

Council Tax Support Scheme Exceptional Hardship Scheme

Overview and Scrutiny Panel **26 January 2017**

Cabinet **31 January 2017**

Council **23 February 2017**

Report Author **Mandie Kerry, Income Manager EK Services**

Portfolio Holder **Councillor Townend, Cabinet Member Financial Services & Estates**

Status **For Decision**

Classification: **Unrestricted**

Key Decision **No**

Ward: **All**

Executive Summary:

The 2017 Council Tax Support Scheme was approved by Council on 1 December 2016. An Exceptional Hardship Scheme has been proposed by EK Services (Annex 1), under delegated authority and in partnership with Thanet District Council, to assist persons who have applied for Council Tax Support and who are facing 'exceptional hardship'. This is to provide a further financial contribution where an applicant is in receipt of Council Tax Support but the level of support being paid by the Council does not meet their full Council Tax liability. The Exceptional Hardship Scheme is intended to help in cases of extreme, intolerable levels of financial hardship.

Recommendation(s):

1. It is recommended that the Cabinet/Council approve the Scheme.

CORPORATE IMPLICATIONS

Financial and Value for Money	Stringent rules and criteria apply to any application for assistance. Any cost will be charged to the Collection Fund. It is extremely difficult to estimate the likely cost, as it depends on the number and value of successful applications.
Legal	Exceptional Hardship awards are granted under S13A (1) (c) and 13A (6) of the Local Government Finance Act 1992 and is part of the Council Tax Support scheme, as such the normal Council Tax appeal process applies and an appeal can be made at any time. Following an appeal to the Council, who will review the decision, it can be given further consideration by the independent Valuation Tribunal for England (VTE) under section 16 (1) (b) of the Local Government Finance Act 1992.

	The Council has a duty to provide assistance in accordance with Section 13A of the Local Government Finance Act 1992, which was inserted by the Local Government Act 1992. The Collection Fund (Council Tax Reductions) (England) Directions 2013 replaced the 2003 Directions to ensure only discretionary discounts under section 13A(1)(c) of the new section 13A of the Local Government Finance Act 1992 will continue to be borne by the billing authority.								
Corporate	Failure to approve the Scheme will affect persons who would otherwise qualify for assistance.								
Equalities Act 2010 & Public Sector Equality Duty	<p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.</p> <table border="1"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td></td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td></td> </tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td></td> </tr> </table> <p>The Equalities Impact assessment is attached as Annex 2 of this report.</p>	Please indicate which aim is relevant to the report.		Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,		Advance equality of opportunity between people who share a protected characteristic and people who do not share it		Foster good relations between people who share a protected characteristic and people who do not share it.	
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CORPORATE PRIORITIES (tick those relevant)✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	✓

CORPORATE VALUES (tick those relevant)✓	
Delivering value for money	✓
Supporting the Workforce	
Promoting open communications	

1.0 Introduction and Background

- 1.1 The council is required to provide financial assistance to the most vulnerable residents, who have been disproportionately affected by the changes made in 2017 to the Council Tax Support Scheme. Council on 1 December 2016 agreed to introduce an Exceptional Hardship Scheme in April 2017 in order to provide a safety net for customers experiencing extreme difficulty paying their council tax.
- 1.2 It is recognised that the changes to the revised Council Tax Support Scheme will have an impact on our most vulnerable residents. This policy therefore has an

essential role in protecting from exceptional hardship those applicants most in need. It should be noted that an Exceptional Hardship Scheme is intended to help in cases of extreme financial hardship following a qualifying application to ensure that there are no other options to pay the council tax and that an income and expenditure form has been completed to ensure that there is no non-essential spending that can be diverted to the account.

- 1.3 East Kent Services (EKS) will manage the process and the applications. A dedicated officer will review applications to ensure that all other avenues to reduce the liability have been taken in respect of discounts, and that all entitlements to other benefits have been completed. This is to protect unnecessary expenditure. Any applications paid will be as a last resort and all applications will be scrutinised to confirm that they meet the qualifying criteria.

2.0 The Current Situation

- 2.1 There is no current scheme available for the residents to apply for assistance as a result of changes to Council Tax Support: this will be a new scheme. Details of the scheme are set out in Annex 1; an Equalities Impact Assessment is included at Annex 2.

3.0 Options

- 3.1 Council has previously agreed to introduce an Exceptional Hardship Scheme. Council could choose to reverse that decision, however there was a strong case made for such a scheme to help the most adversely affected residents and went some way to addressing the equality duty.

4.0 Next Steps

- 4.1 Approve the Exceptional Hardship Scheme as set out in Annex 1 and implement it from April 2017.

Contact Officer:	Mandie Kerry, Income Manager
Reporting to:	Tim Willis, Director of Corporate Resources

Annex List

Annex 1	Exceptional Hardship Scheme
Annex 2	Equalities Impact Assessment

Background Papers

Title	Details of where to access copy
Council Tax Support Scheme, Council 1 December 2016	

Corporate Consultation

Finance	Ken Trotter, Interim Head of Finance
Legal	Tim Howes, Director of Corporate Governance