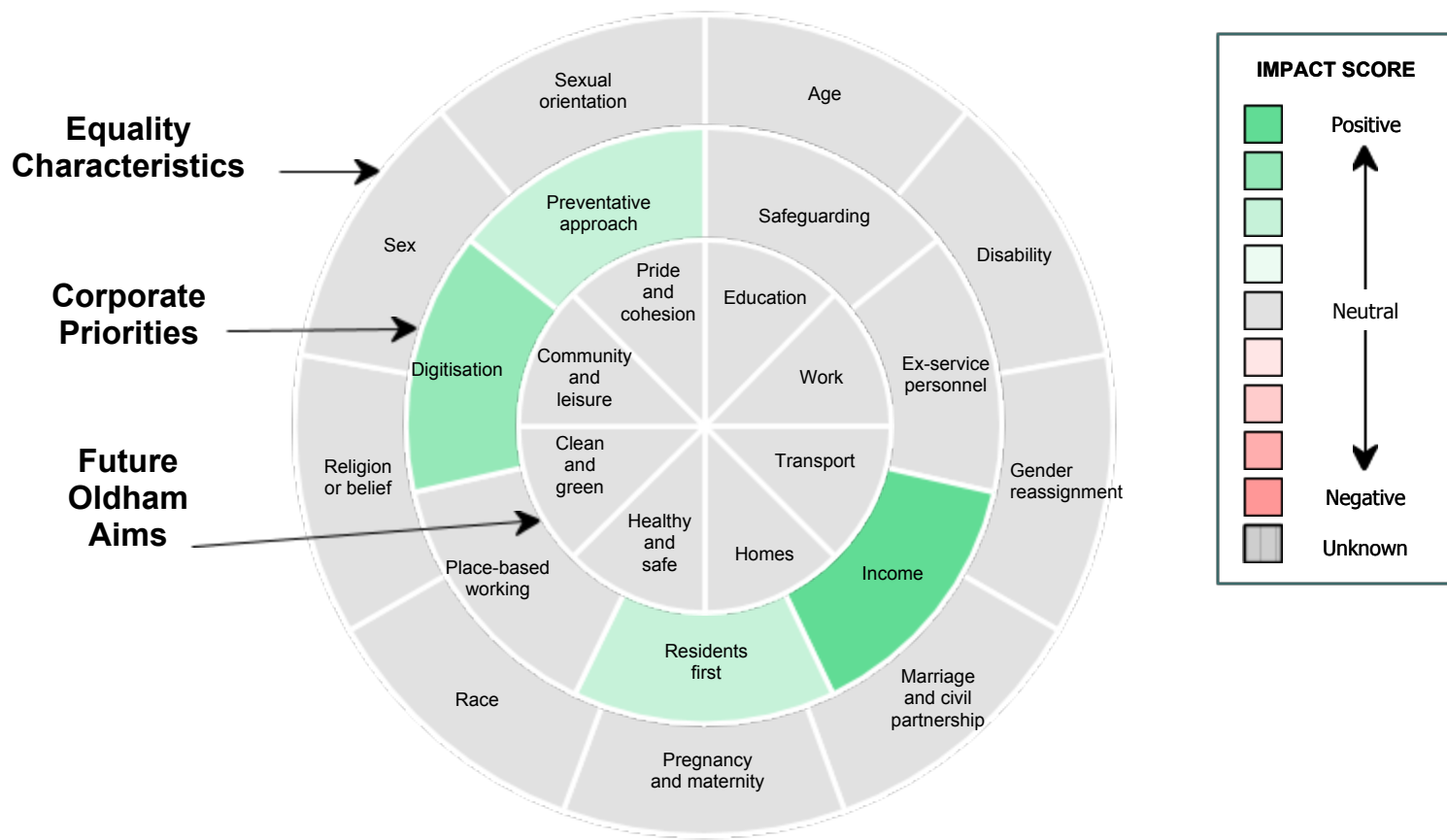
8.2 Decisions will be determined at management level by the Exchequer Client Manager (Revenues) or equivalent post holder.

8.3 An applicant (or their appointee or agent) who disagrees with a decision not to award an exception may dispute the decision. A request for a review must be made in writing to the Assistant Director, Revenues and Benefits within one calendar month of the written decision being issued.

8.4 The Assistant Director, Revenues and Benefits will review all the evidence held and may ask for further clarification to be provided. A decision will be made within 28 days of the request for a review. The decision will be notified to the claimant in writing, setting out the reasons for the decision.

