Winchester City Council

Council Tax Reduction Scheme Exceptional Hardship Policy

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1.0 Background

1.1 This policy has been created to assist those who are facing exceptional hardship in paying their Council Tax. The Exceptional Hardship Fund (EHF) can provide further assistance where an applicant is in receipt of Council Tax Reduction (CTR) but the level of support being paid by the Council does not meet their full Council Tax liability. The fund can also help those that do not receive CTR if they are experiencing exceptional hardship.

1.2 Applicants must provide evidence of their exceptional hardship and be willing to adhere to the process detailed in section 4.0 of this policy. Applications for this fund should be made as soon as a Council Taxpayer falls into difficulty and is unable to meet their Council Tax liability. Awards of the fund will normally be made from the date of the application. It is possible to back-pay funds but this will be at the discretion of the assessing officer.

1.3 The EHF will not be available for those applicants who are precluded from the scheme under the Prescribed Requirement Regulations such as persons who are deemed to be ‘Persons from Abroad’. Further details can be obtained from the Revenues and Benefits Service.

1.4 The main features of the fund are as follows:

- The operation of the Fund will be at the total discretion of the Council;
- The Fund will be operated by the Revenues and Benefits service on behalf of the Council;
- There is no statutory right to payments from the fund although the Council will consider all applications received;
- EHF payments will only be available from 1st April 2021 and will not be available for any other debt other than outstanding Council Tax;
- EHF payments are designed as a short-term help to the applicant only and it is expected that payments will be made for a short term only;
- The Council will take into consideration the intention of Council Tax and our CTR Scheme. We will not normally make a payment that would serve to overcome the intention of the law; and
- All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so will inevitably mean that no payment will be made.

2.0 Exceptional Hardship Fund and Equalities

2.1 The creation of an EHF facility meets the Council’s obligations under the Equality Act 2010.

2.2 Applications from the EHF should only be made as a last resort. Awards will be made where the household demonstrates exceptional circumstances which can only be alleviated by additional financial support from the fund where no other alternatives exist.

2.3 It is recommended that all claimants seek independent guidance from the Citizens Advice, or other similar agencies, to assist with improving their personal circumstances and maximising their income

3.0 Purpose of this policy

3.1 The purpose of this policy is to specify how the Council will operate the scheme, to detail the application process and indicate a number of factors, which will be considered when deciding if an EHF payment can be made.

3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in terms of access to the Fund and also the decisions made.

4.0 The Exceptional Hardship Fund Process

4.1 As part of the process of applying for additional support from the EHF, all applicants must be willing to undertake all of the following:

- Make a separate application for assistance (where required by the Council);
- Provide full details of their income and expenditure;
- Accept assistance from either the Council or third parties such as the Citizens Advice or similar organisations to enable them to manage their finances more effectively including the termination of non-essential expenditure;
- Identify potential changes in payment methods and arrangements to assist the applicant;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.

4.2 Through the operation of this policy, the Council will look to:

- Allow a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
- Help applicants through personal crises and difficult events that affect their finances;
- Prevent exceptional hardship;
- Help those applicants who are trying to help themselves financially; and
- Encourage and support people to obtain and sustain employment.

4.3 It cannot be awarded for the following circumstances:

- Where full Council Tax liability is already 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. and that the applicant has not taken reasonable steps to reduce these; or
- To pay for any additional Council Tax caused through the failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly.

5.0 Awarding an Exceptional Hardship Fund Payment

5.1 The Council will decide whether or not to make an EHF award, and how much any award might be.

5.2 When making this decision the Council will consider:

- The shortfall between Council Tax Reduction and Council Tax liability;
- Whether the applicant has engaged with the EHF payment process;
- The personal circumstances, age, and medical circumstances (including ill health and disabilities) of the applicant, their partner, any dependants and any other occupants of the applicant's home;
- The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- The income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home;
- How reasonable expenditure exceeds income;
- All income received by the applicant, their partner, and any member of their household irrespective of whether the income may fall to be disregarded under the Council Tax Reduction scheme;
- Any savings or capital that might be held by the applicant, their partner, and any member of their household irrespective of whether the capital may fall to be disregarded under the Council Tax Reduction scheme;
- Other debts outstanding for the applicant and their partner; and
- The exceptional nature of the applicant and/or their family's circumstances that impact on finances.

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

5.4 An award from the EHF does not guarantee that a further award will be made at a later date, even if the applicant's circumstances have not changed.

5.5 An EHF payment may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid. The level of payment may be nil if the authority feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the exceptional hardship process.

6.0 Publicity

6.1 The Council will make a copy of this policy available for inspection and will be published on the Council's website.

7.0 Claiming an Exceptional Hardship Fund payment

7.1 An applicant must make a claim for an EHF award by submitting an application to the Council via the Council's website.

7.2 Applicants can request assistance with the completion of the form from the Revenues and Benefits Service at the Council.

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

7.4 In most cases the person who claims the EHF award will be the person liable for the Council Tax. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if an authority to disclose is provided

8.0 Changes in circumstances

8.1 The Council may revise an award from the EHF where the applicant's circumstances have changed which either increases or reduces their Council Tax Reduction entitlement.

9.0 Duties of the applicant and the applicant's household

9.1 A person claiming an EHF payment is required to:

- Provide the Council with such information as it may require to make a decision;
- Tell the Council of any changes in circumstances, within 21 days, that may be relevant to their ongoing claim. Failure to do so may result in an EHF payment being withdrawn and any amount repaid; and
- Provide the Council with such other information as it may require in connection with their claim.

10.0 The award and duration of an Exceptional Hardship Payment

10.1 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.

10.2 The start date of such a payment and the duration of any payment will be determined by the Council. In any event, the maximum length of the award will not exceed the end of the financial year in which the award is given.

11.0 Award of the Exceptional Hardship Fund payment

11.1 Any EHF payment will be made direct onto the applicant's Council Tax account, thereby reducing the amount of Council Tax payable.

12.0 Overpaid Exceptional Hardship Fund Payments

12.1 Overpaid EHF payments will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

13.0 Notification of an award

13.1 The Council will notify the outcome of each application for EHF payments in writing. The notification will include the reason for the decision and advise the applicant of their appeal rights.

14.0 Appeals

14.1 EHF payments are subject to the statutory appeal process as they are made as part of the Council's Council Tax Reduction scheme under Section 13A 1A of the Local Government Finance Act 1992.

14.2 If the applicant is not satisfied with the decision in respect of an application for an EHF payment, a decision to reduce the amount of EHF payment, a decision not to backdate an EHF payment or a decision that there has been an overpayment of an EHF payment, the Council will look at the decision again.

14.3 Any appeal to a decision must be notified within one calendar month of the date of the decision notification. This must be made in writing (email is acceptable) and the reasons for the appeal clearly set out. Any additional information which needs to be considered must be provided by the appellant.

14.4 The appeal will be considered by an officer from within the service that was not party to the original decision. The outcome of the appeal will be notified in writing (either by letter or email).

14.5 If the original decision is upheld you will be advised on how to appeal the decision further to the Valuation Tribunal Service

15.0 Fraud

15.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

15.2 An applicant who tries to fraudulently claim an EHF payment 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.

15.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

16.0 Complaints

16.1 The Council's Complaints Policy is available online Compliments and complaints - Winchester City Council

17.0 Policy Review

17.1 This policy will be reviewed every year and updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner if required.