



# **Council Tax Support Exceptional Hardship Fund Policy**

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## **1. Introduction**

- 1.1 The Exceptional Hardship Fund has been set up by the Council to assist applicants who are suffering exceptional hardship as a result of the abolition of Council Tax Benefit and the introduction of localised Council Tax Support. The Exceptional Hardship Fund is intended to cover all or part the shortfall between Council Tax liability and award of Council Tax Support.
- 1.2 The Exceptional Hardship Fund will be available to any working age applicant whose daily award of Council Tax Support does not meet 100% of their Council Tax liability (less any appropriate discounts and non-dependent deductions).

## **2. Purpose of the Policy**

- 2.1 The purpose of this policy is to specify how the Revenues and Benefits Service will operate the scheme, to detail the application process and to indicate some of the factors which will be considered when deciding if an Exceptional Hardship Fund award can be made.
- 2.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally in the accessibility to the Fund and also the decisions made with applications.
- 2.3 We recognise the importance of protecting our most vulnerable customers and also the impact the Welfare changes will have. We have created an Exceptional Hardship Fund to ensure that we protect and support those most in need and to help in cases of extreme financial hardship.
- 2.4 This policy does not define "Extreme Hardship", it is accepted that changes to the level of support generally will cause financial hardship and any payment made will be at the total discretion of the Council. Exceptional Hardship should be considered as 'hardship beyond that which would normally be experienced'

## **3. Objectives of the Exceptional Hardship Fund**

- 3.1 The objectives of the Fund are to provide temporary financial support, and include:
  - 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;
  - Enable support to households 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;
  - Encourage and support people to obtain and sustain employment; and,

**4. Main Features of the Fund** 4.1 The main features of the fund are as follows:

- The Exceptional Hardship Fund will be cash limited. This limit will be set by the Director of Finance in consultation with the Executive Members for Resources on an annual basis;
- The operation of the fund will be at the total discretion of the Council;
- Exceptional Hardship Fund awards are not payments of Council Tax Support (as defined within S13a of the Local Government Finance Act 1992);
- The Exceptional Hardship Fund will only be available from 1<sup>st</sup> April 2013 and will NOT be available for any other debt other than outstanding Council Tax;
- Council Tax Support must be in payment for any day that an Exceptional Hardship award is requested or the applicant must have been in receipt of Council Tax Benefit on 31<sup>st</sup> March 2013.
- Where an Exceptional Hardship award is requested for a previous period, Exceptional Hardship must have been proven to have existed throughout the whole of the period requested;
- Exceptional Hardship awards are designed as a short-term help to the applicant only and it is expected that awards will be made for a short term period only; and,
- All applicants will be expected to engage with the Council and undertake the application process in full. Failure to do so will inevitably mean that no award is made.

**5. The Exceptional Hardship Fund application process** 5.1 As part of the process of applying for additional support from the Exceptional Hardship Fund applicants must undertake the following process;

- Make an application for assistance;
- Provide all evidence required for the application including, full details of their income and expenditure;

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

**6. Awarding Exceptional Hardship** 6.1 The designated officer will decide whether or not to make an Exceptional Hardship award and how much any such award might be.

6.2 When making this decision the Council will consider:

- The shortfall between Council Tax Support and Council Tax liability;
- Whether the applicant has engaged with the EHF process;

- If a Discretionary Housing Payment or Section 17 payment has already been awarded to meet a shortfall in rent;
- The personal circumstances, age, medical circumstances (including ill health and disabilities) of the applicant, their partner any dependents 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;
- Shortfalls due to non-dependent deductions;
- The income and expenditure of the applicant, their partner and any dependents and any other occupants of the applicant's home;
- How reasonable expenditure exceeds income;
- Other debts outstanding for the applicant and their partner;
- The exceptional nature of the applicant and/or their family circumstances that impact on finances;
- The length of time they have lived in the property;
- 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 amount available in the EHF at the time of application.

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

6.4 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.

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

## **7. Change in circumstances**

7.1 The Council may revise an award from the Exceptional Hardship Fund where the customer's circumstances have changed which either increases or reduces their Council Tax Support entitlement.

## **8. Duties of the applicant**

8.1 A person claiming an award under Exceptional Hardship 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; and,

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

## 9. Exceptional Hardship award and duration

9.1 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.

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

9.3 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.

9.4 The start date and duration of any award will be 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.

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

## 10. Appeals

10.1 Exceptional Hardship Fund awards are not part of the Council Tax Support and are therefore not subject to the statutory appeal process.

10.2 If a claimant wishes to appeal against a decision not to award Exceptional Hardship, the amount of an award, a decision not to backdate an award, or a decision that there has been an overpayment of award, the council will review the original application. This will be conducted by an officer other than the original decision maker, who will review the original application and any other additional information and/or representation made.

10.3 The review of the original decision will be undertaken within 21 days of referral and the outcome of that decision will be set out in writing along with the reasons for the decision or upholding the original decision. This decision will be final.

10.4 Any request for an appeal must be made within one calendar month of the date of the original notification letter confirming the original decision.

## 11. Fraud

11.1 The council is committed to protect public funds and ensuring funds are awarded to the people who are rightfully eligible to them.

11.2 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.

11.3 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.