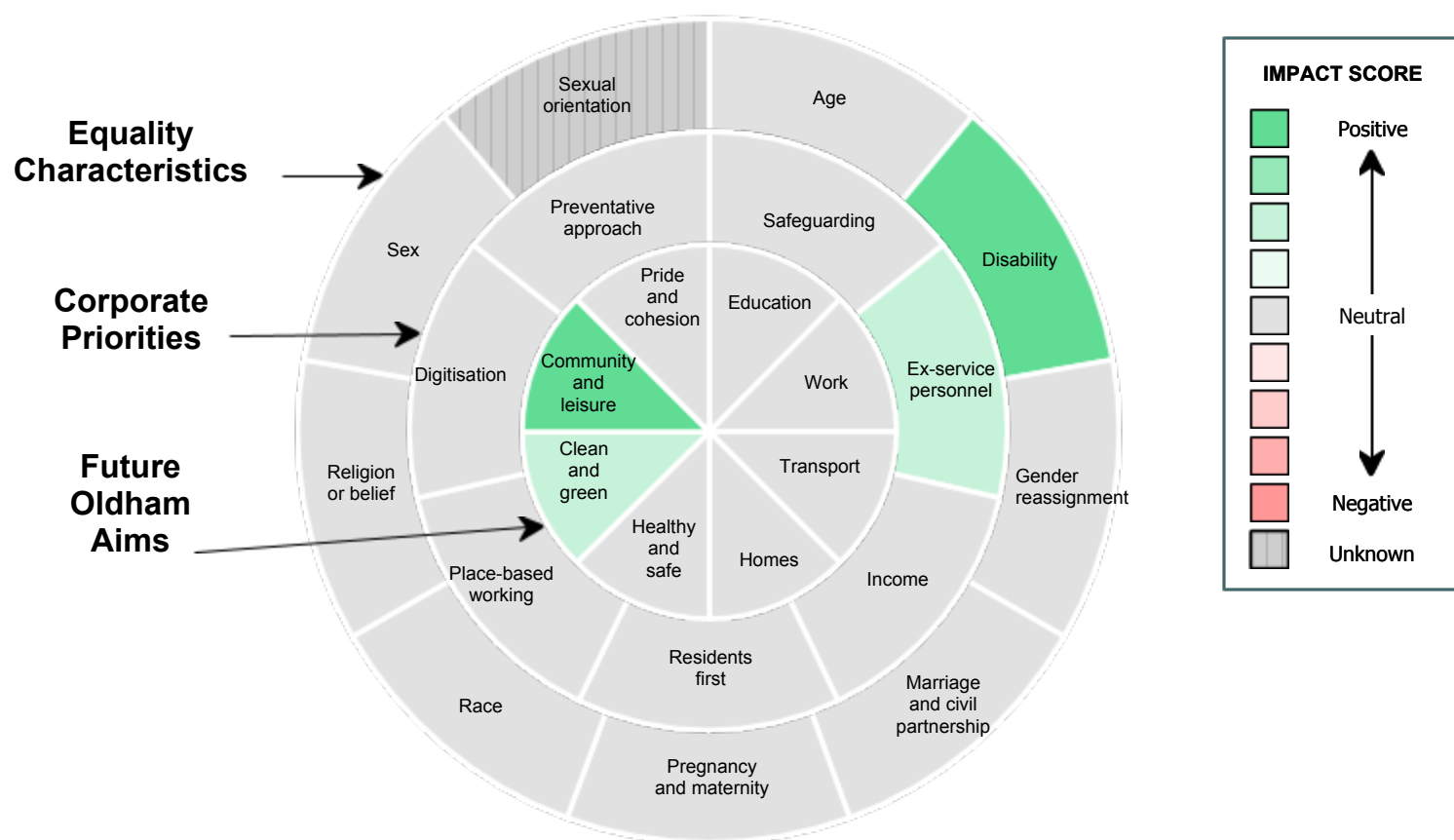
8.5 There is no further right of appeal following this review, and a refusal will not be considered as a complaint under the Councils Complaints policy.

