BASSETLAW DISTRICT COUNCIL

DELEGATED OFFICER DECISION

Council Tax Discretionary Fund 2020/21

NB- Officers taking delegated decisions must ensure that they are fully conversant with the conditions applicable to the exercise of delegated powers by officers and in particular that the decisions are in accordance with the Council's policies, powers and financial regulations.

Details of such conditions are to be found in the Council’s Constitution and in cases of any doubt, advice must be sought from the Council’s Financial and/or Legal officers.

DELEGATED POWERS REFERENCE

The delegated responsibility is provided for in Key decision 380 considered by Cabinet in April 2014 which resolved that;

- The Council Tax discretionary Fund Policy be approved

- The fund for 2014/15 be set at £10,000 (and later increased by a member delegated decision to £25,000 in the same year and remained at this level for 2015/16)

- The delegated authority be given to the Chief Executive to agree the level of funding allocated for the Council Tax Discretionary Fund in future years.

IS THE DECISION CONFIDENTIAL?

No

SCHEDULE 12A - PUBLIC INTEREST TEST

Elaine Simmonds, Senior Revenues and Benefits Manager has determined that this report is not confidential.

OFFICERS ADVICE:

1. The Council Tax Reduction Scheme (CTR) has been running now for 7 years and members approve the scheme annually to commence on 1st April. Alongside the CTR scheme, the Council also adopted a Council Tax Discretionary Fund Policy (attached appendix 1). The Council Tax Discretionary Fund now has three functions:

   ➢ To provide a discretionary fund to assist the most vulnerable citizens with regard to any exceptional hardship, financial difficulties or circumstances they experience, which results in requiring additional, temporary support with their Council Tax.

   ➢ Provision of funding under section 13A(c) of the Local Government Finance Act (as amended) 2012 for discretionary reductions in Council Tax due, for example, where there is a successful tribunal appeal.

   ➢ To provide funding for the Council Tax Care Leavers Discount Scheme. This was agreed at Cabinet to continue for 2020/2.
2.1 The exceptional hardship fund is accessed through a claim form and each case is reviewed with recommendations being made by the Money Advice Team, who may be able to offer other support, at the same time.

2.2 Sometimes, Council Tax payers request discretion on the liability due or about a retrospective CTR change and, on review, it is considered that the liability may be reduced. Subject to the Section 151 Officer approval, these liability reductions are authorised from this fund.

2.3 The Council approved a discount scheme for Care Leavers, in conjunction with the County Council and other districts in Nottinghamshire. This too, is awarded from the discretionary fund under section 13A (c) of the Local Government Finance Act 1992 (amended 2012).

2.3 The expenditure, from the fund, is monitored quarterly and the fund itself reviewed annually. The fund currently stands at £35,000. The following tables show the extent at which the fund has been utilised up to Q3 of 2019/20 and the various sources of claims.

<table>
<thead>
<tr>
<th>Discretionary Hardship</th>
<th>£7081</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 13a(c) CTR reductions</td>
<td>£61</td>
</tr>
<tr>
<td>Care leavers (BDC contribution only)</td>
<td>£2852</td>
</tr>
<tr>
<td>Total awarded</td>
<td>£9994</td>
</tr>
</tbody>
</table>

2.4 Due to changes to the Council Tax Reduction Scheme to an Income- banded scheme from 1st April 2020, there are approximately 160 claimants who will no longer qualify for help under the scheme. We would like to use some of the funding to provide transitional help for those who will initially find it difficult to pay the difference in Council Tax, having lost CTR. This will be done on a phased in basis.

2.5 There is a risk that more people may struggle with their Council Tax contribution whilst waiting for new Universal Credit payments to be processed.

It is proposed that the fund is increased to £40,000 for 2020/21 in order the meet the anticipated demand. However, we will monitor the first six months, to estimate more accurately, the amount needed for the full year. Should further funds be required due to increased demand, a further request to the Chief Executive may be made. Any unspent funds by 31st March 2020 would remain in the collection fund.

2.5 This is a request for the proposed CTR discretionary fund to be set at £40,000 for 2020/21. This will continue to be monitored, in terms of the impact of welfare reform implementation during 2020/21.

**IMPLICATIONS:**

a) For Service Users

Service users will be able to continue to access short-term help at a time when they are experiencing exceptional financial hardship and are unable to meet the payments of Council Tax.
Members have agreed that the care leavers discount scheme will continue for another year, so all care leavers who meet the criteria will receive a discount up to 100% of their Council tax liability.

The fund also enables the Council to comply with section 13A (c) of the Local Government Finance Act. 1992 which allows a Council tax liability to be reduced (including to zero) in such exceptional circumstances, as the Local Authority sees fit.

b) Strategic & Policy

This would be a budget in respect of the Council Tax Discretionary Fund Policy 2020/21 and the Care Leavers Council Tax Local Discount Policy.

c) Financial – Fin. Ref: 20/625

A discretionary fund of £40,000 for 2020/21, if agreed, would not impact on the general fund as it is provided for within the collection fund.

d) Legal – Legal Ref: 354/03/2020

Delegated authority to the Chief Executive is provided by a Cabinet decision dated 1st April 2014. (Copy attached)

e) Human Resources

There are none.

f) Community Safety, Equal Opportunity & Environmental

The most vulnerable of our residents have access to appropriate help when they need it. The policy is transparent and does not throw up any equality issues.

OPTIONS CONSIDERED:

➢ There is an option not to set a budget for 2020/21 but we would be unable to authorise any further help with Council Tax payments, on the grounds of exceptional circumstances or hardship. This would not comply with the current policies. We would also not be able to reduce any Council Tax liabilities on other exceptional grounds including care leavers under section 13A (c) of the Local Government Finance Act.

➢ There is an option to keep the fund at £35,000 again, but this would not give scope to support those who have lost or reduced CTR due to the fundamental changes to the CTR scheme.

DECISION (With Reasons):

• To agree to set a budget for the Council Tax Discretionary Fund for 2020/21 of £40,000 effective from 1st April 2020.

• To monitor expenditure for the first six months to establish if this is set at the correct level.
• To temporarily allow awards when there is no longer entitlement to CTR as a result of the changes to the CTR scheme, for 2020/21 only.

BACKGROUND PAPERS:

Held within the Benefits service
Minute of cabinet April 2014 in respect of key decision 380
Council Tax Discretionary Fund Policy (attached at appendix A)

SIGNATURE OF DECISION MAKER

N. Taylor

DATE 12th March 2020

COPIES TO BE SENT TO:
Democratic Services Unit
Monitoring Officer
Section 151 Officer

Date received by Democratic Services Unit 12-3-2020

Decision Number 138-2019/20