

COUNCIL TAX REDUCTION SCHEME EXCEPTIONAL HARDSHIP PAYMENTS POLICY

1.0 INTRODUCTION

- 1.1 Section 13A of the Local Government Finance Act 1992 provides the Council with the discretion to reduce or remit Council Tax for those who could be considered to be suffering financial hardship.
- 1.2 The attached policy at **Appendix A** sets out the Council's approach in making such awards and to promote a transparent and consistent process. The introduction of an Exceptional Hardship Policy helps to mitigate the risk of any adverse impact on people with protected characteristics.

2.0 BACKGROUND

- 2.1 An Exceptional Hardship Payments Policy has been created to assist residents who have applied for and are entitled to Council Tax Reduction, and who are experiencing exceptional financial hardship. This is to provide further assistance where a resident is in receipt of Council Tax Reduction but the level of support does not meet their full council tax liability.
- 2.2 The main features of the policy are as follows:
 - Exceptional Hardship falls within s13(A)(1c) of the Local Government Finance Act 1992 and forms part of the Council Tax Reduction Scheme
 - The operation of the policy will be at the discretion of the Council
 - Exceptional Hardship Payments are designed as short term assistance
 - All applicants will be expected to engage with the Council, undertake the full application process and take positive steps to help themselves.
 - Reduce potential write-offs
- 2.3 The award of an Exceptional Hardship Payment is primarily based on consideration of the applicant's ability to pay their Council Tax, with the following factors being considered:
 - The shortfall between the Council Tax Reduction and Council Tax liability
 - The personal circumstances of the household, e.g. age and medical conditions
 - The difficulty preventing the applicant paying their Council Tax
 - Income, expenditure and any savings and capital
 - Other debts outstanding
- 2.4 The policy was fully endorsed at the Council Tax Reduction Scheme Task and Finish Group.

3.0 DELEGATIONS

- 3.1 The Council's Council Tax Reduction Scheme will be administered by the Benefits Manager.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There is no government funding available. A budget of £1,000, in the first instance, will be set aside to fund this Policy. This will be paid for by reduced costs within the Benefits Administration budget. For 2018/19 the officers will consult with precepting authorities to fund this through the collection fund account.
- 4.2 It is anticipated that only a small number of applicants will be awarded an Exceptional Hardship Payment.
- 4.3 There will be no impact on staffing.
- 4.4 The budget will be reviewed annually by the Service Manager in consultation with the Portfolio Holder.

5.0 PORTFOLIO HOLDER'S COMMENTS

- 5.1 It is important that we are in a position to support the most vulnerable within our community and within our limited resources.

6.0 RECOMMENDED:

- 6.1 That the policy attached as Appendix A to this report be approved and adopted.
- 6.2 That the Service Manager (Housing and Community) be authorised to make decisions in accordance with the policy

For further information contact: (Bold)

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Background Papers: (Bold)

Council Tax Reduction Exceptional
Hardship Payments Policy