Discretionary Council Tax Policy



Discretionary Council Tax Policy				
	Impact	Likelihood	Duration	Comment
<b>Equality Characteristics</b>				
Age	Neutral	Possible	Short Term	
Disability	Neutral	Possible	Short Term	
Gender reassignment	Neutral	Possible	Short Term	
Marriage and civil partnership	Neutral	Possible	Short Term	
Pregnancy and maternity	Neutral	Possible	Short Term	
Race	Neutral	Possible	Short Term	
Religion or belief	Neutral	Possible	Short Term	
Sex	Neutral	Possible	Short Term	
Sexual orientation	Neutral	Possible	Short Term	
<b>Corporate Priorities</b>				
Safeguarding	Neutral	Possible	Short Term	
Ex-service personnel	Neutral	Possible	Short Term	
Income	Strong Positive	Very Likely	Long Term	Residents experiencing a sudden exceptional drop in income causing financial hardship can apply for a discretionary reduction in Council Tax through Exceptional Hardship payment scheme.
Residents first	Moderate Positive	Very Likely	Short Term	The policy provides a mechanism and transparent criteria for residents experiencing exceptional circumstances an need request a Discretionary Council Tax discount.
Place-based working	Neutral	Possible	Short Term	
Digitisation	Moderate Positive	Very Likely	Long Term	The Policy allows residents to apply for a Discretionary Council Tax discount through an online form. This provides flexibility to residents but there is also the opportunity for residents to make telephone contact where this is the preferred option.
Preventative approach	Moderate Positive	Very Likely	Short Term	Residents experiencing exceptional circumstances that effects their ability to pay Council Tax can apply for an Exceptional Hardship payment at any time. This could help avoid recovery action or costs.
<b>Future Oldham Aims</b>				
Education	Neutral	Possible	Short Term	
Work	Neutral	Possible	Short Term	
Transport	Neutral	Possible	Short Term	
Homes	Neutral	Possible	Short Term	
Healthy and safe	Neutral	Possible	Short Term	
Clean and green	Neutral	Possible	Short Term	
Community and leisure	Neutral	Possible	Short Term	
Pride and cohesion	Neutral	Possible	Short Term	

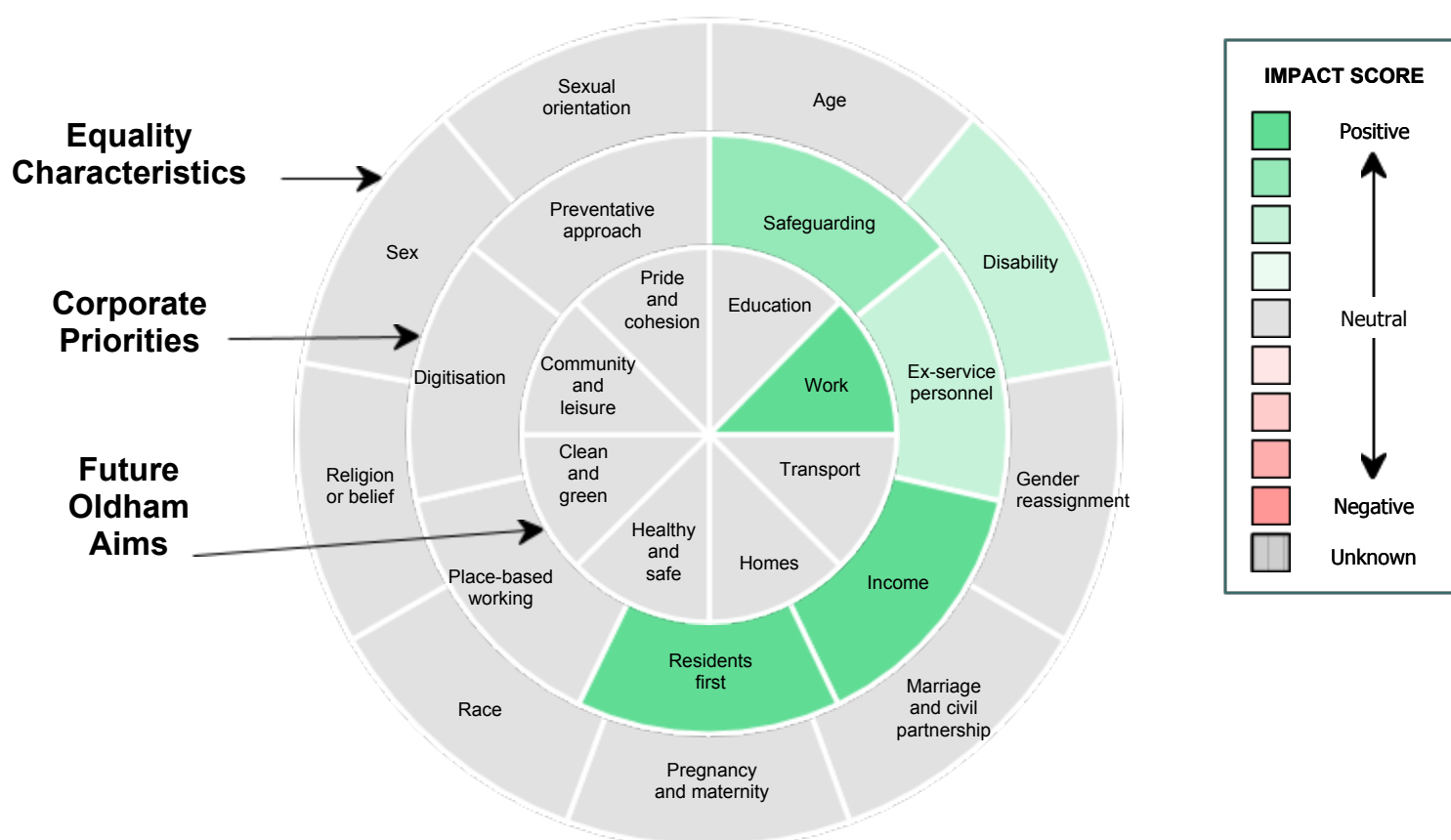
Discretionary Business Rate Relief Policy



Discretionary Business Rate Relief Policy				
	Impact	Likelihood	Duration	Comment
<b>Equality Characteristics</b>				
Age	Neutral	Possible	Short Term	The policy allows the council to provide discretionary reductions to organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents' associations,
Disability	Strong Positive	Very Likely	Long Term	
Gender reassignment	Neutral	Possible	Short Term	
Marriage and civil partnership	Neutral	Possible	Short Term	
Pregnancy and maternity	Neutral	Possible	Short Term	
Race	Neutral	Possible	Short Term	
Religion or belief	Neutral	Possible	Short Term	
Sex	Neutral	Possible	Short Term	
Sexual orientation				
<b>Corporate Priorities</b>				
Safeguarding	Neutral	Possible	Short Term	
Ex-service personnel	Moderate Positive	Very Likely	Short Term	The Discretionary Business Rate Relief policy provides guidance on considering discretionary reductions of business rates for armed forces veterans associations
Income	Neutral	Possible	Short Term	
Residents first	Neutral	Possible	Short Term	
Place-based working	Neutral	Possible	Short Term	
Digitisation	Neutral	Possible	Short Term	
Preventative approach	Neutral	Possible	Short Term	
<b>Future Oldham Aims</b>				
Education	Neutral	Possible	Short Term	
Work	Neutral	Possible	Short Term	
Transport	Neutral	Possible	Short Term	
Homes	Neutral	Possible	Short Term	
Healthy and safe	Neutral	Possible	Short Term	
Clean and green	Moderate Positive	Very Likely	Short Term	The policy provides guidance on the application of Heat Network Relief. This applies to properties that are wholly or mainly used for the purposes of a heat network and who expect over the next 12 months the heat to be generated from a low carbon source.
Community and leisure	Strong Positive	Very Likely	Long Term	Charitable community organisations and community sports club receive a mandatory 80% reduction in business rates. The discretionary business rates policy allows the Council to consider a reduction for the remaining 20% for those organisations that can evidence the benefit Oldham residents.
Pride and cohesion	Neutral	Possible	Short Term	



