

Council Tax Support Fund 2023-24

FOR DECISION

Cabinet Lead: Cllr Neill Bowdell

Key Decision: No

Report number: HBC/003/2023

1 Purpose

1.1 This paper is submitted to Cabinet for a decision on discretionary payments made under the Council Tax Support Fund 2023-24.

2 Recommendation

2.1 Members are requested to approve:

- a. The discretionary element of the Council Tax Support Fund 2023-24 be used to increase the limit of support for existing Local Council Tax Support claimants, from £25, up to a maximum of £50.
- b. To use any remaining funds to support new claimants, during the financial year 2023-24, on a first come, first served basis, with a limit of up to £50 support.
- c. That officers monitor and review the expenditure of the financial year 2023-24 discretionary fund in September 2023 and the Cabinet authorise the s151 Officer, in consultation with the Cabinet Lead for Finance, to distribute the remaining funds to Local Council Tax Support claimants as appropriate.

3 Executive Summary

3.1 The purpose of the Local Council Tax Support fund is to support economically vulnerable households within a Local Authority area with council tax payments.

3.2 Local authorities are already required to put in place Local Council Tax Support (LCTS) schemes to offer council tax reductions to those facing financial hardship.

3.3 To supplement local support, the government expects billing authorities to use their grant allocation to fund further reductions in the council tax liability of individuals receiving LCTS with an outstanding council tax liability, by up to £25. Local authorities are also able to use a proportion of their allocations to determine their own local approaches to supporting economically vulnerable households with council tax bills.

3.4 The discount applies to current LCTS claimants that have an outstanding council tax liability for the 2023-24 financial year. The Council will deliver this using their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.

3.5 Where a taxpayer's liability for 2023-24 is, following the application of council tax support, less than £25, then their liability would be reduced to nil. Where a taxpayer's liability for

2023-24 is nil, no reduction to the council tax bill will be available and those bills should not be credited.

- 3.6 There is no need for any recipient of LCTS to make a separate claim for a reduction under this scheme. The Council will assess who is eligible for support and automatically apply the discount.
- 3.7 Council tax reductions have been applied from the beginning of the 2023-24 financial year for existing LCTS recipients and discounts have been reflected in council tax bills issued in March. It is for the Council to decide how to treat households that become eligible for LCTS during the financial year.
- 3.8 Any assistance provided from the Council Tax Support Fund will not affect the eligibility of recipients for other benefits.
- 3.9 Havant Borough Council has received £221,354 from the Local Council Tax Support Fund and the mandated payments of up to £25 have been made to HBC's 3,263 current LCTS. The average payment being £24.25. Leaving a discretionary balance of £142,218.85.

Authority	Fund Value	Qualifiers	Mandatory Payment Value	% of Fund	Balance for Discretionary	Av Award
Havant	£221,354.00	3,263	£79,135.15	36%	£142,218.85	£24.25

- 3.10 We recommend the discretionary element be used to increase the up to limit from £25 to an up to limit of £50 for existing LCTS claimants. Holding the remaining for new claimants during the financial year 23-24. This will be reviewed at the six month point in September 2023. It is then proposed the Cabinet delegate to the S151 Officer in consultation with the Cabinet Lead for Finance, the decision on how best to distribute any remaining funds to LCTS claimants.

4 Additional Budgetary Implications

- 4.1 None

5 Background and relationship to Corporate Strategy and supporting strategies and policies

- 5.1 This Department for Levelling-Up and Housing & Communities (DLUHC) sponsored scheme is aligned with the Council's Wellbeing strategic theme. We will deliver support mechanisms/initiatives to help our residents such as the distribution of grant schemes. It may also be seen as enabling and delivering interventions to prevent homelessness and rough sleeping.

6 Options considered

- 6.1 There are limited options available to the council due to the detailed constraints of the scheme and the availability of technical resources.

- 6.2 The proposed approach uses a tried and tested system which minimises the administrative burden and costs, whilst ensuring those most vulnerable receive the support they need with their council tax.

7 Resource implications

7.1 Financial implications

- i. The scheme is self-funding and there are no financial implications on the Council.

Section 151 Officer comments

I am happy to support the recommendations in this report.

Given the options available, and weighing up the administrative burden of alternatives, the proposal is the fairest and most pragmatic solution.

The recommendation presents the best way to support those with the greatest need without resorting to additional means tested methods. It is also easy and practical to distribute.

The call on any remain balance of the fund will be treated with the same consideration of fairness and need for the residents of HBC.

7.2 Human resources implications

- i. There are no HR implications for the Council.

7.3 Information governance implications

- i. The proposed approach will operate within existing Information governance and GDPR protocols and policies.

7.4 Climate and environment implications

- i. There are no climate or environmental implications.

7.5 Other resources implications

- i. The proposed approach uses a tried and tested system which minimises other resource implications.

8 Legal implications

- 8.1 The above report has been subject to consultation with the Monitoring Officer and reflects her legal comments.

Monitoring Officer comments

The government have confirmed that they expect local authorities to administer the grant by using their discretionary relief powers under S13A (1) (c) of the Local Government Finance Act 1992. This allows the government to ask local authorities to implement the new relief without any new legislation.

9 Risks and mitigations

- 9.1 There is a risk that we will have unused delegated funds by March 2024. This will be mitigated through delegation of the decision to allocate any remaining funds to the S151 officer in consultation with the Cabinet lead for Finance.
- 9.2 There is a risk that the delegated funds will be spent before March 2024 and thus new LCTS claimants may not be supported by the fund. This is mitigated by holding back funds for new claimants and considering any such group in developing the Council's LCTS for financial year 24/25.

10 Consultation

- 10.1 Consultation has taken place between the Council and Capita Revenues and Benefits Team and South Oxfordshire and Vale of White Horse District Councils.

11 Communications

- 11.1 Those eligible do not have to apply, payment is made automatically through the existing LCTS mechanisms.
- 11.2 Details of the scheme will be published on the Council's website. Updates and sign posting will be provided through social media.

12 Appendices

- 12.1 There are no appendices

13 Background papers

- a. HBC Corporate Strategy 2022 – 2026
- b. DLUHC Council Tax Support Fund guidance

Agreed and signed off by:

Executive Head of Commercial: Chris Bradley - 10 May 2023

Monitoring Officer: Jo McIntosh – 25 May 2023

Section 151 Officer: Steven Pink – 23 May 2023

Contact officer:

Name: Chris Bradley

Job title: Executive Head of Commercial

Phone number: 07403 020 255

Email: chris.bradley@havant.gov.uk