

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. It will provide further financial assistance for households who are entitled to Local Council Tax Support, or have been in the current financial year, where payments of the Uttlesford Local Council Tax scheme are insufficient.

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.

For the 2020-2021 financial year the COVID19 Hardship Relief criteria as detailed in Annex A has been attached to this policy.

For criteria in relation to applications for help from the Energy Rebate Discretionary Scheme (2022/23) please refer to the Energy Rebate Discretionary Scheme 2022/23 Policy available on our website. Applications for help through the Exceptional Hardship Fund Energy Rebate scheme will be assessed on the above Policy and the Council Tax Exceptional Hardship Policy below.

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 whose award of Local Council Tax Support has been classed as made by a vulnerable claimant (Vulnerable claimant in this definition, vulnerable means the claimant or a member of their household is in receipt of a disability related benefit or allowance) or whose award has been calculated under the Pension Age provisions of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012. These persons 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 (2)

Locally Defined Discount Scheme
The Local Government Finance Act 2012
The Local Government Act 1992 Section 13A(2)
Child Poverty Act 2010
Equality Act 2010 (incorporating the Disabled Persons Act 1986)
Housing Act 1996
Armed Forces Covenant
The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
Default Scheme
Social Security Act 1992

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 children under the age of 5 in the household
- * 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.

5. How to Claim

A claim should be made in writing using the approved claim form together with supporting evidence as required. It is intended that the application will normally be completed with the assistance of a Council Officer or a support officer from another body such as CAB or Peabody (formally Family Mosaic). Requests for assistance can be made either direct to the Council or via a support worker. Claims can also be made by a referral process – see section 9 ‘Referrals from other sectors’.

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. Claims can only be made to and accepted by Uttlesford District Council, who issues the taxpayer their Council Tax Demand Notice.

If an applicant or household needs advice and support to complete a claim form, the applicant or household will be provided help by the Council either by phone appointment, an appointment at the Council Offices or a home visit. Alternatively, the applicant will be signposted to an appropriate service that offers support relevant to the needs of the applicant or household.

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

Failure to provide supporting information and evidence that is requested may lead to a refusal. Further evidence may be requested that is relevant to the nature of the claim e.g., medical certificates as evidence of illness. It should be noted that no costs will be borne by the Council in circumstances of this nature. Occasionally it may be appropriate to request a home visit to discuss the application in person.

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.

Where the Council requires additional information or evidence it will contact the applicant requesting the information. If this information is not supplied within one calendar month the application will be closed.

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. Referrals from Other Sectors

The Council will accept referrals subject to the approved referral form being completed and returned to the Council for the following;

Essex County Council Social Services Team
Registered Social Landlords
Uttlesford District Council's Housing department
Uttlesford District Council's Revenues and Benefit Service
Third sector organisations e.g. Citizens Advice Bureau, welfare rights advisors

8. Alternative Sources of Funding

Various alternative sources of financial assistance exist within the public, private and voluntary sectors. If support from the Exceptional Hardship scheme is not awarded, applicants or households will be signposted to alternative sources of financial assistance.

9. 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 service, evidence of taking and adhering to advice may be requested.

Working age applicants or households are also expected to move into work if they can, which will reduce their dependency on support. Work incentives will be a factor when determining awards from the Council's Exceptional Hardship Fund e.g., evidence that the applicant is taking action to alleviate their circumstances by moving back into work where appropriate.

10. 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.

11. Notification of an Award

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

1. The amount of the award (if any) and how this will be made
2. The period of the award (if any)
3. Provide details of how to request a review or obtain more information about the decision

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.

12. 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. Council Taxpayers should, following a successful award of exceptional Hardship, contact the recovery section to make an instalment arrangement on the remainder of their Council Tax liability, if a payment arrangement has not already been agreed with the Council during the application process.

13. 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. Consideration may also be given if they have moved their sole or main residence due to exceptional circumstances.

The request must be made in writing clearly stating the amount of reduction requested and the period it relates to. If the Council Taxpayer is unsure of the amount or dates this will be provided by the Council upon request.

A detailed summary explaining why the Council Taxpayer is requesting this debt be reduced. 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 request been considered.

14. Appeal

Applicants may request that their application is reconsidered if they are unhappy with the Council's decision. All requests for reconsideration must be made within one calendar month of the original decision notice being issued and will be reviewed by the Revenues Manager.

All applications for appeal must be made in writing or email and must outline the reasons for the request. The outcome of the appeal will be made in writing detailing the decision made and the reasons for the decision. If the applicant is still unhappy with the decision, they can appeal to the local Valuation Tribunal.

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

Valuation Tribunal Office
Hepworth House
2 Trafford Court
Doncaster
Yorkshire
DN1 1PN

Telephone: 0300 123 2035
Facsimile: 01302 321447
Email: VTDoncaster@vts.gsi.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

15. 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.

16. 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.

17. 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.

18. Administration

Home visits will be made available to applicants or households who are unable to attend the Council's offices and have no-one else to assist them.

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.

19. 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.

20. 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.

Policy updated - 1 May 2019
Policy amended - 8 July 2021, 8 July 2022