

Council Tax Support – Discretionary Hardship Fund

Introduction

Epsom & Ewell Borough Council introduced a locally devised Council Tax Support scheme to replace the outgoing national Council Tax Benefit scheme from 1 April 2013. The scheme was further revised with effect from 1 April 2015. This Discretionary Hardship Fund Policy runs in conjunction with these schemes.

Statement of Objectives

This Discretionary Hardship Fund is intended to provide short-term help to alleviate financial hardship which residents may encounter with the introduction of Council Tax Support, thus supporting the resident towards a position where they can meet their council tax liability without further reliance upon the Discretionary Hardship Fund.

A Community Equality Impact Assessment was carried out in respect of Council Tax Support. It identified where the Council Tax Support scheme may adversely impact upon a characteristic to a greater degree than others not of that characteristic. Particular regard will be given where hardship ensues in such instances. (The CEIA assessment summary for the 2013 and 2014 scheme is attached to this Policy as Appendix 1. The CEIA assessment summary for the 2015 scheme is attached to the Policy as Appendix 2.)

Eligibility to make a claim

The applicant must be liable for a council tax charge levied by Epsom & Ewell Borough Council. Where such a person is unable to act for themselves, a suitable third party may act on their behalf with the agreement of the Discretionary Hardship Fund Officer.

The application must be for a period(s) where the applicant is liable for a council tax charge levied by Epsom & Ewell Borough Council.

The applicant must have experienced hardship and for a period of, or within, 1 April 2013 to 31 March 2015 one of the five following factors must have caused or contributed to the applicant's hardship:

1. No equivalent of the Council Tax Benefit Second Adult Rebate scheme within Council Tax Support
2. Exclusion from entitlement to Council Tax Support due to the capital cut-off limit of £10,000
3. Restriction of the maximum liability used to assess Council Tax Support entitlement to that of a Band 'D' property
4. Introduction of a minimum Council Tax Support award whereby entitlement of less than £5 per week is not paid
5. Reduction of the maximum period for backdating a Council Tax Support award from 6 months to 3 months

Alternately, for a period after 31 March 2015, the applicant must have experienced hardship and one of the four following factors must have caused or contributed to the applicant's hardship:

1. No equivalent of the Council Tax Benefit Second Adult Rebate scheme within Council Tax Support
2. Exclusion from entitlement to Council Tax Support due to the capital cut-off limit of £10,000
3. Reduction of the maximum period for backdating a Council Tax Support award from 6 months to 3 months
4. The introduction of the Minimum Payment whereby the eligible Council Tax liability used in the calculation of Council Tax Support is reduced to less than 100%

Meeting the above criteria establishes the right to make a claim for a Discretionary Hardship Fund award. It does not infer the right to an award under the Discretionary Hardship Fund.

Applications

Epsom & Ewell Borough Council will administer this fund from within the Revenue & Benefits Division.

Applicants wishing to claim a Discretionary Hardship Fund award must:

- Make a claim for a Discretionary Hardship Fund award in writing, preferably on the form provided for this purpose, setting out the reasons for their claim
- Sign a declaration that the information is true and complete and agree that the Council may verify the information
- Agree that they will repay any overpayment of a Discretionary Hardship Fund award
- Supply requested evidence in support of an application both at the outset and following any additional request, including a financial statement and evidence of income and outgoings, within one calendar month of the request

[In extremely exceptional circumstances (for example where the resident cannot act for themselves and there is no third party to assist, and where there is already sufficient information held in respect of the resident's details) the Revenue & Benefits Division may consider making an award to the resident without an application in writing having been made.]

Discretionary Hardship Fund Considerations (Entitlement Decisions)

Each application will be looked at on its merits, having due regard to the factors outlined below:

- The applicant would usually have claimed Council Tax Support
- There must be evidence of financial hardship
- The applicants income and expenditure, including unusual and/ or avoidable expenditure
- Whether it has been identified within the Council Tax Support Community Equality Impact Assessment that an applicant may be more likely to be adversely affected
- Whether there are exceptional circumstances that contribute to the hardship
- The applicant must satisfy the Council that all reasonable steps have or will be taken to resolve their situation
- Entitlement to all other eligible discounts/ reliefs/ income/ welfare benefits have been explored and are being claimed
- The taxpayer does not have access to other assets that could be used towards their council tax liability
- Whether the situation could be resolved by some other legitimate means
- Whether an award will assist the applicant towards a position whereby they can meet their council tax obligation without further reliance on the Discretionary Hardship Fund within an acceptable time frame
- Any social or health issues currently being faced by the resident and/ or their immediate family
- The effect the situation is having on vulnerable members of the resident's immediate family (e.g. the elderly, the young, the infirm etc)
- Other evidence in support of an application (such as information from Doctors and/ or Social Workers etc.)
- Where applicable, what information/ advice has been sought and obtained previously
- The suitability of the current accommodation
- The possibility of moving to alternative accommodation where the resident will be able to meet their liabilities
- The lifestyle choices of the applicant and their household
- Whether there is a threat of Court action in relation to council tax arrears

(NB - this list is neither prescriptive nor exhaustive)

Discretionary Hardship Fund Awards

Awards are made at the discretion of Epsom & Ewell Borough Council.

An award must not be made to compensate for reductions, suspensions or losses of income due to non-conformance with conditionality rules, negligence, or wrong-doing (such as a penalty for fraud or not meeting job search commitments etc.).

