



2025-2026

Exceptional Hardship Fund “EHF”

Enhanced EHF Award Criteria

EHF

A customer **does not have a statutory right to a payment or award of EHF.**

EHF is a separate scheme to that of the Statutory Housing Benefit Scheme (HB), Local Council Tax Support Scheme (LCTS) and Council Tax Reduction (CTR).

Exceptional Hardship Fund (EHF)

Background

From the 1st of April 2013 the Council Tax Benefit Scheme operated by all local authorities was withdrawn for working age applicants and replaced by a “Local Council Tax Scheme” (LCTS). Each local authority has designed and consulted upon a scheme that came into being from the 1st of April 2013.

The scheme for the 2025/26 year for “working age applicants” can be viewed on the “Council’s Website”. The scheme for the working age has been renamed as **Council Tax Reduction (CTR)**.

From April 2025/26, the Council Tax Reduction Scheme has had an income band increase across all income bands and is on the Council’s website.

Within the CTR scheme an Exceptional Hardship Fund (EHF) to assist those working age applicants most at risk and considered to be the most vulnerable continues to be available and has been enhanced. The EHF scheme also applies to pension age council taxpayers.

The EHF scheme allows authorities to grant additional support within legislative and budgetary constraints to claimants deemed to be most at risk and considered most vulnerable. The scheme also needs to be flexible and adapt to changes within the economic climate of the borough.

Additional support can be given, Under Section 13.1a Council Tax Support, it relates to help towards the Council Tax liability of the customer for the financial year 2024/2025. Application for this support should be sent to the Revenue Manager.

Objective of the EHF

The aim is to.

- Assist claimants of CTR (working age) to meet their Council Tax liability.
- Assist claimants of LCTS (pension age) to meet their Council Tax liability.
- Assist council taxpayers (universal credit) to meet their Council Tax liability, and to prevent exceptional hardship where possible and/or reduce financial hardship.
- Assist council taxpayers to meet their Council Tax liability, and to prevent exceptional hardship where possible and/or reduce financial hardship.
- Reduce potential write offs of Council Tax.
- To utilise other Council Tax legislation to assist Council Taxpayers, where exceptional hardship is proven. Through requesting assistance using section **13.1 a.** (Revenues Team)

Application

The customer will be invited to complete the on-line application via the Council's website. If required customers can arrange an appointment for assistance in completing and submitting the EHF/DHP form. The customer will be informed within the application form of the evidence that will be required; the evidence is required to enable the officers to determine if help through the scheme is appropriate. Information on how to provide evidence to the Local Authority can be obtained either from the **Council's First Contact Team** or by e-mailing the benefit team at **Benefits@castlepoint.gov.uk**

If the customer wishing to claim this support has no access to claiming online or is not able to undertake this task assistance will be provided, as above.

It is not the intention of the EHF to just pay additional levels of support to Council Taxpayers, as this will be seen to be enhancing the CTR/LCTS scheme, but to aid and assist the most impoverished and vulnerable families of the borough, and to help with financial stability moving forward.

Additional Application Information

The customer can apply if he/she considers they require additional support above that already awarded if they qualify for CTR (working age) or Local Council Tax Support Scheme (pension age).

The customer can apply if he/she can show that even if they do not qualify for the CTR or LCTS support due to the schemes qualifying criteria, they have exceptional circumstances that could be worsened, both financially and personally by having to pay their full Council Tax Liability.

If the applicant has already made and received an award of “EHF” in the current financial year, he/she may submit a further application. This will be considered under the normal application process. There is no limit to the number of EHF applications that can be submitted, however the reason for multiple application will be investigated and where there are other options open to the customer, they will be advised in writing.

There is no guarantee of an award of EHF.....

Important guidance on Claiming EHF

- A claim for an EHF should be made on-line on the claim form approved by the Council (***The form used is the Discretionary Housing Payment/Exceptional Hardship Fund Form, which is online***).
- A request for an EHF can be made initially in writing, verbally or electronically.
- The Council will advise the applicant in the way in which application should be made.
- All applications for an EHF must be made by the Council Tax liable person requiring assistance due to exceptional circumstances, or a third party on their behalf.
- In the case of a married, unmarried couple or civil partnership the claim will be made jointly.
- The Council will request evidence in support of an application.
- The Council will make such requests in writing, verbally or electronically. The applicant should provide the evidence where possible within ten working days and not longer than one calendar month from the date of request.

