

REPORT OF Finance Manager & Section 151 Officer
To: Community and Resources Committee
Subject: Council Tax Hardship Support 2021/22
Date: 26th April 2021 **Reference:**

PURPOSE OF REPORT:

To seek member approval for the adoption of the Council Tax Hardship Support Covid-19 Policy.

1. Background

Members of Community and Resources on the 22nd March 2021 approved setting aside Central Government's 2021/22 Council Tax Hardship funding of £71,885 to fund a Council Tax Hardship Support Covid-19 scheme. Despite the financial pressure felt by some residents resulting from the pandemic the council tax collection rate for 2020-21 was 97.33%, a reduction of only 0.47% from the previous year.

The key points outlined in the report of the 22nd March 2021 were:

- The reduction in Council Tax Hardship grant funding received by Torridge from 2020-21 to 2021-22 (£419k to £72k) meant that an across the board reduction in the council tax liability of all recipients of working age Local Council Tax Support (LCTS) was not appropriate. The 2021/22 funding of £71,885 would only allow for reduction to the Council Tax liability for working age LCTS recipients of circa £30.
- 54% of LCTS recipients have not been impacted financially by the Covid-19 pandemic, as they are in receipt of disability related benefits and would largely, not be economically active. Consequently they would not generally suffer reduced income due to furlough/loss of employment.
- That the funding provided by Central Government in 2021/22 should be focused on those most economically impacted by the Covid-19 pandemic (e.g. being furloughed); and that by adopting this approach support could be:
 - Better focused on those most in need and
 - The support offered could be more substantive.

2. The Proposed Policy

The proposed policy is attached at Appendix 1; the key points are detailed below:

- The scheme will be in place for the financial year 2021/22 only
- Initially funding will be restricted to the £71,885 provided by Central Government, **but would be reassessed** in light of the Council's overall finances during 2021/22. Consequently the scheme may be ended prior to the close of 2021/22 depending on the volume of applications received.



- The scheme is limited to those of working age (below pension credit age, circa 66 years)
- The award of Council Tax Hardship Support (Covid-19) will be via an application process.
- Applicants do not need to be in receipt of working age LCTS to be eligible.
- Support will be restricted to Council Tax Liability pertaining to the financial years 2020/21 and 2021/22.
- The award of any Council Tax Hardship Support will be discretionary.
- The scheme would run along side the Council’s existing Council tax Hardship policy.

3. Implications

Legal Implications

n/a

Financial Implications

The financial implications are detailed within the report

Human Resources Implications

N/A

Sustainability Implications

N/A

Equality/Diversity

N/A

Risk Management

N/A

Leader Member Views

Councillor David Hurley “The Council recognises that some of its residents have been hit financially by the Covid-19 pandemic and seeks to provide support to this client group within the restraints of available finances.

By targeting the approach to those who are suffering financial hardship as a result of the pandemic, greater assistance can be provided than if the available funding was simply divided amongst all recipients of working age LCTS.

I therefore recommend members adopt the attached policy”



4. RECOMMENDATIONS

That members approve

- a) The adoption of the Council Tax Hardship Support (Covid 19) policy for the duration of the financial year 2021/22, or until funds are exhausted.

SUPPORTING INFORMATION

Consultations: Steve Hearse, Staci Dorey, Sean Kearney
Contact David Heyes
Officer:
Background
Papers:

