

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 also 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 were entitled to Council Tax Benefit on 31 March 2013, 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.

The scheme will be locally funded and subject to a budget cap each year set by the Council.

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 Tax payers dependant on their circumstances.

If the recovery officer believes there is a Council Tax payer who is suffering exceptional hardship (but is in one of the protected groups) they may present a case to the S151 Officer and Revenues Manager to see if an exception can be made.

There is no statutory right to payment.

Payments are made from a cash-limited fund.

From the 1st February 2014 Uttlesford District Council, Essex County Council and the Fire and Police Preceptors contribute to the fund.

Non LCTS Council Tax payers 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.

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

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 in order to;

* Alleviate Poverty

* Help claimants through personal crises and difficult events.

4. Criteria

Fundamental to the Exceptional Hardship Policy is a clear indication of the groups or individuals that can be considered eligible to claim additional financial support from the Exceptional Hardship Scheme.

The fund has financial limitations and, as such, awards can only be made based on eligibility, whilst having regard to the level of funding available or remaining within the Exceptional Hardship Scheme each financial year.

Before any award will be considered, the Council Tax payer must be entitled for an award of LCTS of at least 1 pence per week during the financial year. For non LCTS applicants they must satisfy the above criteria and any award will be made from Uttlesford's portion of the fund.

We will consider applications from Council Tax payers who have already been awarded help from the fund; however evidence needs to be shown that attempts have been made to alleviate their situation. They will need to complete a new application form and give details as to why their situation hasn't improved.

5. Equalities

The Council is committed to equality and fairness. Equality is about ensuring people are treated fairly and given fair chances. It is also about ensuring that 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.

6. Severe Financial Hardship

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

Individuals will need to be able to demonstrate their circumstances and that they have exhausted 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:

- * 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 unexpected financial hardship

This list is not exhaustive.

Each case will be treated on its own merits and 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 satisfy the Council that they have taken all reasonable steps to resolve their own situation prior to application. This may include engaging with Government approved Debt Management Services such as CAB; National Debt Line and Step change and identifying the most economical tariffs for the supply of utilities; and encouraging welfare into work opportunities.

Applications will be considered if the above apply and:

1. There is evidence of financial hardship or personal circumstances that justify an award;
2. Make a separate request for assistance either direct to the Council or via their support worker;
3. Provide full details of their income and expenditure;
4. Identify potential changes in payment methods and instalment arrangements to assist the Council Tax payer;
5. The applicant or household has qualified for an LCTS award and supplied all evidence requested by the Council in respect of their claim for the Local Council Tax Support Scheme; (this only applies for the LCTS portion of the fund)
6. The applicant or household must have applied for any appropriate discount or exemption and supplied any evidence requested by the Local Authority in respect of that application;
7. The applicant or household does not have access to any other financial assets that could be realised to pay the Council Tax;
8. The applicant or household must not be avoiding outstanding Council Tax due to wilful refusal or culpable neglect.
9. The tax due is not the result of a fraudulent over payment or penalty applied to the account.

7. How to Claim

A claim should usually 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 in assistance with a Council Officer.

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 be 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 or will be signposted to an appropriate service that offers support relevant to the needs of the applicant or household.

The applicant must set out the reasons for applying, including explaining any special circumstances or hardship being experienced.

8. Information Required

Evidence will usually be required to substantiate a claim for Exceptional Hardship.

Evidence can include, but is not limited to:

- * A household income statement; using a prescribed form
- * A household expenditure statement; using a prescribed form
- * Supporting evidence may be requested such as utility bills
- * Evidence of seeking debt advice, if appropriate

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.

Failure to provide supporting information and evidence that is requested may lead to a refusal.

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.

All information and evidence provided will be treated in confidence and in accordance with the Data Protection Act 1998.

Where the Council requires additional information or evidence it will contact the applicant requesting the information is supplied within one calendar month.

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

9. Referrals from Other Sectors

The Council will accept referrals from:

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 i.e. Citizens Advice Bureau, welfare rights advisors

The approved referral form should be completed and returned to the Council.

10. 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.

11. Debt Advice

It is recognised that debt and poverty are linked. In most cases the Council will expect the applicant or household to seek debt/money management advice as a long term solution to financial problems.

Working age applicants or households are also expected to move into work if they are able to, which will reduce their dependency on support. With this in mind applicants or households should receive more income from work than out of work. Work incentives will be a factor when determining awards from the Council's Exceptional Hardship Scheme e.g. evidence that the applicant is taking action to alleviate their circumstances by moving back into work where appropriate.

The Council will signpost applicant or households to debt advice service, evidence of taking and adhering to advice may be requested from the applicant or household when making an application for Exceptional Hardship.

12. Determining Awards

The Recovery Team Leader in conjunction with the Revenues Collection Officer will consider each application on its own merits. This will ensure that each application is treated in an open and consistent manner, whilst considering individual circumstances.

The Council will be under no duty to assess applications not made in the approved manner.

Where information or evidence requested has not been received within one calendar month, the Council will determine the application null and void and the application will not be considered, unless the applicant can show good reason for delay.

Nothing in this policy shall permit the Council to reduce the Council Tax charge for any day to less than NIL.

Exceptional Hardship may only be awarded in respect of Council Tax liability.

The order of discounts will be maintained in line with the Local Government Finance Act; therefore 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 be for a defined period. This information will be provided to the applicant or household when the decision is made.

Awards may be a one-off credit to the applicant's Council Tax account; or for a prescribed period of time; this will be detailed when a decision is made. Non LCTS Council Tax payers will be awarded an amount to their Council Tax account as appropriate.

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

13. 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)
2. The period of the award (if any), further applications will be accepted after the previous award has completed, but the Council Tax payer may have to prove that the exceptional circumstances were continuing through no fault of their own.
3. Provide details of how to request a review or obtain more information about the decision
4. Provide details of how the award (if any) will be made.

On the provision of all satisfactory requested information, a decision will be made where practicable within 21 working days.

14. 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 Tax payers should, following a successful award of exceptional Hardship, contact the recovery section in order 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 in the application process.

15. 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.

16. 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 reconsidered by the Revenues Manager.

All applications for reconsideration must be made in writing or by email and must outline the reasons for the reconsideration request. The outcome of the reconsideration will be made in writing detailing the decision made and the reasons for the decision.

After this, if the applicant still feels the Council's decision is wrong they can appeal to the local Valuation Tribunal. This is an independent organisation that deals with Council Tax appeals.

Valuation Tribunal Office
Doncaster
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 heard nothing from them

17. Recovery of Overpaid Exceptional Hardship

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

18. Fraud

The Council is committed to protect public funds and 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.

19. 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 benefit, discounts or exemptions.

The Council takes part in data matching exercises to assist in the prevention and detection of fraud. Data matching involves comparing sets of our data, such as Council Tax or benefit records against other records held by the Council or other bodies to see how far they match. Data matching allows potentially fraudulent claims, reductions and payments to be identified. Where a match is found it indicates that there is an inconsistency that requires further investigation. No assumption can be made as to whether there is fraud, error or other explanation until an investigation is carried out. 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 that act. This means the Council does not require the consent of the individuals concerned.

20. Administration

Applications will be subject to the Council's quality control procedures and audit.

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.

Awards will be recorded and reported on monthly basis to senior management.

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.

21. Policy Review

The Exceptional Hardship Policy will be reviewed annually by the end of January each year. 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.