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Council Tax Reduction Scheme Hardship Policy

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Contents

Contents

- 1) Background
- 2) Exceptional Hardship Fund and Equalities
- 3) Purpose of this policy
- 4) Statement of objectives
- 5) Awarding an Exceptional Hardship Fund Payment
- 6) Publicity
- 7) Making a claim
- 8) Change of circumstances
- 9) Duties of customer
- 10) Amount and duration of award
- 11) Payment of award
- 12) Overpayments
- 13) Notification of an award
- 14) The right of appeal
- 15) Fraud
- 16) Legislation
- 17) Complaints
- 18) Policy review

1. BACKGROUND

The Exceptional Hardship Fund (EHF) has been set up by West Berkshire Council to cover the shortfall between Council Tax liability and the award of Council Tax Reduction, previously known as Council Tax Benefit/Support.

Members approved a revised Council Tax reduction scheme for 2017/18 in December 2016. The amendments made to the scheme mean that many claimants could see a reduced or nil entitlement. This policy therefore requires adjustment.

The following customers are entitled to make a claim for help from the fund;

- Every customer who is entitled to Council Tax Reduction and who has a shortfall
- Every customer who if not for the changes on the 2017/18 reduction scheme would have qualified for ongoing assistance.

The main features of the Fund are that:

- Exceptional Hardship Fund awards are discretionary
- Customers do not have a statutory right to an award
- The Exceptional Hardship Fund Policy is held within the main Council Tax Reduction scheme
- Exceptional Hardship Fund awards are not a payment of the main Council Tax Support scheme
- It is a cash limited fund
- The Housing Service assess the applications for hardship and in consultation with the Revenues & Benefit service decide how the Fund is administered.
- West Berkshire Council may decide that a backdated Exceptional Hardship award is appropriate; which could then settle council tax arrears. (This would be the only circumstance where the Exceptional Hardship Fund could be used to facilitate payment of Council Tax arrears.)

In addition to this fund there is a Discretionary Housing Payments scheme which covers the shortfall between rent and Housing Benefit.

2. EXCEPTIONAL HARDSHIP FUND AND EQUALITIES

The creation of an Exceptional Hardship Fund facility meets West Berkshire Council's obligations under the Equalities Act. The Government has been clear that, in developing a local Council Tax Reduction scheme, vulnerable groups should be protected. Other than statutory protection for low income pensioners the Government has not prescribed the other groups that local Councils should support. West Berkshire Council has designed their Council Tax Reduction scheme to take account of the various statutes that currently protect vulnerable people.

We recognise the importance of protecting our most vulnerable customers and also the impact these changes have. We have created an Exceptional Hardship Fund to ensure that we protect and support those most in need. The Exceptional Hardship Fund is intended to help in cases of extreme financial hardship and not support a lifestyle.

3. PURPOSE OF THIS POLICY

The purpose of this policy is to specify how West Berkshire Council's Revenues and Benefits Service will operate the scheme, and to indicate some of the factors which will be considered when deciding if an Exceptional Hardship Fund payment can be made.

Each case will be treated on its own merits and all customers will be treated fairly and equally in the accessibility to the Fund and also the decisions made with applications. However the council does not have an unlimited fund and therefore there may be instances where there will be an entitlement but no funds will be available. In these circumstances the fund will be monitored to ensure that where a previous applicant has been awarded hardship and their circumstances change, meaning the award stops or reduces, then any previous applications considered for an award but no funds were available, can then be awarded.

A customer may not be claiming a Council Tax discount, Council Tax exemption, welfare benefit, or additional assistance to which they may be entitled. In this instance, prior to assessing entitlement to a discretionary award, they should first be advised, and where necessary assisted, in making a claim to maximise their income.

4. STATEMENT OF OBJECTIVES

The Revenues and Benefits Service will seek through the operation of this policy to:

- Allow a period of time for someone to adjust to unforeseen short-term circumstances and to enable them to "bridge the gap" during this time. Due to the nature of this fund and the resource allocated to its function, this period will normally be a financial year.
- Support people in managing their finances
- Help customers through personal crises and difficult events that affect their finances.
- Aim to help prevent exceptional hardship
- Support vulnerable young people in the transition to adult life.
- Helping those who are trying to help themselves financially
- Alleviate poverty
- Sustain tenancies and prevention of homelessness.
- Keep families together
- Encourage and support people to obtain and sustain employment
- Give support to those who are financially vulnerable

The Exceptional Hardship Fund is a short-term emergency fund, awarded whilst the customer seeks alternative solutions. It cannot be awarded for the following circumstances:

- Where full Council Tax liability is being met by Council Tax Reduction
- For any other reason, other than to reduce Council Tax liability
- Where the Council considers that there are unnecessary expenses/debts etc which the customer has not taken reasonable steps to reduce.

- To cover arrears for previous properties but maybe considered for previous years Council Tax arrears
- Where there is a shortfall caused by a Department for Work and Pensions sanction or suspension being applied because the customer has turned down work/interview/training opportunities.

5. AWARDING AN EXCEPTIONAL HARDSHIP FUND PAYMENT

The Housing Service will decide whether or not to make an Exceptional Hardship Fund award, and how much any award might be.

