

EXECUTIVE DECISION RECORD

REF No 279/21

A1 Service Area	Revenues, Benefits & Customer Contacts
A2 Title	Council Tax Hardship Fund Scheme review
A3 Decision Taken By	Cabinet/ Leader/ Deputy Leader/ Chief Officer <i>(please delete as appropriate)</i>
A4 Chief Officer	Please print name: Sal Khan Please sign name: Approval by email 090321
A5 Leader	Please print name: Councillor Duncan Goodfellow Please sign name: Approval by email 100321
A6 Date of Decision	10 th March 2021

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	NO
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	n/a

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to? *(Please tick as appropriate)* ✓

Scrutiny (Audit & Value for Money Council Services) Committee

Scrutiny (Community Regeneration, Environment and Health and Well Being) Committee ✓

B2 What are the reasons for the Decision?

To approve the recommendations shown in paragraph B2, following a review of the funding spent so far and estimated spend to the end of the financial year, arising from the implementation of the Council's Council Tax Hardship Fund scheme.

B3 What are the contributions to Corporate Priorities?

The Council Tax Hardship Fund was announced by Central Government in the March 2020 Budget as a response to the Covid-19 pandemic.

Each Local Authority has been allocated a share of the £500m fund to support economically vulnerable people and households in their area. The fund is intended for 2020/2021 only and the Council's allocation is £812,828. This funding is provided under Section 31 of the Local Government Finance Act 2003.

Central Government issued guidance in March 2020 stating they expected Councils to provide Council Tax relief alongside existing Council Tax Reduction schemes, using discretionary powers under S13A(1)(c) of the Local Government Finance Act 1992. In addition, Councils are expected to reduce the annual Council Tax bill for all working age Council Tax Reduction claimants. Claimants are not expected to apply for this reduction.

There are two requirements for the scheme:

- 1) £150 reduction in the annual Council Tax bill for 2020/2021; and
- 2) Where the net balance in the bill is less than £150, the balance should be reduced to nil.

Any unspent funding is for the Council to establish its own approach to using any remaining grant to assist those in need.

As at 30/11/2020 only 49.49% of the Council's allocation had been spent. It was agreed to increase the maximum reduction level from £150 to £200 and conduct a review of the scheme in Q4.

As at 26/02/2021 69.46% of the fund has been spent. Further calculations have been conducted to find the estimate increase in spend should the maximum level of Hardship Fund payments be increased from £200 to £300. The results of those calculations show a potential increase in spend of approximately £230k- £250k to the end of the financial year, subject to the scale of new claims and spend. Increasing the maximum payment from £150 to £300 it is estimated would utilise the fund (subject to variation in the level of new claims).

	<p>Subject to the extent of new claimants during the remainder of the year this could potentially leave some of the fund unspent. Any funding left unspent as at 31 March 2021 must be returned to Govt.</p> <p>Capita provides the software to the Council to enable awards to be made and it is proposed that Capita be approached for consultants to make changes to the maximum Hardship Fund award level.</p> <p>Recommendations:</p> <ol style="list-style-type: none"> 1) That the Hardship Fund payment for Working Age Council Tax Reduction claimants with a net balance for 2020-21 be increased from a maximum of £200 to £300. 2) Where the net balance in the bill is less than £300, the balance should be reduced to nil. 3) That Capita be approached to provide consultancy support to make changes to the maximum Hardship Fund award level.
<p>B4 What are the Human Rights considerations?</p>	<p>As this scheme is discretionary and the Council has a finite amount of funding to support vulnerable residents within the scope of the scheme, it contributes to the priority 'Environment and Health & Wellbeing'</p>
	<p>There are no Human Rights issues arising from this decision.</p>

