



MALDON DISTRICT
COUNCIL

Exceptional Hardship Fund for Council Tax Support Framework for Decision Making

1.0 Introduction and Background

1.1 The Exceptional Hardship Fund (EHF) is a local scheme introduced from 1 April 2013 and intended to provide additional financial help to residents on low incomes claiming Council Tax Support. An award made from the EHF will be referred to as an Exceptional Hardship Payment (EHP).

1.2 An EHP is extra money that we can pay in addition to an award of Council Tax Support (CTS) if it is considered that the customer needs extra help. The main principles of the scheme are outlined below:

- EHF is intended to provide some additional help to those customers who are suffering from severe or exceptional circumstances. It is not intended to compensate working age customers who receive less financial support just as a result of the CTS Scheme;
- An award is to address short-term need only and should not be considered as a long-term solution to a customer's circumstances;
- The scheme is discretionary; therefore, the customer has no statutory right to a payment;
- All applications must be treated on their own merit, having regard to the priorities set out in this framework;
- The scheme is administered by Maldon District Council;
- The level of payment will be decided by the Council and administered via the Council Tax Support system;
- Payment from the EHF is not an award of CTS and as such is not subject to the statutory appeals mechanisms. We do have a review process further information can be found in the Reviews section of this policy;
- We have the right to amend, suspend or cancel a EHF when necessary or appropriate;
- Total amount payable in any financial year is cash limited and therefore applications cannot be progressed once the funding is fully allocated within that financial year;
- All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so will inevitably mean that no payment will be made.

2.0 Purpose of the EHF

2.1 The purpose of the fund is to:

- Prevent homelessness;
- Alleviate poverty;
- Safeguard residents in their home;
- Help customers through personal crises, severe or exceptional circumstances and difficult life events such as death, family illness;
- Assisting customers where they or their family members are sick or disabled;
- Other reasons or circumstances not listed above where they are considered to be exceptional or severe.

3.0 How to claim

3.1 The main elements of claiming are as follows:

- We encourage electronic claims to be submitted wherever possible;
- The link to the electronic claim form is on our website in the 'Making an Application' section of the Do it online page. The claim must contain sufficient evidence/information to enable the local authority to get a balanced view of the claimant's situation and circumstances.
- A paper version of the form is available on request. The EHP application form requests the following information:
 - Reasons why financial assistance is required;

- A declaration that the information given is correct
- Authorisation for us to verify information given
- A declaration that the customer will repay any overpayment

3.2 If additional evidence is required and requested, this must be provided within one month of the request date.

3.3 As part of the process of applying for additional support from the Exceptional Hardship Fund, 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;
- Accept assistance from either the Council or third parties such as the CAB or similar organisations to enable them to manage their finances more effectively including the termination of non-essential expenditure;
- Identify potential changes in payment methods and arrangements to assist the applicant;
- Assist the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted; and
- Maximise their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.

3.4 In addition a pre-requisite to receive a payment from the Fund is that an amount of Council Tax Support **must be in payment** for any day that an EHF payment is requested.

4.0 Who can make a claim for an EHP

4.1 We will accept claims from:

- Customers;
- Anyone acting on the customer's behalf such as an appointee, a relative or social worker and other support/advice agencies such the Council's Housing Options Team, Citizens Advice Bureau, other recognised support agency.

4.2 The claimant must be aware that an application for an EHP is being made on their behalf.

5.0 Who can claim?

5.1 Customers can be considered for an EHP if:

- they are already receiving some Council Tax Support (CTS);
- **and** they get less than the maximum CTS allowed under the scheme;
- **and** need further financial assistance with their Council Tax.

6.0 What an EHP cannot cover

6.1 An award of EHP cannot be paid in the following circumstances:

- Deductions for the recovery of Council Tax arrears or Council Tax Support overpayments;
- Reduction in any benefit as a result of Jobseeker's sanctions, Child Support Agency sanctions or sanctions following benefit related offences;
- Council Tax Support that is suspended;
- Due to hardship caused by previous proven fraudulent activity

7.0 Priority for award of EHP

7.1 The fund is cash limited, meaning that we are not able to make an award to all customers in receipt of support. Consequently, whilst claims from *any* customer will be considered, we have identified vulnerable customers whose claims will be given priority.