Local Welfare Provision Policy



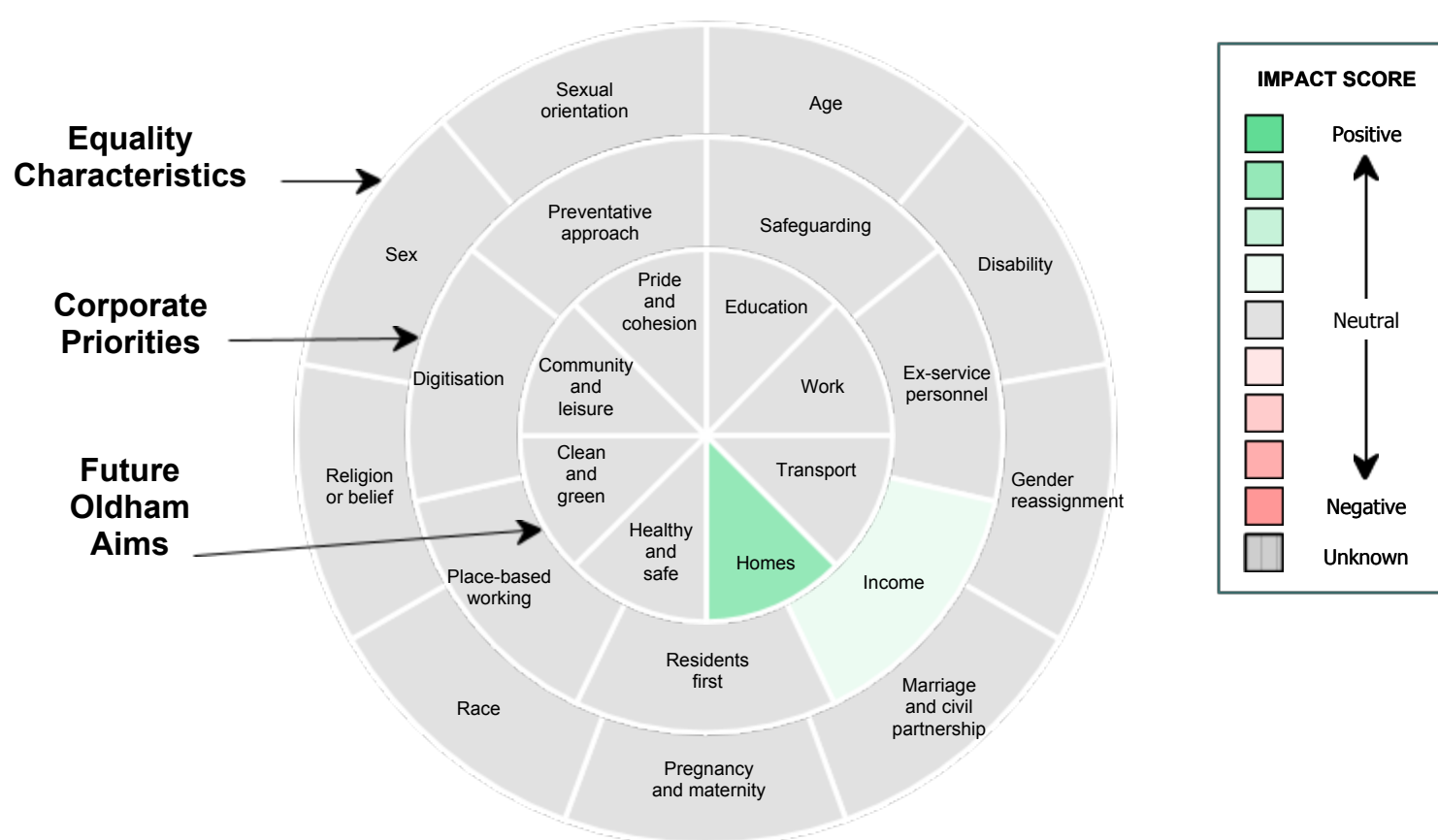
Local Welfare Provision Policy				
Impact	Likelihood	Duration	Comment	
<b>Equality Characteristics</b>				
Age	Neutral	Possible	Short Term	
Disability	Moderate Positive	Very Likely	Short Term	Awards from LWP are considered to be a last resort, however if an applicant is ineligible, Officers will refer applicants to appropriate partner organisations for support
Gender reassignment	Neutral	Possible	Short Term	
Marriage and civil partnership	Neutral	Possible	Short Term	
Pregnancy and maternity	Neutral	Possible	Short Term	
Race	Neutral	Possible	Short Term	
Religion or belief	Neutral	Possible	Short Term	
Sex	Neutral	Possible	Short Term	
Sexual orientation	Neutral	Possible	Short Term	
<b>Corporate Priorities</b>				
Safeguarding	Moderate Positive	Very Likely	Long Term	Examples of potential recipients inc, Care Leavers, people fleeing domestic violence, people moving out of institutional or residential care, people who are chronically or terminally ill, people with alcohol or drug issues, and people with learning difficulties
Ex-service personnel	Moderate Positive	Very Likely	Short Term	Awards from LWP are considered to be a last resort, however if an applicant is ineligible, Officers will refer applicants to appropriate partner organisations for support
Income	Strong Positive	Very Likely	Long Term	The scheme is aimed at providing support to vulnerable low income residents on welfare benefits, however in exceptional circumstances those who are not in receipt of welfare benefits may be considered.
Residents first	Strong Positive	Very Likely	Long Term	There is no statutory duty to deliver this scheme, however the Council continues to fund the scheme to meet short term emergency/immediate support needs of vulnerable residents and to assist vulnerable residents to establish or maintain a home in the community.
Place-based working	Neutral	Possible	Short Term	
Digitisation	Neutral	Possible	Short Term	
Preventative approach	Neutral	Possible	Short Term	
<b>Future Oldham Aims</b>				
Education	Neutral	Possible	Short Term	
Work	Strong Positive	Very Likely	Long Term	The scheme can provide support to low income residents returning to work after a short term on welfare benefits.
Transport	Neutral	Possible	Short Term	
Homes	Neutral	Possible	Short Term	
Healthy and safe	Neutral	Possible	Short Term	
Clean and green	Neutral	Possible	Short Term	
Community and leisure	Neutral	Possible	Short Term	
Pride and cohesion	Neutral	Possible	Short Term	

