

Manchester City Council - Discretionary Council Tax Payments Scheme 2026/27

1. Introduction

The Discretionary Council Tax Payment (DCTP) scheme provides for a reduction in Council tax in cases of significant hardship. Awards of DCTP will normally reflect the severity of the hardship and the length of time it is likely to last, following which the resident will be required to resume their normal instalments.

2. Key principles underpinning the scheme

The scheme is administered at the discretion of the Council. There are a number of key principles which underpin its delivery:

- The Council is not under any obligation to provide a scheme.
- The scheme is discretionary, and there is no statutory right to payment or award.
- This scheme is not intended to replicate or take over the responsibility of statutory agencies or the Council Tax Support scheme administered by the Council.
- Awards will normally only be made to those who meet eligibility criteria in accordance with this policy. However, even if this is the case the Council has the overriding discretion to refuse an award, and this will be linked to other conditionality in this policy.
- Eligibility criteria will be used to ensure that the funds are targeted at the most vulnerable residents and those with greatest need. Decisions on eligibility and exclusion will be reasonable and rational and subject to a certain degree of flexibility and discretion in order to meet exceptional cases and circumstances as and when necessary.
- Each application will be treated on its own merits and will receive equal and fair treatment to take account of the Council's responsibilities under all relevant legislation. A decision to make an award does not guarantee approval of future awards.
- Residents who are found to be ineligible may request a reconsideration of their case. If they are still unhappy after their application has been reconsidered, they can appeal to the Valuation Tribunal. This process is listed in this policy.

3. Assistance provided under the scheme

The DCTP scheme will normally support residents with the following broad areas of need or circumstances:

- Significant debt problems that they are unable to deal with.
- Significant health issues, including terminal illness, that make it hard for them to pay their Council Tax (the health issues could be those of the person liable to pay Council Tax or another member of the household).
- Residents who are terminally ill, who are suffering significant hardship, but payments made under section 7 of this policy are not applicable to them or they have outstanding debts for previous periods.
- Other family circumstances that make it hard for them to pay the Council Tax, which may include financial or domestic abuse.
- Anomalous situations as a result of the rules on Council Tax exemptions and discounts.
- Care leavers and ex Armed Forces personnel where additional help is likely to increase the chances that they will be able to sustain a stable and secure home.

The Council recognises that the level of non-dependant deductions within Council tax support awards may cause difficulties for some claimants but reaffirms its view that it should normally only make discretionary payments where the non-dependant deduction is anomalous or

unreasonable and not where the non-dependant is unwilling to pay or to cooperate in assessing a lower contribution.

4. Amount of provision

Awards are normally expected to be made to meet current needs rather than past debts. No significant degree of payment for past periods is anticipated as taxpayers should make requests for payment promptly within the period of Council Tax liability to which they relate and within a reasonable time of their knowing that they will not be able to meet their monthly instalments. However, retrospective payments may be appropriate to reduce Council Tax arrears to avert recovery action where there are grounds for confidence that this will enable the claimant to deal effectively with their remaining arrears in the longer term.

Once it has been decided that an award is appropriate, the residents annual Council Tax Liability will be reduced. The Council recognises that there may be circumstances in which DCTPs will be made in other ways.

Working age resident on 85% CTS - For someone of working age in receipt of maximum CTS for the whole year, the amount of support awarded will be normally based on the extent of their debts and/or whether the health and family issues will last more than six months.

Any resident in receipt of less than the maximum CTS or no CTS - For someone who only receives partial CTS or does not claim or qualify for any CTS; the amount of support provided will normally depend on what is required to alleviate hardship. The Council expects to give higher priority to assisting people in relieving temporary difficulties where the arrangement is likely to be sustainable longer term; and low priority to assisting people whose financial commitments are unsustainable and likely to remain so.

Where a request for a discretionary payment has been refused, it is not expected that repeated requests will be considered unless the resident can demonstrate that the situation has worsened significantly, or a substantial period of time has elapsed.

The resident will be informed in writing of the outcome of their application. This will include details of how the payment will be made and how to ask for the procedure to be reviewed.

5. Costs

In considering applications, the Council will also consider any court costs that have been charged and may, as part of this award, remove some or all of the costs linked to the account.

6. Exclusions

It is not normally expected that DCTPs will be made because of:

- The failure of non-dependants to make up the deduction to CTS attributable to them when they have the means to do so.
- The unwillingness of the resident to use other available resources or to apply for other more appropriate forms of assistance.
- A move from a lower banded property to a higher banded property.

7. Support for terminally ill residents

The Council introduced a scheme to support residents who are terminally ill and a member of the household is liable for Council Tax. In these cases, DCTP will be awarded to cover their full Council Tax charge. People will be counted as being terminally ill if a clinician has completed an SR1 (Special Rules 1) form for them.

Where an application is received on or after 1 April 2026 and the resident was already classified as terminally ill prior to that date, the award will commence from 1 April 2026. Where a resident is first classified as terminally ill on or after 1 April 2026, the award will commence from the date on which the terminal illness classification is made.

Receiving a payment under this part of the scheme does not prevent a resident from applying for further DCTP award from the main DCTP scheme if they need help with arrears that predate their diagnosis.

8. Procedure for reviewing decisions

Residents who apply for support and are deemed to be ineligible may ask for a reconsideration of the decision. Reconsiderations must normally be received within 28 days of the original application decision date.

When a reconsideration request is received the Council will look again at the decision. All reconsiderations are considered by an officer not involved in the original decision and a decision will be made within 10 days of when the request was received.

If residents are still unhappy with the decision, they can appeal to the Valuation Tribunal. More information about this process can be seen here:

<https://www.valuationtribunal.gov.uk/your-appeal-type/council-tax/council-tax-reduction/>

9. Reporting and reviewing process

DCTP expenditure is recorded in a distinct cost element in a separate cost centre within the cost centre group for Council Tax expenditure and thus subject to routine budget monitoring.

In any case, the City Treasurer, in compliance with the Council's delegated responsibilities, shall review this document periodically, and with the Executive Member for Finance and Human Resources, amend it as appropriate.

Any recommendations for amendment must have due regard for any changes in legislation and alignment with the Council's strategies and priorities.