- Those at risk of homelessness;
- Where the customer or members of their dependant family are sick or disabled and who are entitled to a disability premium; and
- Where the household includes any children under 5 years old.

8.0 Guidelines for consideration

8.1 The following guidelines should be used to assess each case. The list is not exhaustive but will give a starting point to ensure consistent and transparent decision making.

- Is the customer claiming all of the benefits that they are entitled to?
- Is there danger of eviction and homelessness?
- Are there any social or health problems currently being faced by the customer and/or their family that could cause them extra financial costs?
- Does the customer or his dependant family have any income that is disregarded under the CTS? Is it reasonable to use that disregarded income to meet the shortfall?
- Does the customer or his dependant family have any savings or capital?
- Has the customer provided a budget statement showing his income and outgoings?
- Is there evidence to show that the customers' financial situation has been caused by or worsened by non-priority expenditure?
- Does the customer have any priority debts; these include Rent, Mortgage, fuel bills, arrears of maintenance, unpaid Income tax or VAT, and Television licence.
- What is likely to happen to the family if an EHP is not awarded?
- Are there any other fund/funding schemes available via Benevolent funds or charitable organisations that would be appropriate to use instead of an EHP.
- Is it reasonable to award an EHP having regard to the amount of unallocated budget in the EHF?

8.2 The Council will not make any allowance for the following:

- Any loss resulting from the claimant's failure or delay in claiming any income to which they are entitled;
- Any debt arising from overpayment/arrears of Council Tax;
- Any debt, which, in the opinion of the Council arises from the financial imprudence of the claimant including proven fraud.

9.0 Decision

9.1 We will write to the customer advising them of the decision. The notification will contain the following information:

Award Made

- Period of the EHP award;
- Weekly amount of EHP;
- The customers right to ask for a review/appeal of the award and the time and manner of doing so; and
- The right of the Council to amend suspend or cancel a EHP when deemed necessary or appropriate.

Application Refused

- Reason for refusal; and
- The right of the customer to ask for a review/appeal of the award and the time and manner of doing so.

10.0 Start dates

10.1 The start date of the EHF payment will normally be from the Monday following the date the written request was received. If a claim is received at the same time as a CTS claim the start date of the EHF can be matched to the start of CTS award.

11.0 Length of award

11.1 When considering an EHP claim it should be taken into account that the EHP scheme should in most cases be seen as a short-term emergency fund. Customers must be made aware that they must seek advice with regard to their housing needs and ways to manage financially in the long term. EHPs cannot be paid indefinitely.

12.0 Payments

12.1 An award of EHP will be paid directly into the customer's Council Tax account.

13.0 Change in circumstance

13.1 Customers must report immediately, in writing, any change in circumstance that might affect the amount of EHP they get. Examples of these changes include:

- If they change address;
- If they leave their home temporarily;
- If their income changes;
- If the household make up changes.

14.0 Fraud and overpayments

14.1 The Council is committed to protect public funds and ensure funds are awarded to the people who are rightfully eligible to them.

14.2 An applicant who tries to fraudulently claim an EHP 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.

14.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

14.4 We may seek recovery of an overpaid EHP in certain circumstances:

- Misrepresentation or failure to disclose a material fact, fraudulently or otherwise;
- An error made when the claim was determined.

15.0 Reviews

15.1 Customers can request a review of EHP decisions. They must do this in writing within one month of the date they are notified of the decision. The customer (or appointee) must sign the review request letter. Late requests will be only considered where the Council is satisfied that there

were good reasons for the delay.

- 15.2 If a review is requested regarding the decision this will be looked at by a Senior Officer who was not involved in the original decision. The customer will be notified of the outcome of the review within 14 days.
- 15.3 Following the review the customer can submit an appeal if he remains dissatisfied with the outcome of the review. The appeal will be dealt with by a Lead Specialist, and that decision will be final. The customer will be notified of the outcome of the appeal within 14 days.
- 15.4 Once the review has been completed, the officer will write to the customer informing them of the decision within one week.
- 15.5 The customer has no further right of review against this decision. However, applicants may still seek a Judicial Review of the Authority's decision.