

UTTLESFORD DISTRICT COUNCIL

Council Tax Support - Exceptional Hardship Policy

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1. Background

As part of the Spending Review 2010, the Government announced that it intended to abolish Council Tax Benefit and replace it with a localised support scheme from 1 April 2013. The Council is aware that these changes may cause hardship to people who are unable to improve their circumstances in the short term, so an Exceptional Hardship fund has been introduced as part of the Local Council Tax Scheme.

The Exceptional Hardship Fund will permit officers the discretion to provide reductions in Council Tax under the policy.

From the 1st February 2014 this scheme can be extended, in certain circumstances, to non LCTS customers who are suffering exceptional hardship through no fault of their own. This can be caused by, but not exclusive to, fire, flooding, and financial hardship. Any award will be at the discretion of the Section 151 Officer.

The main features of the scheme are:

Exceptional Hardship payments are discretionary and not part of the Local Council Tax Support scheme.

Anyone receiving Local Council Tax Support can make a claim with the exception of those persons who are already protected under the Local Scheme rules.

In addition, claims can be taken from non LCTS Council Taxpayers' dependant on their circumstances.

From the 1st February 2014 Uttlesford District Council, Essex County Council and the Fire and Police Preceptors contribute to the fund. Non LCTS Council Taxpayers will only have access to the funds that have been contributed by Uttlesford District Council.

The Council's S151 Officer determines how the scheme is administered. There is no statutory right to payment.

2. Legislative Framework

The following legislation and regulations are relevant to this document:

The Local Government Finance Act 1992, Section 13A

The Local Government Finance Act 2012

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (as amended)

3. Objectives

This policy aims to support local people experiencing financial hardship who are unable to pay their Council Tax. The purpose of the scheme is to provide short term financial assistance.

4. Criteria

Applications will be considered on the basis that the applicant or household would suffer severe financial hardship if financial assistance were not given.

Applicants will need to be able to demonstrate they have exhausted all other sources of income that are available to them. Care will be taken to ensure that the applicant or household has access to independent financial advice and support.

Examples of applicant or households who may potentially be awarded Exceptional Hardship are (this list is not exhaustive):

- * Recently bereaved and income disrupted due to suspension of other benefits
- * Terminally ill and unable to contribute to the household income
- * Recovering from a serious illness and unable to contribute to the household income

- * Lone parents with parental responsibilities
- * Other exceptional circumstances that have placed the applicant in financial hardship

Applicants will be expected to have explored and secured any lawful entitlement to other benefits, incomes, and reductions, including Council Tax discounts, exemptions and disabled relief in preference to claiming Exceptional Hardship.

Applicants will need to ensure they are able to evidence they have taken all reasonable steps to resolve their situation prior to application. This may include engaging with Government approved Debt Management Services such as CAB, National Debt Line and Step change.

Applications will be considered if the above apply and:

1. There is evidence of financial hardship or personal circumstances that justify an award
2. Provide full details of their income and expenditure.
3. Does not have access to any other financial assets that could be realised to pay the Council Tax
4. Must not be avoiding outstanding Council Tax due to wilful refusal or culpable neglect.
5. The tax due is not the result of a fraudulent over payment or penalty applied to the account.

Applications from Council Taxpayers who have already been awarded help from the fund will be considered for further awards; however, evidence needs to be shown that attempts have been made to alleviate their situation. Applicants will need to complete a new application form or an income/expenditure form and give details as to why their situation has not improved as well as providing relevant supporting documentation.

NEW FOR 2023/24 ONLY

In addition to the above for the 2023/2024 financial year only, the Council has been provided with Council Tax support Funding of £84,546 from the Government. The main scheme will provide a £25 top up payment to all residents in receipt of Local Council Tax Support. However the Government has stated that within the policy they want Councils to consider using a proportion of their allocation to establish their own local discretionary scheme to helping economically vulnerable households with council tax bills. However this discretionary approach will need to be revisited at intervals during the financial year, in order to ensure that expenditure for 2023/24 remains within our allocation.

The application process will be the same as the Exceptional Hardship Policy below, however award amounts will not exceed £25.00 for the discretionary part of the policy.

5. How to Claim

A claim should be made using the approved claim form together with supporting evidence as required.

The applicant must be the person liable to pay the Council Tax, or their representative with authority to act on their behalf e.g., Power of Attorney.

If an applicant or household needs advice and support to complete a claim form, they will be provided help by the Council or signposted to an appropriate service that offers support relevant to their needs.

6. Information Required

Evidence will be required to substantiate a claim for Exceptional Hardship, this can include but is not limited to:

- *A household income and expenditure statement; using a prescribed form
- *Copies of the last two months bank statements for all accounts held and have access to
- *Supporting evidence may be requested such as utility bills
- *Evidence of seeking debt advice, if appropriate

Where the Council requires additional information or evidence (relevant to the nature of the claim) it will contact the applicant requesting the information. It should be noted that no costs will be borne by the Council in circumstances of this nature. If this information is not supplied within one calendar month the application will be closed.

The Council reserves the right to undertake a credit reference search where appropriate.

