



# Report to Cabinet

**Date: 30 April 2020**

**Title: Council Tax Hardship Fund**

*This decision is being taken under 'general exception'.*

**Relevant councillor(s): Katrina Wood**

**Author and/or contact officer: Andy Green/Richard Ambrose**

**Ward(s) affected: N/A**

**Recommendations:**

- 1. The Discretionary Policy set out in Appendix A is approved.**
- 2. Buckinghamshire Council uses its discretion to award up to an extra £150 Council Tax Reduction to working age claimants for 2020-21.**
- 3. Any remaining funds are retained for distribution to claimants experiencing hardship using Discretionary Award Payments Policy.**
- 4. The S.151, in consultation with the Leader and the Portfolio Holder for Resources, be authorised to make any technical scheme amendments to the Council's Discretionary Award Payments Policy to give effect to Recommendations 2 and 3.**

Reason for decision: £150 awards are in line with Government guidelines. It is sensible to review funds once the initial awards have been made. It is likely that new Council Tax Reduction (CTR) claims will be received during 2020/21 and some funds should be held to further support claimants that are not currently in receipt of CTR.

**Executive summary**

- 1.1 This report explains the Hardship Fund provided by the Government to help working age claimants with their Council Tax during the Covid-19 crisis.**

**Content of report**

- 2.1 Government guidance sets out the principles of the Council Tax Hardship fund. Buckinghamshire Council has been awarded £2.8m to fund this extra support to an**

estimated 13,000 working age claimants out of 22,000 claimants. The total number of Council Tax customers is 230,000 approx.

## Other options considered

- 3.1 Initial Hardship awards could be greater than £150.

## Legal and financial implications

- 4.1 This fund is to be awarded under S13A 1(c) Local Government Finance Act 1992

## Corporate implications

- 5.1 In line with Government guidance it is recommended that working age claimants receive a further reduction in their Council Tax bills for 2020-21 of up to £150 per claimant. A policy is set out in Appendix A. This is achieved by increasing the amount of Council Tax Reduction (CTR) awarded to this group of claimants. This action will not use the entire £2.8m budget (early estimates are that this is likely to account for approximately £1.6m) but will provide extra help to working age claimants quickly. Once these initial awards have been made there will need to be a further review of the budget to recommend the best way to allocate remaining funds.
- 5.2 It is important to note that software is required from its suppliers to implement the award (a national issue). Software companies have been working hard to implement the required software updates, as well as the other Government business rate initiatives. Buckinghamshire Council is unique in that we currently use software from all 3 of the major suppliers (other LA's use a single supplier) and software updates from each of these suppliers is needed in order to deliver a uniform and consistent solution to claimants. Softwares are expected this month and this will need thorough testing before the extra reductions can be made to the Council Tax accounts.
- 5.3 All affected customers will receive new bills that will confirm these extra awards have been made and we will also update the website to keep customers up to date with progress. Until these awards have been made no recovery actions will be undertaken.
- 5.4 During the immediate crisis officers are taking a sympathetic and pragmatic approach to customers in need of help. Customers are being asked to contact the Council if they are having difficulties in which case instalments can be re-profiled. Also customers can be signposted to local support organisations, such as CAB. Officers are in contact with CAB to pick up early changes in customer needs so that this can be incorporated in plans and actions as necessary. Currently customer needs are in line with expectations.

## Consultation and communication

- 6.1 A consultation was not applicable.
- 6.2 Communications via Website, direct contact with claimants and Corporate Covid-19 publications and briefings.

## Next steps and review

- 7.1 Hardship awards made on receipt of working software. Claimants will receive a revised Council Tax bill showing reduction.

## Background papers

None

## Your questions and views (for key decisions)

If you have any questions about the matters contained in this report please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by telephone 01296b382343 or email [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk).

