



EK SERVICES POLICIES AND PROCEDURES

COUNCIL TAX EXCEPTIONAL HARDSHIP AND DISCRETIONARY REDUCTION SCHEME 2026/27

**Working in partnership with Canterbury City Council,
Dover District Council and Thanet District Council.**

Canterbury City Council, Dover District Council and Thanet District Council have entered into a shared service agreement to allow joint working in the Customer Services, , Benefits, Council Tax and Business Rates sections.

Where 'EK Services' and 'EKS' are mentioned this refers to the shared service between Canterbury City Council, Dover District Council and Thanet District Council.

Where references are made to 'EK Services Officers' these services are now being delivered by PartnershipOne Ltd. PartnershipOne Ltd provides benefit services, income collection services, council tax and business rates administration and collection services, and customer contact services to the council. PartnershipOne Ltd is controlled by, and works in partnership with, the three councils.

1.0 Background

1.1 An Exceptional Hardship and Discretionary Reduction Policy has been developed by EK Services, and approved by Canterbury City Council, Dover District Council and Thanet District Council, to assist persons who may need additional support beyond Council Tax Support (CTS) and who are facing 'exceptional hardship'. This is to provide a reduction in Council Tax liability. An applicant can be in receipt of CTS or not. Support will be considered under Section 13A of the Local Government Finance Act 1992 as follows;

- Section 13A (1) (a) – where the applicant is in receipt of CTS. This is called 'exceptional hardship'

Section 13A (1) (c) – in any other case. This is called 'discretionary reduction'.

We recognise the importance of protecting our most vulnerable customers. This policy is to ensure that we protect and support those most in need. The Exceptional Hardship and Discretionary Reduction Scheme is intended to help in cases of exceptional financial hardship.

1.2 The main features of the policy are as follows:

- The operation of the Scheme will be at the total discretion of the Council;
- The policy will be applied by EK Services on behalf of the Council;
- Exceptional Hardship falls within s13(A)(1a) of the Local Government Finance Act 1992 and forms part of the CTS scheme;
- Exceptional Hardship reductions will only be available for a Council Tax liability for the current financial year and will not be available for any other debt other than the current financial year's outstanding Council Tax; Exceptional Hardship must have been proven to have existed throughout the whole of the period requested and will only be backdated to the start of the financial year in which the application is made;
- A pre-requisite to receive a reduction is that an application for Council Tax Support has been made;
- Exceptional Hardship reductions are designed as short-term help to the applicant only and will only be made for up to one financial year at a time;
- Discretionary Reduction falls within s13A (1) (c) of the Local Government Finance Act 1992 and is not part of the CTS scheme.
- All applicants will be expected to engage with the Council and undertake the full application process. Failure to do so may mean that no reduction will be made.
- Throughout this scheme the term 'reduction' is used to mean a reduction in council tax liability, through either or both parts of s13A

2.0 Equalities

2.1 The creation of an Exceptional Hardship and Discretionary Reduction Scheme meets the Council's obligations under the Equality Act 2010.

2.2 The Council recognises the impact that life changes can have on our most vulnerable residents. This policy therefore has an essential role in providing a safety net for those applicants most in need.

3.0 Purpose of this policy

3.1 The purpose of this policy document is to specify how EK Services will operate the scheme, to detail the application process, and indicate a number of factors which will be considered when deciding if a council tax reduction can be made.

3.2 Each case will be treated on its own merits and all applicants will be treated fairly and equally.

4.0 The Exceptional Hardship application – the applicant ‘commitment’

4.1 As part of the process of applying for additional support, applicants must be willing to undertake all of the following:

- Make a separate application for a reduction under the Scheme. Where a joint Council Tax bill has been issued, the application must be made in joint names;
- Provide full details of their income and expenditure;
- Where a person is self-employed or a director of a private limited company, provide details of their business including supplying business accounts;
- Engage with and accept assistance from or third party debt advice agencies, and the council, to enable them to manage their finances more effectively - including the termination of non-essential expenditure and assessment of the potential for additional paid employment where applicable;
- Identify potential changes in payment methods and arrangements to assist them;
- 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 by identifying the most economical tariffs for the supply of utilities and services generally.

4.2 Through the operation of this policy the Council will look to assist those in exceptional financial hardship by:

- Allowing a short period of time for someone to adjust to unforeseen short-term circumstances and to enable them to “bridge the gap” during this time, whilst the applicant seeks alternative solutions;
- Helping applicants through personal crises and difficult events that affect their finances;
- Helping those applicants who are trying to help themselves financially; and
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- Encouraging applicants to engage with Jobcentre Plus to obtain and sustain employment.

