

Executive Member Decision Part A – For Officer Completion

Date 02.03.23

Part i

Purpose of Decision

To approve the policy for distributing the Council Tax Support Funding provided by Government to support low-income households with payment of their council tax liability for 2023-24.

Request Officer

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Executive Member

Councillor Richard Keeling

Executive Member for Corporate Services

Progress

- 1 First Draft - 24.02.23
- 2 Consultation – 24.02.23
- 3 Discussion with Executive Member – Date 06.02.23
- 4 Initial local member/Chair(s) O&S consulted - Date 02.03.23
- 5 MO-S151 Consulted – 02.03.23
- 6 Check - any objections from 4 & 5 – Date 02.03.23
- 7 Executive Member approve for Consultation 02.03.23

Democratic Services

- 8 All Councillors consulted - Date 02.03.23
- 9 Call in completed - Date 09.03.2023
- 10 Originating Officer advised 09.03.2023
- 11 Placed on Web 09.03.2023
- 12 Signed copy filed

1. Proposed Decision

- 1.1 To reduce the council tax liability of all households in receipt of council tax reduction for the financial year 2023-24 by an amount of (up to) £40.00 (£25.00 mandatory and £15.00 discretionary) and for any surplus funds, estimated to be in the region of £10,000 to be distributed in accordance with the Council's Discretionary Discount and Exceptional Hardship policy.

2. Background

- 2.1 On 23rd December 2022 the Government announced £100 million of additional funding for local authorities to support the most vulnerable households in England. This funding will allow councils to deliver additional support to the 3.8 million households already receiving council tax reduction, by way of a further reduction in council tax liability.
- 2.2 The government expects that billing authorities will use their grant allocation to fund further reductions in the council tax liability of up to £25 for individuals receiving Council Tax Reduction who still have an outstanding council tax liability. Where the outstanding liability is less than £25 a discount equivalent to the amount outstanding will be awarded. Where the outstanding liability is zero no discount will be given.
- 2.3 There is also a discretionary element to this scheme whereby for any unspent monies, councils can establish their own local approach to helping economically vulnerable households with council tax bills.
- 2.4 Teignbridge's funding allocation is £244,335. Funding must be used within the 2023-24 financial year and councils are encouraged to review their discretionary scheme throughout the year to ensure that expenditure remains within the allocation.
- 2.5 The Government does not expect that households receiving Council Tax Reduction to make a separate claim for a reduction under this scheme. The billing authority should assess who is eligible and automatically apply the discount.
- 2.6 The Government expects that this discount is reflected in the council tax bills at the commencement of the 2023-24 financial year. It is for billing authorities to decide how to treat households that become eligible for Council Tax Reduction during the financial year.
- 2.7 The Government guidance for this scheme is available here:
[Council Tax Support Fund guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/council-tax-support-fund)
- 2.8 The Revenue and Benefit Service has recently been issued with the software to enable the scheme to be administered and this has sufficient functionality to make a 'bulk' award during the annual billing process, due to commence shortly, plus a facility to make individual awards throughout the 2023-24 financial year for new CTR claims and those whose CTR entitlement reduces from 100% resulting in a council tax liability for the first time during the 2023-24 year.
- 2.9 We currently have 4,420 CTR claimants with potential for a further 1,440 cases during the financial year. We intend to award the mandatory discount of (up to) £25.00 to each of the 4,420 cases, with a discretionary top up of (up to) £15.00 (maximum £40 total). The same amount will be awarded to the estimated 1,440 claimants expected during the financial year. This will leave approximately

£10,000 in the pot which can be distributed via our Discretionary Discount and Exceptional Hardship policy. This approach is similar to that taken by a number of other councils within Devon, although top-up amounts will vary according to funding.

3. Main Implications *could include Risk Management, Finance, Legal Impact*

Finance – The scheme is fully funded by Government, so there is no cost to the Council. Spend throughout the year will be monitored to ensure we do not exceed the funding. The Government has committed to providing new burdens funding to meet reasonable costs of administering this scheme.

Equality impacts – An Equality Impact Assessment has been carried out and there are no equality concerns arising from this policy.

Legal - The funding will be delivered using the Council's discretionary powers under s13A(1)(c) Local Government Finance Act 1992.

4. Alternative Options

This is a government-led, government-funded scheme and funding is intended to provide a reduction in council tax bills for vulnerable households. The Government's expectation is that awards will be made automatically rather than by application so the proposed approach aligns with this.

We could instead invite applications for support but this would not align with Government expectation and there is limited administrative capacity within the service to administer a significant application process and would delay distribution.

It is worth noting that we are already finding it challenging to spend our Household Support Fund Allocation due to lack of applications and therefore, to ensure the funding is fully spent and the maximum number of low income households can be supported an automated top up process is preferred with a small surplus potentially available for distribution via the Council's Discretionary Discount and Exceptional Hardship Policy

5. Justification

To ensure the government funding is distributed in accordance with Government intent and that the funding is fully spent within the prescribed timescales

Democratic Services

Decision No

Date of Implementation

Call in ?

Member Completion

I confirm the decision above

I agree with the justification above

I have no conflict of interest in making this decision having considered the provisions of the Teignbridge Code of Conduct

Signed

Date