Discretionary Housing Payment Policy



Discretionary Housing Payment Policy				
	Impact	Likelihood	Duration	Comment
<b>Equality Characteristics</b>				
Age				
Disability	Neutral	Possible	Short Term	
Gender reassignment	Neutral	Possible	Short Term	
Marriage and civil partnership	Neutral	Possible	Short Term	
Pregnancy and maternity	Neutral	Possible	Short Term	
Race	Neutral	Possible	Short Term	
Religion or belief	Neutral	Possible	Short Term	
Sex	Neutral	Possible	Short Term	
Sexual orientation				
<b>Corporate Priorities</b>				
Safeguarding	Neutral	Possible	Short Term	
Ex-service personnel	Neutral	Possible	Short Term	
Income	Strong Positive	Very Likely	Short Term	The scheme allows the Council to provide short term assistance to residents who have a gap between their Universal Credit housing costs/Housing Benefit and their rent so they have the time to adapt their income and expenditure accordingly
Residents first	Moderate Positive	Very Likely	Long Term	The scheme provides a mechanism for the Council to support residents who advise us that they are unable to meet their rental liabilities.
Place-based working	Neutral	Possible	Short Term	
Digitisation	Neutral	Possible	Short Term	
Preventative approach	Neutral	Possible	Short Term	
<b>Future Oldham Aims</b>				
Education	Neutral	Possible	Short Term	
Work	Neutral	Possible	Short Term	
Transport	Neutral	Possible	Short Term	
Homes	Neutral	Possible	Short Term	
Healthy and safe	Neutral	Possible	Short Term	
Clean and green	Neutral	Possible	Short Term	
Community and leisure	Neutral	Possible	Short Term	
Pride and cohesion	Neutral	Possible	Short Term	

Empty Property Premium Policy



Empty Property Premium Policy				
	Impact	Likelihood	Duration	Comment
<b>Equality Characteristics</b>				
Age	Neutral	Possible	Short Term	
Disability	Neutral	Possible	Short Term	
Gender reassignment	Neutral	Possible	Short Term	
Marriage and civil partnership	Neutral	Possible	Short Term	
Pregnancy and maternity	Neutral	Possible	Short Term	
Race	Neutral	Possible	Short Term	
Religion or belief	Neutral	Possible	Short Term	
Sex	Neutral	Possible	Short Term	
Sexual orientation	Neutral	Possible	Short Term	
<b>Corporate Priorities</b>				
Safeguarding	Neutral	Possible	Short Term	
Ex-service personnel	Neutral	Possible	Short Term	
Income	Moderate Positive	Possible	Short Term	The policy provides a mechanism for residents with long term empty domestic properties to request an exemption from Council Tax premiums if they are unable to utilise the property for reasons outside their control and the application of the premium puts them in exceptional financial hardship.
Residents first	Neutral	Possible	Short Term	
Place-based working	Neutral	Possible	Short Term	
Digitisation	Neutral	Possible	Short Term	
Preventative approach	Neutral	Possible	Short Term	
<b>Future Oldham Aims</b>				
Education	Neutral	Possible	Short Term	
Work	Neutral	Possible	Short Term	
Transport	Neutral	Possible	Short Term	
Homes	Strong Positive	Very Likely	Short Term	The primary reason for applying premiums is to encourage property owners to bring long term empty domestic properties back into use. The scheme allows the Council to support property owners that are actively trying to achieve this but are unable to do so for reasons outside their control.
Healthy and safe	Neutral	Possible	Short Term	
Clean and green	Neutral	Possible	Short Term	
Community and leisure	Neutral	Possible	Short Term	
Pride and cohesion	Neutral	Possible	Short Term	