1. Summary

1.1 This is a Key Decision as it is significant in terms of its effects on communities living or working in an area of the Borough comprising two or more wards.

1.2 This report presents the Exceptional Hardship Policy for Member approval, to be introduced alongside the changes proposed to the Council Tax Reduction Scheme.

2. RECOMMENDATIONS

To Cabinet

2.1 That Cabinet approve the following resolution to the General Assembly of the Council.

To the General Assembly of the Council

2.2 That the Exceptional Hardship Policy shown at Appendix A be approved and adopted alongside the changes proposed to the Council Tax Reduction Scheme.

3. Background and Discussion

3.1. At the Cabinet meeting on 27 October 2016, Members recommended to the General Assembly of the Council a number of changes to the Council Tax Reduction Scheme. One of these changes was the need for a fund to be set up to assist those claimants under the scheme most at risk and considered the most vulnerable.

3.2. It is therefore proposed to set up an Exceptional Hardship Scheme within the Council Tax Reduction Scheme, similar to the Discretionary Housing Payment (DHP) fund for Housing Benefit. The Exceptional Hardship Scheme will allow limited ability to grant additional financial support to claimants facing exceptional hardship, in line with the Exceptional Hardship Policy at Appendix A. The details of how the Scheme will be applied will be determined by the Strategic Director (Internal Services) in consultation with the Leader of the Council and will be reported back to Cabinet.

3.3. The prime objective of the fund is to:-

- Assist claimants to meet their council tax liability in full (bearing in mind that the Council Tax Reduction Scheme is designed to provide support for the majority of the council tax liability, subject to income and circumstances);
CABINET
8 DECEMBER 2016

- Prevent exceptional financial hardship;
- Reduce potential ‘write-offs’ of council tax.

3.4. It is proposed that the fund be built into the overall Council Tax Reduction Scheme, but be limited to an agreed amount (similar in nature to the current DHP scheme for Housing Benefit). The level of funding has still to be agreed but discussions are progressing with the major preceptors to this effect. This fund would be facilitated through the Collection Fund and therefore will not be a General Fund cost.

4. Relationship to the Corporate Plan

Not applicable

5. Financial, legal, staffing and other implications and risk assessments

| Financial Implications | The size of the fund has yet to be determined but will be facilitated through the Collection Fund rather than being a General Fund cost. This means that only around 11% of the cost of any payments would be met by the Council with the majority of the cost borne by the major preceptors.

The exceptional hardship fund will form part of the Council Tax Reduction Scheme. The proposed changes to this scheme will result in additional council tax income to the Council which will more than cover the cost of any payments to the Council from the exceptional hardship fund. |
|------------------------|----------------------------------------------------------------------------------|

<table>
<thead>
<tr>
<th>Legal Implications</th>
<th>The Council Tax Reduction Scheme is governed by the Local Government Finance Act 2012.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Sector Equality Duty</td>
<td>A Customer Access Review was undertaken as part of the Cabinet report on 27 October 2016.</td>
</tr>
<tr>
<td>Crime and Disorder Duty</td>
<td>There are no Crime and Disorder implications.</td>
</tr>
<tr>
<td>Staffing Implications</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Administrative Implications</td>
<td>An application form will be available for completion by anyone wishing to access the fund. This will collate information regarding the income and expenditure of the household to determine whether the claimant is in genuine need of additional financial support or whether other welfare benefits could be applied for, non-essential contracts and outgoings could be cancelled or whether more economical tariffs could be identified for utilities and other services</td>
</tr>
</tbody>
</table>
to reduce the claimant’s outgoings.

| Risk Assessment | A robust application process will ensure that support is directed to those most in need. |

6. **Details of Exempt Information Category**

   Not applicable

7. **Appendices**

   Appendix A – Exceptional Hardship Policy

**BACKGROUND PAPERS**

<table>
<thead>
<tr>
<th>Documents consulted</th>
<th>Date / File Ref</th>
<th>Report Author</th>
<th>Section and Directorate</th>
<th>Exempt Information Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarah Martin</td>
<td>(01322) 343402</td>
<td>Internal</td>
<td>Services</td>
<td>N/A</td>
</tr>
</tbody>
</table>