

POLICY AND RESOURCES COMMITTEE

15th February 2017

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Council Tax Exceptional Hardship Policy

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Sheila Coburn, Head of Revenues & Benefits (interim)
Lead Officer and Report Author	Sheila Coburn, Head of Revenues & Benefits (interim)
Classification	Public
Wards affected	All

This report makes the following recommendations to this Committee:

1. That the Committee approves the Council Tax Exceptional Hardship Policy attached at Appendix I.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all -
- Securing a successful economy for Maidstone Borough -

Timetable

Meeting	Date
Policy and Resources Committee	15 th February 2017

Council Tax Exceptional Hardship Policy

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Policy and Resources Committee considered future arrangements for Maidstone Borough Council's Council Tax Reduction Scheme in October and November 2016. Amongst other things the Committee agreed to introduce a scheme to help applicants suffering exceptional hardship.
 - 1.2 Section 13A of the Local Government Finance Act 1992 provides the Borough with the discretion to reduce or remit Council Tax for those who could be considered to be suffering hardship.
 - 1.3 The attached policy sets out the Council's proposed approach in making such awards.
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2. INTRODUCTION AND BACKGROUND

- 2.1 An exceptional Hardship Policy has been created to assist residents who have applied for Council Tax reduction and who are facing 'exceptional hardship'. This is to provide further assistance where a resident is in receipt of Council Tax Reduction but the level of support being paid by the Council does not meet their full Council Tax Liability.
 - 2.2 The main features of the proposed policy are as follows:
 - Exceptional Hardship falls within s13(A)(1a) of the Local Government Finance Act 1992 and forms part of the Council Tax Reduction Scheme;
 - The operation of the policy will be at the total discretion of the Council;
 - Exceptional Hardship awards are designed as short-term help;
 - All applicants will be expected to engage with the Council, undertake the full application process and take positive steps to help themselves.
 - 2.3 It is recommended that the award of an exceptional hardship payment is primarily based on consideration of the applicant's ability to pay, with the following factors considered.
 - The shortfall between Council Tax Reduction and Council Tax liability
 - Personal circumstances such as age and medical circumstances
 - The difficulty preventing the applicant from paying their Council Tax
 - Income, expenditure and any savings or capital
 - Other debts outstanding.
 - 2.4 An annual budget of £25,000 is proposed for the scheme. If it appears at any point during the course of the year that the budget may be overspent, the Head of Revenues and Benefits will discuss with the S 151 Officer how the Council can continue to fulfil its obligations under the policy.
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3. AVAILABLE OPTIONS

- 3.1 The Committee is requested to approve the policy for the award of exceptional hardship payments in order to promote a transparent and consistent process.
 - 3.2 Should the Committee decide not to adopt a policy for decision making, cases will be considered on a case by case basis.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Committee is recommended to approve the policy in order to promote a transparent and consistent process.
 - 4.2 The adoption of a policy for awards will also assist the Council in defending any decision at appeal through the Valuation Tribunal (which adjudicates on council tax disputes, including discretionary decisions) who will have regard to whether any decision is in accordance with such policy.
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Council consulted on the Council Tax Reduction Scheme to be implemented for 2017/2018, which included the option (option 13) to introduce a scheme for Exceptional Hardship Payments.
 - 5.2 The results from the consultation showed strong support with 75% of respondents supporting the introduction of such a scheme.
 - 5.3 Kent County Council have been consulted and their comments built into the drafting of the policy.
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The Council will promote the availability of the scheme through:
 - The Gateway/Maidstone Link
 - Website
 - Signposting within Council Tax correspondence
 - Front line advisors
 - Local advice agencies
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Keeping Maidstone Borough an attractive place for all - Securing a successful economy for Maidstone Borough -	Sheila Coburn, Head of Revenues and Benefits (interim)
Risk Management	No impact.	Sheila Coburn, Head of Revenues and Benefits (interim)
Financial	The cost of exceptional Hardship awards will be shared between MBC, KCC, Kent Police and Kent fire and Rescue in line with the Council Tax precept. A budget of £25,000 is proposed for the scheme representing a cost to MBC of £3,750.	Section 151 Officer & Finance Team
Staffing	No impact.	Sheila Coburn, Head of Revenues and Benefits (interim)
Legal	Exceptional Hardship falls within s13(A)(1a) of the Local Government Finance Act 1992. The explanation of the rules is set out in the body of the report.	Interim Head of Legal Partnership
Equality Impact Needs Assessment	The introduction of an Exceptional Hardship Scheme helps to mitigate the risk of any adverse impact on people with protected characteristics.	[Policy & Information Manager]
Environmental/Sustainable Development	No impact	Sheila Coburn, Head of Revenues and Benefits (interim)
Community Safety	No impact	Sheila Coburn, Head of Revenues

		and Benefits (interim)
Human Rights Act	No impact	Sheila Coburn, Head of Revenues and Benefits (interim)
Procurement	No impact	Sheila Coburn, Head of Revenues and Benefits (interim)
Asset Management	No impact	Sheila Coburn, Head of Revenues and Benefits (interim)

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix I: Council Tax Exceptional Hardship Scheme

9. BACKGROUND PAPERS

None.