When making this decision the following considerations should apply:

- The shortfall between Council Tax Reduction and Council Tax liability
- The steps taken by the customer to reduce their Council Tax liability. I.e., to reduce there expenditure and increase their income
- Changing payment methods, reprofiling Council Tax instalments or setting alternative payment arrangements in order to make them affordable
- To ensure that all discounts, exemptions and reductions are granted
- Steps taken by the customer to establish whether they are entitled to other welfare benefits.
- Steps taken by the customer in considering and identifying where possible the most economical tariffs for supply of utilities
- If a Discretionary Housing Payment or Exceptional Hardship payment has already been awarded to meet shortfall in rent / council tax
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the customer, their partner and any dependants and any other occupants of the customer's home
- Have regard to other possible costs the council could incur e.g., housing, child and family services etc., if a payment is not awarded
- The difficulty experienced by the customer, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist.
- Shortfalls due to non-dependant deductions and whether the non dependant is able to contribute.
- The income and expenditure of the customer, their partner and any dependants or other occupants of the customer's home
- By how much expenditure, which is considered reasonable, exceeds income
- All income may be taken into account, including those which are disregarded when awarding Council Tax Support
- Any savings or capital that might be held by the customer or their partner
- Other priority debts outstanding for the customer and their partner
- Whether the customer has already accessed or is engaging for assistance with budgeting and financial/debt management advice.

An Exceptional Hardship Fund award may not be made until the customer has accepted assistance either from the Council or third party, such as the Citizens Advice Bureau or similar organisations, to enable them to manage their finances more effectively, including

- the termination of non essential expenditure .
- The exceptional nature of the customer and/or their family's circumstances that impact on finances
- The amount available in the Exceptional Hardship Fund at the time of the application

The list is not exhaustive and other relevant factors and special circumstances will be considered.

An award from the Exceptional Hardship Fund does not guarantee that a further award will be made at a later date, even if the customer's circumstances have not changed.

An Exceptional Hardship Fund award may be less than the difference between the Council Tax liability and the amount of Council Tax Support paid.

6. PUBLICITY

The Revenues and Benefits Service will publicise this Fund via relevant documents and notices, and will work with interested parties to achieve this. A copy of this policy will be made available for inspection and will be published on the Council's website.

7. MAKING A CLAIM

A customer must make a claim for an Exceptional Hardship Fund award by submitting an application to West Berkshire Council. The application form can be obtained via the telephone, in person at one of the Council offices and/or the internet. Customers can get assistance with the completion of the form from the Revenues and Benefits Service or Customer Services at the Council offices.

The application form must be fully completed and supporting information or evidence provided, as reasonably requested by the Council.

In most cases the person who claims the Exceptional Hardship Fund award will be the person entitled to Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

8. CHANGE OF CIRCUMSTANCES

The Revenues and Benefits Service may revise an award from the Exceptional Hardship Fund where the customer's circumstances have changed which either increases or reduces their Council Tax reduction entitlement

9. DUTIES OF THE CUSTOMER

A person claiming an Exceptional Hardship Fund Payment is required to:

- Give the Council such information as it may require to make a decision.
- Tell the Council of any changes in circumstances that may be relevant to their ongoing claim.

- Give the Council such other information as it may require in connection with their claim.

10. AMOUNT AND DURATION OF AWARD

Both the amount and the duration of the award are determined at the discretion of the Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim.

The period of award should be sufficient to reasonably address that hardship, which is the subject of the claimant's application. Following the application any resultant award should only be made if it serves to alleviate this hardship. The period of award should be assessed in accordance with the individual circumstances of each case.

The Exceptional Hardship Fund will normally be awarded for a minimum of one month.

The maximum length of the award will not exceed the end of the financial year in which the award is given.

11. PAYMENT OF AWARD

Any Exceptional Hardship Fund award will be made directly into the customer's Council Tax account, thus reducing the amount of Council Tax payable.

12. OVERPAID EXCEPTIONAL HARDSHIP FUND PAYMENTS

Overpaid Exceptional Hardship Fund awards will generally be recovered directly from the customers council tax account, thus increasing the amount of Council Tax due and payable.

13. NOTIFICATION OF AN AWARD

The Council will notify the outcome of each application for Exceptional Hardship Fund awards in writing. The notification will include the reason for the decision and advise the customer of their appeal rights.

14. THE RIGHT TO APPEAL

As the Exceptional Hardship Fund is not a benefit, there is no right to a statutory appeal. If the customer is not satisfied with the decision in respect of an application for an Exceptional Hardship Fund award, a decision to a reduced amount of Exceptional Hardship Fund award, a decision not to backdate an Exceptional Hardship Fund award or a decision that there has been an overpayment of an Exceptional Hardship Fund award, they must make written representation to the Council setting out their request for a review.

At West Berkshire Council a relevant Head of Service or Director will consider the request for a review and respond in writing, setting out the decision and associated reasons for the decision.

Any request for an appeal must be made within 21 days of the date of the notification letter confirming the original decision.

15. FRAUD

The Revenues and Benefits Service and Housing Service is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

A customer who tries to fraudulently claim an Exceptional Hardship Fund award by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

Where the Revenues and Benefits Service or Housing Service suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

16. LEGISLATION

The Local Government Finance Act 2012 amends Section 13A of the Local Government Finance Act 1992 and sets out the requirement for Councils to develop and adopt a localised Council Tax Reduction Scheme. This Exceptional Hardship Fund Policy forms part of this Scheme.

17. COMPLAINTS

The Council's Customer Service Team will deal with any complaints about this policy via the online form (available on the Councils website) or you may telephone our

Customer Service Team on 01635 519258

Email : customerservices@westberks.gov.uk

or write to us at

Customer Services,

West Berkshire Council

Council Offices

Market Street

Newbury

Berkshire

RG14 5LD

18. POLICY REVIEW

This policy should be reviewed on each occasion where there is a significant change in the Council Tax reduction scheme and be updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner should there be any significant changes in legislation.