Epsom & Ewell Borough Council has the right to amend, suspend or cancel any Discretionary Hardship Fund award as necessary or appropriate.

Award period

Awards will be granted for a period.

These periods will not extend beyond the end of the financial year.

Awards are intended as short term help. It is not the intention to award or re-award in perpetuity.

Awards cannot be made once the allocated Fund for the financial year has been exhausted.

Start date of an award period

Where a resident makes a Discretionary Hardship Fund application within one month of a Council Tax Support notification (either following a new claim or a change in circumstances), the award period start date may coincide with the relevant commencement date for the notified determination where appropriate.

Where a Discretionary Hardship Fund application does not follow a recent Council Tax Support decision, any award will usually commence from the Monday following the date the application was received at the Town Hall.

Amount of award

The daily Discretionary Hardship Fund award must not exceed the amount by which Council Tax Support was reduced due to one or more of the following six factors that have caused or contributed to the applicant's hardship:

1. No equivalent of the Council Tax Benefit Second Adult Rebate scheme within Council Tax Support
2. Exclusion from entitlement to Council Tax Support due to the capital cut-off limit of £10,000
3. Restriction of the maximum liability used to assess Council Tax Support entitlement to that of a Band 'D' property
4. Introduction of a minimum Council Tax Support award whereby entitlement of less than £5 per week is not paid
5. Reduction of the maximum period for backdating a Council Tax Support award from 6 months to 3 months
6. The introduction of the Minimum Payment whereby the eligible Council Tax liability used in the calculation of Council Tax Support is reduced to less than 100%

The daily Discretionary Hardship Fund award must not exceed the daily council tax liability for the period, net of all other discounts / reductions for the period.

In determining the appropriate amount for an award, regard will be given to the level at which assistance could alleviate the hardship.

Notification of a decision

The applicant will be notified in writing of a decision.

The decision notice will include reasons for the decision.

If an award is made, the decision notice will include the award amount and the award period.

Disputing a Discretionary Hardship Fund decision

There is no right of appeal to a Valuation Office Tribunal concerning a Discretionary Hardship Fund decision. This includes, but is not limited to, the decision to award or not award Discretionary Hardship Fund payments, the amount of any Discretionary Hardship Fund payments, the award period, or the calculation or recovery of overpaid Discretionary Hardship Fund payments.

If an applicant is aggrieved by a Discretionary Hardship Fund decision they should write to the Revenues & Benefits Division within one month of the date of that decision notice. They must detail what they consider to be incorrect in the decision.

A senior officer will consider the case further and their decision will be final.

Duty to notify changes in circumstances

Where a Discretionary Hardship Fund award is made, applicants are required to notify the Council of any relevant changes in their circumstances that could affect their award.

Examples of these changes include, but are not limited to:

- If the applicant changes address

- If the applicant or a member of their household leaves their home temporarily or permanently
- If the applicant's or a member of their household's income or capital changes
- If the number and/ or circumstances of others in the household changes

In addition, the applicant must inform the Revenues & Benefits Division:

- Of a change to any factor that caused or contributed towards their hardship
- If their hardship ends
- If the severity of their hardship decreases (for any reason other than a Discretionary Hardship Fund award or an award or increase of Council Tax Support)
- Of a change to any of the circumstances that were included within the reasons for making a claim under the Discretionary Hardship Fund

Payment of Discretionary Hardship Fund

Discretionary Hardship Fund awards will be credited to the applicant's council tax account.

Recovery of Discretionary Hardship Fund overpayments

Overpaid Discretionary Hardship Fund awards will generally be recovered directly from the applicant's council tax account, increasing the amount of council tax payable.

Examples of circumstances where the Council will seek recovery of overpaid Discretionary Hardship Fund payments include, but are not limited to:

- Misrepresentation or failure to disclose a material fact, whether fraudulently or otherwise
- Failure to notify any relevant change in circumstance in order to retain, enhance or obtain entitlement to support, whether fraudulently or otherwise
- An error made in the provision of information or evidence or the interpretation of that information or evidence which led to an incorrect award

(NB - this provision does not limit the circumstances by which an overpayment of either a main scheme Council Tax Support award or an award under the Discretionary Hardship Fund can be recovered)

Community Equality Impact Assessment for the 2013 and 2014 Local Council Tax Support Scheme

Summary of 'Negative' Impact by Characteristic							
Option	Age – Younger People	Age – Children	Disability	Gender	Race	Pregnancy & Maternity	Socio-Economically Disadvantaged
Second Adult Rebate			Negative (low)	Negative (low)			Negative (low)
Backdating	Negative (low)		Negative (high)		Negative (low)	Negative (low)	Negative (high)
Band Restriction		Negative (low)	Negative (low)				Negative (high)
Minimum Award							Negative (low)
Capital Limit							Negative (high)

Community Equality Impact Assessment for the Local Council Tax Support Scheme
introduced for 1 April 2015

Summary of 'Negative' Impact by Characteristic							
Option	Age – Younger People	Age – Children	Disability	Gender	Race	Pregnancy & Maternity	Socio-Economically Disadvantaged
Second Adult Rebate			Negative (low)	Negative (low)			Negative (low)
Backdating	Negative (low)		Negative (high)		Negative (low)	Negative (low)	Negative (high)
Minimum Payment	Negative (high)		Negative (high)			Negative (high)	Negative (high)
Capital Limit							Negative (high)