



BURNLEY BOROUGH COUNCIL

Exceptional Hardship Payments

Council Tax Support

1. Background

- 1.1 The Council has made provision to assist applicants for Council Tax Support (CTS) who are facing exceptional financial hardship. This will be known as Exceptional Hardship Payments (EHPs). The fund has been created to provide further assistance where an applicant is in receipt of CTS which does not meet their full Council Tax liability.
- 1.2 The Council is aware of its duties and powers in relation to section 13A of the Local Government Finance Act 1992 (as amended). These regulations allow billing authorities the discretion to award a reduction in Council Tax in individual cases.
- 1.3 EHP is a cash limited fund which will be made available to all persons liable to pay Council Tax, whether of working age or pension age, and in receipt of CTS within the local authority area from 1st April 2013.
- 1.4 EHPs are not payments of CTS. A payment from the EHP fund is not, and should not be considered as, a way around any current or future entitlement restrictions set out within the CTS policy. It is a discretionary scheme so there are no rigid rules.
- 1.5 EHPs are only intended as short term assistance and should not be considered as a way of reducing Council Tax liability indefinitely
- 1.6 All applications for EHPs will be treated on their own individual merits and all claimants will receive equal and fair treatment regarding accessibility to the fund and the decisions made

2. Definition of Hardship

- 2.1 The Council recognises the importance of protecting its most vulnerable claimants with regard to the effects of the introduction of the CTS scheme. This policy has been created to ensure that a level of protection and support is available to those claimants most in need.
- 2.2 Hardship can arise in many EXCEPTIONAL circumstances – many include but are not limited to:-
 - Multiple and complex issues facing the claimant and his/her household;
 - A reduction in income due to illness suffered by the liable person;
 - The death of a partner or dependant;
 - Sudden increases in other expenses due to a family member's illness or incapacity;
 - Where other financial support mechanisms have been exhausted.
- 2.3 The Council will consider all relevant circumstances and resources. For example, it may not be appropriate to attempt to alleviate hardship through the award of financial assistance where advice and assistance in accessing other additional available support may be of greater benefit.

3. Factors to be taken into account in determining hardship

3.1 The Council will consider the full circumstances before deciding whether or not to award an EHP. The Council will be looking for something out of the ordinary that makes it very difficult for the claimant to pay their Council Tax.

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

- The shortfall between CTS and the Council Tax liability;
- The difficulty experienced by the claimant which prevents them from being able to meet their Council Tax liability and the length of time this difficulty will exist;
- The financial and medical circumstances (including ill health and disabilities) of the claimant, their partner and any other members of their household, including dependants;
- The income and expenditure of the claimant, their partner and any other members of their household, including any dependants;
- Whether the claimant has applied for all sources of income available to them;
- The savings or capital held by the claimant or their family;
- The level of debt of the claimant and their family and if the claimant has sought advice from a debt adviser to try to alleviate the situation;
- The exceptional nature of the claimant and their family's circumstances;
- Temporary hardship and difficulties when coming off long-term benefits during a move into work;
- The amount available in the EHP fund at the time of the application.

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

4. What an EHP does not cover

4.1 EHPs cannot be awarded in the following circumstances:

- To help towards any rent;
- Where full Council Tax liability is being met by CTS;
- Where the Council Tax liability is nil as a result of any other discount or exemption;
- To reduce a CTS overpayment caused through the failure of the customer to promptly notify the Council of any changes which affected their claim or where the claimant has failed to act correctly or honestly;
- To cover previous years' Council Tax arrears;
- For any other reason other than to reduce Council Tax liability.

5. Who can apply for an EHP?

5.1 Anyone who is liable to pay Council Tax at a property and who is in receipt of CTS at that property can apply for an EHP. However, claims will also be accepted from someone acting for the customer such as an appointee, carer, or advocate.