Financial Implications

<p>B5 What are the financial implications?</p>	<p>The main financial issues arising from this decision are as follows:</p> <p>There is a finite amount of funding (£812,828) available to the Council. It has already been agreed that the Council will comply with the two requirements of the Fund set out in the Government's guidance relating to working age Council Tax Reduction claimants:</p> <ul style="list-style-type: none"> • £150 reduction in the annual Council Tax bill for 2020/2021; and • Where the net balance in the bill is less than £150, the balance should be reduced to nil. <p>At the previous review it was agreed to increase the maximum level of payment from £150 to £200. As at 26 February 2021 3,341 working age claimants have benefited from the fund and so far 69.46% of the fund has been spent.</p> <p>Following this final review it has been agreed to increase the maximum level again from £200 to £300, subject to the level of new claims it is anticipated that this should utilise the fund.</p> <p>Increasing the level of maximum payment for all working age claimants ensures fairness and transparency, whilst continuing to support financially vulnerable residents in East Staffordshire.</p> <p>The scheme is funded by the Government under Section 31 of the Local Government Finance Act 2003, but any awards in excess of the funding allocation would need to be met by the Council</p>
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Revenue	2020/21
<p>The Council has received £812,828 in relation to the Hardship Fund. Subject to the level of new claims for the remainder of the year, it is estimated that the proposed increase in maximum Council Tax Hardship Fund Payment from £200 to £300 will utilise the fund.</p>	<p>£812,828</p>

The finance section has been approved by the following member of the Financial Management Unit:

Please print name:
Lisa Turner, Chief Accountant

Please sign name: [Approval by email](#)
070321

Policy Framework

B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes
B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B6.2 Has it got the appropriate approvals under those provisions?	NA
B7 Is the Decision wholly in accordance with the Council's budget?	Yes
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B7.2 Has it got the appropriate approvals under those provisions?	NA

Equalities Implications

B8 What are the Equalities implications:

B8.1 Positive (Opportunities/Benefits):

The Council will continue to receive, and will actively encourage claims for Council Tax Reduction from Council Tax payers needing financial support to pay their Council Tax bills.

B8.2 Negative (Threats):

The Government expects working age claimants to be supported primarily. Therefore, pensioner claimants will not receive awards unless the Council decides otherwise in its reviews of the scheme.

B8.3 The subject of this decision is a policy, strategy, function or service that is new or being revised. An equality impact assessment is not required as it falls within the assessment under the Council's Council Tax Reduction scheme.

B8.4 The equality impact assessment identified the following actions to be carried out:

Is it a Health or Equality action?	Issue/impact identified	Recommendation/Action required	Lead officer and timescale	Resource allocation
Health	Health, mental health, wellbeing, indirect impacts from social, economic and environmental living conditions	Referral to relevant agencies for advice and guidance.	Sarah Richardson; ongoing	R, B, & CC staff

Risk Assessment

B9 What are the Risk Assessment implications:

B9.1 Positive (Opportunities/Benefits):

The Council has been seen to be supporting vulnerable Council Tax payers who are struggling with their payments due to the pandemic.

This final review of the scheme has allowed the Council to check that the funding has been fully utilised and the risk of our estimated increase in claimant numbers is being managed.

The impact to local Council Tax payers and the Council is low, as the scheme is fully funded by the Government.

B9 What are the Risk Assessment implications:

B9.2 Negative (Threats):

The number of new claims received during the rest of the financial year may exceed our estimate, however this is a relatively low risk.

B9.3 The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

Legal Considerations

B10 What are the Legal Considerations:

B10.1 The main legal issues arising from this decision are as follows:

Section 31 Local Government Finance Act 2003;
S13A(1)(c) of the Local Government Finance Act 1992.

This section has been approved by the following member of the Legal Team

Please print name:

Angela Wakefield, Solicitor to the Council, Monitoring Officer

Please sign name: [Approval by email 050321](#)

Sustainability Implications

B11 What are the Sustainability implications:N/A
B11.1 The proposal [would/would not] result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures). The positive/negative impacts are set out below (please refer to guidance notes).
B11.2 Positive (Opportunities/Benefits):
B11.3 Negative (Threats):

Health & Safety Implications

B12 What are the Health & Safety implications:
B12.1 A Risk Assessment has not been carried out and entered into Safety Media for all significant hazards and risks because there are no significant hazards or risks arising from this decision.
B12.2 Any financial implications to mitigate against these hazards and risks are considered above.
B12.3 [Control measures and an action plan have been identified for any significant hazards and risks identified in the risk assessment. The positive/negative impacts are set out below] NA
B12.3.1 Positive (Benefits)
B12.3.2 Negative (Threats)

Key Decision

B13 Is this a Key Decision? No

Note: A Key Executive Decision is one where:

- 1. REVENUE – Any contract or proposal with an annual payment or saving of more than £100,000**
- 2. CAPITAL – Any capital project with a value in excess of £150,000**
- 3. A decision which significantly affects communities living or working in an area comprising two or more wards.**

B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would <u>seriously</u> prejudice the public interest?	NA
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	NA

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk