



New Forest District Council

Council Tax Reduction

Exceptional Hardship Payments (EHP)

Policy

April 2017

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1. What are Exceptional Hardship Payment awards?

The Exceptional Hardship Payment award (EHP) has been set up by New Forest District Council to help with a shortfall between the Council Tax Liability and payments of Council Tax Reduction (CTR)

Every claimant who is entitled to CTR and who has a shortfall is entitled to make a claim.

The main features of EHP's are:-

- EHP awards will be at the absolute discretion of New Forest District Council
- EHP awards will not be available for any other debt other than outstanding Council Tax
- EHP awards are not a payment of the main CTR
- New Forest District Council decides how the Exceptional Hardship Payment is administered
- CTS must be in payment in the week which an EHP award is made
- The Benefits service may decide that a backdated EHP award is appropriate; which could settle Council Tax Arrears. This would be the only circumstance when the EHP could be used to facilitate payment of council tax arrears.
- EHP awards cannot be made to settle arrears of Council Tax unless due to an award of backdated Exceptional Hardship as set out above.
- Exceptional Hardship payments are designed as a short term help to the claimant only and it is expected that payments will be made for a short term only.

2. Exceptional Hardship Payment and Equalities

The government has been clear that, in developing the Local Council Tax Reduction Scheme, vulnerable groups should be protected.

We recognise the importance of protecting our most vulnerable claimants and the impact changes will have. We have created an EHP to ensure we protect and support those most in need. The EHP is intended to help in cases of extreme hardship only.

Each case will be treated on its own merits and all claimants will be treated fairly and equally in the accessibility to the fund and decisions made with applications.

3. Purpose of this policy

The purpose of this policy is to specify how New Forest District Council will operate the Exceptional Hardship fund, and to indicate some of the factors which will be considered when deciding if an Exceptional Hardship award can be made.

4. Exceptional Hardship Payment process

The Exceptional Hardship payment is a short-term award, whilst the Council Tax payer seeks alternative solutions.

All claimants must be willing to undertake all of the following:

- Make a separate application for assistance
- Provide full details of their income, capital and expenditure
- Assist the New Forest District Council in trying to reduce Council Tax liability by way of any other discount, reliefs and exemptions that can be granted
- Maximise their income through the application for other welfare benefits, and identifying ways in which their overall household expenditure can be reduced
- Accept assistance from either the Council or third parties such as the Citizens Advice Bureau, or similar organisations, to enable them to manage their finances more effectively
- Identify potential changes in payment methods and arrangements to assist the customer

5. Claiming Exceptional Hardship Payment

A claimant, or someone acting on their behalf, must make a claim for an EHP award by submitting an application to the council's Benefit team. The application form can be obtained on-line via the website, telephone or in person at the Council offices. Customers can get assistance with the completion of the form from the Benefits team.

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

In most cases, the person who claims an EHP award will be the person entitled to CTR. However, a claim can be accepted from someone acting on their behalf such as an appointee, if it is considered reasonable.

The council may accept details of income, capital and expenditure not on its own application form.

Where a claimant is not claiming Council Tax Discount to which they may be entitled or a claim for Council Tax Support, or additional financial assistance, they will be advised, and where necessary assisted, in making a claim to maximise their income, before their claim for EHP will be decided.

6. Awarding an Exceptional Hardship Fund Payment

In deciding whether to award an EHP, the council will take into account:

- The shortfall between the CTRS and Council Tax Liability
- Steps taken by the claimant to reduce their Council Tax liability
- The financial and medical circumstances (including ill health and disabilities) of the claimant, his or her partner, any dependants and any other occupants of the customer's home
- Changing payment methods, re-profiling Council Tax instalments or setting alternative payment arrangements in order to make them affordable

- Ensure all discounts, exemptions and reductions are granted
- Any savings or capital that might be held by the customer or his or her family
- The income and expenditure of the claimant, his or her partner and any dependants or other occupants of the customer's home. If information being requested is not provided the council may refuse the application.
- The impact on the claimant and the council if the application is refused
- All income may be taken into account, including those which are disregarded for CTS
- If there has been a previous award of EHP
- The length of time they have lived in the property
- Any other special circumstances

Any award of Exceptional Hardship Payment does not guarantee that a further award will be considered.

7. Notifying an award of Exceptional Hardship

On receipt of an application for EHP the council will aim to inform the customer of its decision within one month.

Where the application is successful the council will notify the customer and advise:

- Credit Council Tax Account with award
- A demand notice with the revised balance and instalments due
- The start and end date of the award and the need to re-apply on expiry if appropriate
- The requirement to report any changes in circumstances

It cannot be awarded for the following circumstances:

- For any other reason than to reduce Council Tax Liability
- Where the council considers that there are unnecessary expenses/debts etc. and that the customer has not taken reasonable steps to reduce them
- To reduce any CTRS overpayment
- A shortfall caused by the Department of Work and Pensions sanction or work/interview/training opportunities
- When CTRS is suspended
- Court Costs for non-payment of Council Tax or Administrative Penalties

Where the application is not successful, the council will write to the applicant and explain the reasons for the decision and give the right for a review. However, there are no rights for appeal.

8. What if the claimant disagrees with a decision?

EHP awards are not payments of Council Tax Reduction and are therefore not subject to appeal. However, the council will operate the following approach following a refusal to award an EHP or a decision not to backdate an award of EHP.

- A claimant (or appointee) who disagrees with a decision not to award an EHP can request an explanation of the decision. This must be done by letter, e-mail or phone within one month of the date of the decision. The council will explain its decision to the claimant, either by letter, e-mail, phone or interview.

- Where the claimant still disagrees with the decision the Benefits Manager will review the decision. This must be done in writing. The decision will be reviewed on the evidence available and the manager will make a decision. The applicant will be notified of this decision in writing. Are you not making the original decision?
- If there is still disagreement the claimant is entitled to a further review, provided this is done in writing within one month of the decision of the review. This decision will be made by the Service Manager of Housing and Community and the decision will be final.

9. Change in Circumstances

On awarding EHP any changes in circumstances must be notified to the council straight away. The council may revise the award of EHP or decide to end the award. The council will notify the claimant, in writing, of the decision.

10. Amount and Duration of Award

The duration and the amount of the award are determined at the discretion of New Forest District Council, and will be based on the evidence supplied and the circumstances of the claim.

- The start date will usually be the Monday after the claim for an EHP is received by the council, although in some cases it may be possible to backdate this award, based upon individual circumstances of each case.
- The EHP award will normally be awarded for a minimum of one week.
- The maximum length of the award will not exceed the end of the financial year in which the award is given.
- The award may be ended early if the circumstances of the applicant change which means they are no longer considered to be in exceptional financial hardship.

11. Overpayments

The council will seek to recover any EHP award which has been overpaid as a result of misrepresentation or failure to disclose a material fact, fraudulently or otherwise. This is normally done by sending a revised Council Tax bill.

The council does have discretion not to recover an overpayment of EHP.

12. Fraud

New Forest District Council is committed to combating fraud. Anyone who tries to fraudulently claim a EHP by falsely declaring their circumstances, or providing false information, may have committed an offence and the council will investigate the matter. This may lead to the council issuing a penalty under regulations 11, 12 & 13 of the Council Tax Reduction scheme (Detection of Fraud and Enforcement) Regulations 2013.

13. Publicity

The council will publicise the scheme and work with all interested parties, including the Council Tax team, Housing, Social Services, Citizens Advice Bureau and Housing Associations.