6. Who cannot apply for an EHP?

- Anyone not liable to pay Council Tax on a property for which CTS is payable;
- Landlords of properties where the tenant is liable;
- Landlords if liable to pay Council Tax (for example, the landlord of a house in multiple occupation);
- Estate agents/managing agents on behalf of a landlord;
- Friends/relatives of the liable person (unless acting as an appointee or under a power of attorney);
- Lodgers or other residents who are not liable to pay Council Tax;
- Support agencies (unless acting as an appointee or under a power of attorney).

7. How to apply for an EHP

- 7.1 A claimant must complete and return to the Council a properly completed EHP application form and any evidence requested within the application form. Forms are available online at www.burnley.gov.uk and at Contact Burnley.
- 7.2 Claimants will be expected to provide evidence in support of their application within one month of submitting their application or the application may be made ineligible.

8. Applications from joint and severally liable parties

- 8.1 Where joint and several liability arises through two persons living as partners, then either party or both may apply for an EHP payment on behalf of each other.
- 8.2 Where joint and several liability arises through equal interest, for example a joint tenancy, each party must make a separate application. Awards will be made based upon a proportionate share of the liability.

9. Subsequent and Multiple Applications

- 9.1 Claimants may make subsequent applications once their award has expired or if their circumstances change or worsen if they have been previously refused.
- 9.2 EHPs are intended as short-term assistance and the claimant will be expected to have made clear attempts to improve their financial circumstances during the course of any award.
- 9.3 Awards will normally be paid only once.

10. Period of award

- 10.1 The start date of an award will be the Monday after the written claim for an EHP is received by the Benefits Service.
- 10.2 An EHP award will not usually exceed 26 weeks.

11. Backdating

11.1 Any reasonable request for backdating an award of an EHP will be considered but such consideration will be limited to:

- The current financial year; and
- Will not be granted for a period exceeding 3 months prior to the date of the original request.

12. Amount of award

12.1 The amount of each award will be determined on an individual basis dependant on circumstances but will not exceed 100% of the new council tax liability once any exemptions or discounts have been applied.

13. Method of payment

13.1 The reduction in liability will be applied to the person's Council Tax account and a revised bill will be issued. This award will not be given to the claimant as a sum of money and no cash alternative is available.

14. Change of circumstances

14.1 The claimant must inform the Council about any changes in their circumstances that might affect their claim for EHP.

15. Overpaid Exceptional Hardship Payments

15.1 Overpaid EHP payments will generally be recovered directly from the Council Tax account, therefore increasing the amount of Council Tax due and payable.

16. Notifications

16.1 The Council aims to inform the claimant, in writing, of the outcome of their application within one calendar month of receipt of all the information requested.

16.2 Where the application is successful, the letter will include:

- The amount of EHP awarded;
- The period of the award;
- When the award will be paid;
- The requirement to report changes in circumstances;
- What the claimant can do if they do not agree with the award;
- Details of where the claimant can obtain independent financial advice.

16.3 Where the application is not successful the letter will include:

- The reasons for refusing the application;
- What the claimant can do if they do not agree with the decision;
- Details of where the claimant can obtain independent financial advice.

17. Appeals

- 17.1 This is a discretionary scheme. EHPs are not part of CTS and the claimant does not have the statutory right to appeal to the Valuation Tribunal Service to change the decision.
- 17.2 However, a claimant can request that the decision is reviewed. To do this, the claimant must write to the Council, within one month of the original decision, stating why they disagree with it. The request for a review will be considered within one month and the claimant will be informed, in writing, of the outcome. This decision will be final

18. Fraud

- 18.1 Burnley Borough Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim an EHP by providing a false statement or provides false evidence in support of their application may have committed an offence under the Fraud Act 2006.
- 18.2 Where it is alleged, or the authority suspects, that such a fraud may have been committed, the matter will be investigated and, if fraud is found to have occurred, action will be taken, including the recovery of overpaid monies and, if appropriate, criminal proceedings.