- If the applicant does not provide the required evidence, within a reasonable amount of time, the application will be treated as **withdrawn**. As a guide ten working days would seem a reasonable amount of time, though consideration will be given to the fact that some customers are vulnerable and may need longer or require help getting the information additional time will be considered.
- The Council may in any circumstances verify any information or evidence provided by the claimant(s) by contacting third parties, other organisations, and the claimant(s).
- As part of the application process the authority and claimant will be required.
 - Assist with claim form completion.
 - Signpost customer to financial organisation that help with debt management and support (non-fee paying).
 - Identify potential changes in payment methods and arrangements to assist the taxpayer.
 - Minimise council tax liability by ensuring that all discounts, exemptions, and reductions are granted.
 - Recommend to the applicant that a payment plan should be set up with the Council Tax Recovery Team, this plan will be monitored once commenced. Any failure to adhere to the plan **may result in the EHF decision being reviewed**.
 - Maximising income through the application for other welfare benefits.

Enhanced EHF for Applicants with high levels of Council Tax Debt

Within the EHF scheme it has been determined there is need for a “Enhanced EHF” above the normal average award, these cases are where the Council Tax debt is more than £3000 for multiple years.

The criteria for the enhanced EHF will follow the normal evidence requirement of the standard EHF with the following additional requirements as required:-

1. Payment arrangements in place with other debtors where applicable.
2. Completion of an income and expenditure proforma.
3. Evidence where available of the factors both financial and personal that have resulted in the multiple year debt position.

4. Evidence of any agreed plan provided by a third party to improve the financial situation of the applicant.
5. Applicant shall agree a repayment plan with the Council Tax Recovery Team. Failure to adhere to the payment plan may result in the Enhanced EHF being withdrawn.

The applicant will be able to receive an EHF and Enhanced EHF, providing the debts are for different Council Tax liability years.

There is no cap on the EHF award, however with the likely higher values relating to the Enhanced EHF the cap for the award will be set at 70%, for multiple year debts, for Working Age taxpayers and 80% for Pension Age taxpayers. The cap will be annually reviewed to take into account the economic climate of the borough, the impact on the customer of the economy and the level of Council Tax Debt recovery action.

Decision Process

The decision maker will request all relevant information.

- To recommend that the claim for EHF be accepted or refused.
- Consider alternative Council Tax Legislation to assist Council Taxpayers, where hardship is proven.
- If accepted, the period of payment and the level of the award.
- The effect on the authority's budget will be reported.
- Reasons for the decision will be documented and scanned into the authorities' workflow system.

See below under “**Notification of Decision** “

Period of award

The Council will determine the level of the award and the relevant financial year the award should be allocated against. If there are criteria linked to the award please see below.

An award will not exceed the council tax liability.

The Council may set agreed criteria for an award in some cases, where the claimant is required to undertake specific actions, such as:

- Any savings or capital that might be held by the applicant or their family or could be made available to the applicant or their family.
- Any assets that may be realised.
- The availability and any steps taken by the claimant(s) to obtain extra income or to reduce expenditure of the applicant or their family.
- A reduction in the level of indebtedness of the applicant(s) and their family.
- Submitting a claim for LCTS or CTR if not done so previously.

The authority will be required to be aware of the impact any award will have on the Council's budgets and its ability to make further awards within the financial year.

The impact the non-award of an EHF will have on the applicant.

Notification of decision

The authority will put in writing the decision to award or refuse the request. Setting out where applicable the amount of the award, the period covered and the revised outstanding Council Tax amount.

A new amended Council Tax Bill will be issued.

The claimant should be reminded within the notification of their duties and responsibility to advise the local authority of any changes in their family or financial circumstances.

Appeal rights

There are no statutory appeal rights regarding a non-award of EHF, however the claimant can request a review by the authority into the reasons for the original decision and can also provide additional information that may alter the original decision.

However, if additional information is provided the claimant may be required to explain why the information was not submitted at the time of the original application.

EHF Review

The monitoring and review process come under two headings.

To monitor the expenditure of EHF against the allocated budget within the designated financial year.

To review EHF claims as required and where it's part of the award decision process.

As part of the Review process at the end of the financial year, it will at the authorities' discretion to award a further EHF payment to a customer without a claim if the circumstances are such that the family and/or financial circumstances cannot be improved.

It will be down to the discretion of the authority to invite application at the start of the financial year to customers in receipt of EHF in the previous year.

Overpaid Support "EHF"

Where there is an amount of overpaid EHF, the authority will determine the recovery action to be taken.

Fraud

The Council is committed to the fight against fraud in all its forms. Any applicant who tries to fraudulently claim by falsely declaring their circumstances, providing a false statement or evidence in support of their application, will have committed an offence.

N D Bale

Benefit and Compliance Manager

2025/26