4.3 An Exceptional Hardship reduction will not be considered in the following circumstances:

- Where the full Council Tax liability is being met by Council Tax Support;
- Where the request for assistance is made for any other reason, other than to reduce Council Tax liability;
- Where the Council considers that there are unnecessary expenses/debts etc. and that the applicant has not taken reasonable steps to reduce them;
- Where the request covers arrears of Council Tax caused through the failure of the applicant to notify changes in circumstances in a timely manner or where the applicant has failed to act correctly or honestly;
- Where the request is to cover previous years’ Council Tax arrears;

- Where the applicant(s) is considered to have access to other assets that could be used to pay the Council Tax; or
- The applicant has not tried all other reasonable means to address the shortfall before making this application.

5.0 The award of an Exceptional Hardship Reduction

5.1 The Council will decide whether or not to make an Exceptional Hardship reduction, and how much any reduction might be. When making this decision the Council will consider:

- The shortfall between CTS and Council Tax liability;
- Whether the applicant has engaged with the Exceptional Hardship process;
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the applicant, their partner, any dependants and any other occupants of the applicant's home;
- The difficulty experienced by the applicant, which prohibits them from being able to meet their Council Tax liability, and the length of time this difficulty will exist;
- The income and expenditure of the applicant, their partner and any dependants or other occupants of the applicant's home;
- All income received by the applicant, their partner and any member of their household irrespective of whether the income may be disregarded under the CTS scheme;
- Any savings or capital that might be held by the applicant, their partner and any member of their household irrespective of whether the capital may be disregarded under the CTS scheme;
- Other debts outstanding for the applicant and their partner;
- The exceptional nature of the applicant's and/or their family's circumstances that impact on finances, and
- The financial circumstances of the customer at the time the Council Tax charge or arrears accrued.

The above list is not exhaustive and other relevant factors and special circumstances may be considered.

5.2 An award of Exceptional Hardship reduction does not guarantee that a further reduction will be made at a later date, even if the applicant's circumstances have not changed.

5.3 An Exceptional Hardship reduction may be less than the difference between the Council Tax liability and the amount of CTS paid. The application may be refused if the authority feels that, in its opinion, the applicant is not suffering 'exceptional hardship' or where the applicant has failed to comply with the Exceptional Hardship process.

6.0 Exceptional Hardship Reduction – application process

6.1 An applicant must make a claim for an Exceptional Hardship award by submitting an application to the Council. The application form is available on the Council's website.

6.2 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by the Council.

6.3 In most cases the person who claims the Exceptional Hardship award will be the person entitled to Council Tax Support. However, a claim can be accepted from someone acting on another's behalf, such as an appointee, if it is considered reasonable.

7.0 Changes in circumstances

7.1 The Council may revise an award of Exceptional Hardship where the applicant's circumstances have changed which either increases or reduces their CTS entitlement.

8.0 Duties of the applicant and the applicant's household

8.1 A person claiming an Exceptional Hardship payment is required to:

- Provide the Council with such information as it may require to make a decision; and
- Tell the Council of any changes in circumstances that may be relevant to their ongoing claim within 21 days of the change

9.0 The award and duration of an Exceptional Hardship Reduction

9.1 Both the amount and the duration of the reduction are determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of the claim.

9.2 The start date and duration of any reduction will be determined by the Council. The maximum length of the award will be limited to the financial year in which the claim is received.

9.3 In all cases an exceptional hardship award will end in the following circumstances:

- At the end of the financial year or a time specified by the Council;
- The liability to pay ends.
- The property becomes empty or unoccupied
- The customer enters any form of bankruptcy proceedings
- The customer's financial circumstances change. The customer must inform the Council of any changes to their circumstances within 21 days

10.0 Payment

10.1 Any Exceptional Hardship and /or Discretionary reduction will be made direct onto the taxpayer's Council Tax account, thereby reducing the amount of Council Tax payable.

11.0 Overpaid Exceptional Hardship Reductions

11.1 Exceptional Hardship reductions allowed in excess of entitlement will generally be recovered directly from the applicant's council tax account, thus increasing the amount of council tax due and payable.

12.0 Discretionary Reduction applications – the process

12.1 Applications must be made in writing to the council setting out the reasons for the application including any relevant personal and financial circumstances.

12.2 Applicants must provide all information and evidence that the council may require in order to make a decision on the application. This may include the completion of an income and expenditure breakdown.

