



**Council Tax Reduction
Exceptional Hardship
Policy**

01 April 2021 to 31

March 2022

1. Background

1.1 An Exceptional Hardship Policy has been created by Tunbridge Wells Borough Council to assist residents who have applied for Council Tax reduction and who are facing 'exceptional hardship'. This is to provide further assistance where the level of support being provided by the Council does not meet their full Council Tax liability.

1.2 The main features on the policy are as follows:

- The operation of the policy will be at the total discretion of the Council;
- The policy will be applied by the Head of Revenues and Benefits on behalf of the Council;
- Exceptional hardship falls within s13(A)(1a) of the Local Government Finance Act 1992 and forms part of the Council Tax Reduction Scheme;
- Exceptional Hardship awards will only be available for a Council Tax liability from 1 April 2021 onwards and will not be available for any debt other than outstanding Council Tax;
- A pre-requisite to receive an award is that an application for Council Tax Reduction has been made;
- 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 and will only be backdated to the start of the financial year in which the claim is made;
- Exceptional Hardship awards are designed as short-term help to the applicant only; and
- All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so may mean that no payment will be made.

2. Exceptional Hardship and Equalities

2.1 The creation of an Exceptional Hardship Policy facility meets the Council's obligations under the Equality Act 2010.

2.2 The Council recognises the impact changes to our Council Tax Reduction Scheme will have on our most vulnerable residents and therefore the importance this policy has in protecting those applicants most in need from exceptional hardship. It should be noted that an Exceptional Hardship Policy is intended to help in cases of extreme financial hardship and not support a lifestyle or lifestyle choices.

3. Purpose of this Policy

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

3.2 All applicants will be treated fairly, but applications from single women with dependents, lone female households, and carer households may be looked on more favourably to mitigate the disproportionate negative impact the income banded scheme changes has had on these groups.

4. The Exceptional Hardship Process

4.1 As part of the process of applying for an Exceptional Hardship payment, all applicants must be willing to undertake all of the following:

- Make a separate application for assistance
- Provide full details of their income and expenditure, together with last 3 months bank statements
- Where a person is self employed or a director of a private limited company, provide details of the business including the supply of business accounts
- Accept assistance from either the Council or third parties (such as the Citizens Advice Bureau and Money Advice Service) to enable them to manage their finances more effectively – including the termination of non essential expenditure and seeking additional paid employment where possible
- Identify potential changes in payment methods and arrangements to assist them;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted
- Maximise income through the application for other welfare benefits, cancellation of non essential contracts and outgoings and by identifying the most economical tariffs for the supply of utilities and services

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 the time, whilst the applicant seeks alternative solutions
- Help applicants through personal crises and difficult events that affect their finances
- Help those applicants who are trying to help themselves financially
- Encourage applicants to contact the Job Centre Plus to obtain and sustain employment

4.3 An Exceptional Hardship award will not be considered in the following circumstances:

- Where the full Council Tax liability is being met by Council Tax Reduction
- For any 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 all reasonable steps to reduce them
- To pay for any arrears of Council Tax caused through a failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly
- To cover previous years' Council Tax arrears

5. Exceptional Hardship Award

- 5.1 The Council will decide whether or not to make an Exceptional Hardship 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 Exceptional Hardship process
 - The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner, 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
 - All income received by the applicant, their partner and any member of their household irrespective of whether the income may have been disregarded under the Council Tax Reduction scheme
 - Any savings, capital or investments that might be held or available to the applicant, their partner or any member of the household irrespective of whether the capital may have been disregarded under the Council Tax Reduction scheme
 - 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 or not the applicant is a single female with dependent children, a lone female, or a carer, as these groups are shown to have been disproportionately negatively affected by the introduction of the income banded scheme.
- 5.3 The above list is not exhaustive and other relevant factors and special circumstances may be considered.
- 5.4 An award of Exceptional Hardship 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 Exceptional Hardship award may be less than the difference between the Council Tax liability and the amount of Council Tax Reduction paid if it is deemed that the applicant could meet part of the remaining liability from their own resources.
- 5.6 The application may be refused if the Council feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the requirements of the Exceptional Hardship policy.

6. Publicity

- 6.1 The Council will promote the availability of the scheme through:
- Website
 - Social media
 - Signposting within Council Tax/Council Tax Reduction correspondence

- Local advice agencies

7. Claiming an Exceptional Hardship Award

- 7.1 An application must be made using the form approved by the Council. The application form can be obtained by emailing the Council or printing a copy from the website.
- 7.2 Applicants can get assistance with the completion of the form from the Revenues and Benefits Service, Customer Services at the Council or advice agencies.
- 7.3 The application form must be fully completed and supporting information and evidence provided, as reasonably requested by the Council.
- 7.4 The claim should be made by the person claiming the Council Tax Reduction. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

8. Changes in circumstances

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

9. Duties of the applicant and the applicant's household

- 9.1 A person claiming an Exceptional Hardship 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 (such as changes in income, moving from the property) that may be relevant to their ongoing claim within 21 days of the change

10. The award and duration of an Exceptional Hardship award

- 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 maximum length of the award will be limited to the financial year in which the claim is received.

11. Payment

- 11.1 Any Exceptional Hardship award will be made direct onto the taxpayer's Council Tax account, thereby reducing the amount of Council Tax payable.

12. Overpaid Exceptional Hardship Payments

- 12.1 Should the claimant notify a change of circumstances or the Council receives new

information that reduces the need for the exceptional hardship payment an overpayment will be raised.

- 12.2 Any amounts to be recovered will be added back on to the applicant's Council Tax account, thus increasing the amount of Council Tax due. An amended bill will be issued.

13. Notification of an award

- 13.1 The Council will notify the applicant of the outcome of their application for an Exceptional Hardship award in writing/email, setting out the period and amount of award or reasons for refusal.

14. Appeals

- 14.1 Exceptional Hardship awards are granted under S13A (1a) of the Local Government Finance Act 1992 as part of the Council Tax Reduction scheme. As such the appeals process follows the same route. An appeal can be made at any time. The initial appeal should be made directly to the Council who will review their decision. If agreement cannot be reached the applicant will have a right of further appeal to the Valuation Tribunal.

15. Fraud

- 15.1 The Council is committed to protecting public funds by ensuring awards are only made to applicants who are rightfully eligible to them.
- 15.2 An applicant who tries to fraudulently claim an Exceptional Hardship 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, the matter will be investigated and where appropriate criminal proceedings instigated.

16. Complaints

- 16.1 The Council's complaint's procedure will be applied in the event of any complaint received about the application of this policy. However, it will not deal with a complaint about the decision itself as there is a separate appeals process for this.

17. Policy Review

- 17.1 This policy will be reviewed on an annual basis and updated as appropriate to ensure it remains fit for purpose. However, a review may take place sooner should there be any significant change in legislation.