Care will be taken by staff to ensure that the applicant or household is treated fairly and respectfully, and that only relevant information and evidence is requested.

The applicant is required to report any changes in their circumstances or the circumstances of household members in writing to the Council. A failure to report changes at the time they occur may lead to a loss of Exceptional Hardship, resulting in an overpayment which will be recoverable from the Council Tax account and may lead to prosecution where appropriate.

7. Debt Advice

The Council will expect the applicant or household to seek debt/money management advice as a long-term solution to financial problems. The Council will signpost applicant or households to debt advice services, evidence of taking and adhering to advice may be requested.

8. Determining Awards

The Council will be under no duty to assess applications not made in the approved manner. The application will be assessed by an experienced Officer and approved by a Senior Manager.

The order of discounts will be maintained in line with the Local Government Finance Act; the maximum amount of Exceptional Hardship that can be claimed for any day will be net of other discounts and reductions already awarded.

Awards will stop immediately if the applicant or household, or their representative, has misrepresented or failed to disclose a material fact, fraudulent or otherwise. In instances of proven fraudulent activity, the authority will seek to recover in all cases.

9. Notification of an Award

On the provision of all satisfactory requested information, a decision will be made where practicable within 21 working days. Further applications will be accepted after the previous award has completed, but the Council Taxpayer may have to prove that the exceptional circumstances were continuing through no fault of their own.

The Council will notify the outcome of each application for Exceptional Hardship Fund payments in writing.

10. Method of Payment

Awards will be credited directly to the applicant or households/liable persons' Council Tax account. This will have the effect of reducing the Council Tax liability.

11. Backdating

Awards will be taken from the date of the completed application, backdating of the award will be considered to the start of the financial year.

In exceptional circumstances requests for help towards previous financial years can be considered. Awards will only apply to a Council Taxpayers sole or main residence, but consideration may also be given if they have moved due to exceptional circumstances.

The request must be made in writing clearly stating the amount of reduction applied for, the period it relates to and a detailed summary explaining the reason for the request.

Evidence must be supplied to show financial hardship or unforeseen circumstances to justify any backdated reduction, please refer to the above sections, **4. Criteria** and **6. Information Required**. This information will be required for the both the current period and for the period where backdated support is requested. Any other evidence the applicant deems relevant to support the application may be submitted.

The applicant will also be asked if an Individual Voluntary Agreement, Debt Recovery Order or Breathing Space requests have been considered.

12. Appeal

Applicants may request a reconsideration if they are unhappy with the Council's decision. All requests for reconsideration must be made in writing or email within one calendar month of the original decision notice being issued and will be reviewed by the Revenues Manager.

The outcome of the appeal will be made in writing and give the reasons for the decision. If the applicant is still unhappy with the decision, they can appeal to the Valuation Tribunal.

This is an independent organisation that deals with Council Tax appeals.

Valuation Tribunal Office
2nd Floor
120 Leaman Street
London
E1 8EU

Telephone: 0303 445 8100

Email: appeals@valuationtribunal.gov.uk

To appeal the applicant must contact the Valuation Tribunal within:

- two months of the Council advising of its decision or
- four months from when the applicant first wrote to the Council, if they have had no response

13. Recovery of Overpaid Exceptional Hardship

The Council may recover any overpayment of Exceptional Hardship that has been paid by removing the funding from the Council Tax account.

14. Fraud

The Council is committed to protecting public funds and to ensure funds are paid to the people who are rightfully eligible to them.

A person, who fraudulently claims Exceptional Hardship by falsely declaring their circumstances or by providing a false statement or evidence in support of their application, may have committed an offence. Where the Council suspects that such an offence may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

15. Data Sharing

The Council may use any evidence and information supplied to it in respect of Exceptional Hardship to check the eligibility of the applicant in respect of this scheme or any other welfare benefits, discounts, or exemptions. All information and evidence provided will be treated in confidence and in accordance with the Data Protection Act 1998 and in accordance with the Council's fair processing statement.

The Council takes part in data matching exercises to assist in the prevention and detection of fraud. Data matching involves comparing information, such as Council Tax or benefit records against other records held by the Council or other bodies to identify inconsistencies and possible fraudulent applications.

The processing of personal information by the Council for data matching exercises is carried out in accordance with the Data Protection Act 1988; specifically, under section 29 of the act. This means the Council does not require the consent of the individuals concerned.

16. Administration

Applications will be subject to the Council's quality control procedures and audit. The authority may from time to time conduct a survey of all applicants to seek opinions, satisfaction levels and to shape the scheme for future years.

17. Equalities

The Council is committed to equality and fairness. Equality is about ensuring people are treated fairly. It is also about ensuring people receive fair outcomes in the standard of service they receive from the Council and equality of access to Council Services. This incorporates everyone, regardless of their race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability in line with the principles set out in the Equalities Act 2010.

18. Policy Review

The Exceptional Hardship Policy will be reviewed annually. Any major changes will be subject to consultation in accordance with best practice. The Exceptional Hardship Policy will be published and available to view on the Council's website.