12.3 The application must also include the amount of reduction being requested and the period of time it relates to.

13.0 Matters that will be considered in the decision-making process

13.1 All applications will be considered on an individual basis and decisions will be made in accordance with this policy. EK Services will consider the following before awarding any reduction;

- The customer must demonstrate in their application that they have taken all reasonable steps to resolve their own situation prior to making application;
- Whether there is an entitlement to Council Tax Support under the Council Tax Reduction Scheme;
- All other discounts/reliefs have been awarded to the customer where there is entitlement;
- Where appropriate, any entitlement to Discretionary Housing Payments;
- The customer does not have access to other assets that could be used to pay the Council Tax;
- The financial circumstances of the customer at the time the Council Tax charge or arrears accrued;
- If the customer's Council Tax account is in arrears for previous financial years, EK Services must be satisfied that non-payment was not due to refusing to make payment or not prioritising the payment of Council Tax.

13.2 There must be clear evidence of hardship or personal circumstance that justifies a reduction in Council Tax liability. This will ordinarily be for a short period of time and not on an ongoing basis.

13.3 EK Services will consider applications within 21 days of the application and all supporting information being received and will notify the customer should there be a delay in processing the application

13.4 EK Services will notify the applicant of the decision in writing and where less than the maximum reduction amount or the reduction is refused, an explanation of the reasons why will be given.

13.5 EK Services will not consider applications to reduce Council Tax liability where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

13.6 To ensure there is a fair and consistent approach to the award of Section 13A(1)(c) reduction, all applications will be considered within the guidelines of this policy and a written record will be kept on file of the decisions and factors considered in the process. The decision will be available free of charge to the applicant on request.

14.0 Period of Section 13(A)(1)(c) reduction

14.1 EK Services will normally only award Section 13A(1)(c) reduction retrospectively. However, where the applicant can show that the circumstances will remain the same for a period up to the end of the current financial year, a reduction may be awarded for the remainder of the year.

14.2 In all cases a Section 13A(1)(c) reduction will end in the following circumstances;

- At the end of a financial year;
- A change of liable person;
- The property becomes empty or unoccupied;
- The customer enters any form of Insolvency proceedings;
- The customer's financial circumstances change. The customer must inform EK Services if their circumstances change.

15.0 Decisions on applications

15.1 In the interests of efficient administration the authority to make decisions on applications is as follows:

Financial Thresholds	Position of Authority	Counter Authority
Up to £2,000	Council Tax Officer	Council Tax Team Leader
£2,001 to £6,000	Council Tax Team Leader	Revenues & Benefits Operational Manager
Over £6,000	Revenues & Benefits Operational Manager to make recommendation to the Head of Revenues & Benefits to approve application	Head of Revenues & Benefits

15.2 The amount of reduction awarded remains entirely at the discretion of the council. Reductions will take into account the amount of any CTS and other council tax exemptions and discounts that have been applied, or may be applied.

15.3 The council reserves the right to refuse to award a reduction in cases where the applicant does not provide required information/evidence, or otherwise does not engage with the application process

16.0 Notification of an award

16.1 The Council will notify the resident of the outcome of their application for an Exceptional Hardship or Discretionary Relief reduction either by letter or email. The decision will be notified to the applicant within 21 days of the council receiving the application and all required supporting information/evidence.

17.0 Appeals

17.1 Exceptional Hardship reductions and Discretionary Relief reductions are granted under S13A(1a) and S13A (1) (c) of the Local Government Finance Act 1992 respectively. Appeals must be made within one calendar month of the date of the original decision.

17.2 The initial appeal must be made in writing to the Council who will review the original decision. The appeal must clearly set out the grounds for appeal along with any new information or evidence the council has not already considered.

17.3 The council will notify the appellant of the decision within 21 days of receiving the appeal and all supporting information.

17.4 Ultimately any decision can be considered independently by the Valuation Tribunal Service: www.valuationtribunal.gov.uk

18.0 Fraud

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

18.2 An applicant who tries to fraudulently claim an Exceptional Hardship and/or Discretionary reduction by falsely declaring their circumstances, and/or providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

18.3 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.

19.0 Complaints

19.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about the application of this scheme.

20.0 Publicity

20.1 The Council will make a copy of this scheme available for inspection on the Council's website.

21.0 Scheme Review

21.1 This scheme will be reviewed on an annual basis and updated as appropriate to ensure it remains fit for purpose. However, a review may take place sooner should there be any significant changes in legislation.

Version control

Version	Date of review	Details of any changes	Authorisation
V1	March 2021	Policy creation	n/a
V2	March 2022	No changes	n/a
V3	March 2023	No changes	n/a
V4	March 2024	No changes	n/a
V5	February 2025	Updated to reflect PartnershipOne Ltd	Presentational change - no policy changes that require S151 authorisation
V6	February 2026	No changes	n/a

