

**NORTH LINCOLNSHIRE COUNCIL
OFFICER DECISION NOTICE AND RECORD
(PUBLISHED)**


1. DECISION TAKEN

To approve a series of changes to council tax support in response to new government measures.

EXECUTIVE		NON-EXECUTIVE	X	(Please tick either)
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IS THIS A 'KEY DECISION' ? (see definition overleaf)		No
DOES THIS DECISION RELATE TO EXEMPT INFORMATION?		No
EXEMPT PARAGRAPH REFERENCE (NOT TO BE PUBLISHED)		

**2. OFFICER DECISION
TAKER**

NAME Becky McIntyre
POSITION/POST Director of Governance and Partnerships

SIGNATURE
DATE 01 April 2020

**3. REASONS FOR
THE DECISION
(Please ref to any
report/minute/background
documents attached)**

As set out in the 'Decision Making Report (Council Tax).

**4. ALTERNATIVE
OPTIONS CONSIDERED
AND REJECTED (BY
DECISION TAKER(S))**

No other options available as set out in the 'Decision Making Report (Council Tax) decision making report

*TO BE COMPLETED BELOW - **ONLY** WHEN A DELEGATED OFFICER DECISION REQUIRES PRIOR CONSULTATION WITH A MEMBER (LEADER OF THE COUNCIL, CABINET MEMBER/CHAIRMAN OF A COMMITTEE) IN ACCORDANCE WITH THE 'SCHEME OF DELEGATIONS TO OFFICERS' OR DECISION/MINUTE OF COUNCIL/COMMITTEE OR DECISION/MINUTE OF CABINET/CABINET MEMBER.*

**5. DECISION REQUIRED
TO BE TAKEN IN
CONSULTATION WITH
RELEVANT MEMBER**

Government requirement for the local authority to pay the additional support to eligible Council Tax Support recipients as soon as possible, in line with national criteria in early April 2020.

Relevant Cabinet Members have been updated on the required changes.

<p>6. ANY CONFLICT OF INTEREST DECLARED BY ANY EXECUTIVE (CABINET) MEMBER (S) CONSULTED, WHICH RELATES TO THE DECISION, OR (NON-EXECUTIVE) – ANY MEMBER OF THE COMMITTEE THAT DELEGATED THE DECISION TAKEN</p>	
<p>7. WITH REFERENCE TO 6. ABOVE - HAS ANY DISPENSATION BEEN GRANTED TO THE EXECUTIVE (CABINET) MEMBER? (ONLY APPLIES TO EXECUTIVE)</p>	

PLEASE REMEMBER TO ATTACH ANY ACCOMPANYING REPORT.

WHEN COMPLETE, PLEASE SEND TO SERVICE MANAGER: DEMOCRACY FOR PUBLISHING.

(The definitions of a key decision are when an **executive** decision is likely -

(i) to result in the Council incurring expenditure or the making of savings (including the receipt or loss of income) over £350,000 in any one financial year; or

(ii) to be significant in terms of its effect on communities living or working in an area comprising two or more wards or electoral divisions in the area of the local authority).

NORTH LINCOLNSHIRE COUNCIL

DIRECTOR OF GOVERNANCE AND PARTNERSHIPS

COVID19 & COUNCIL TAX SUPPORT

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1. To introduce and outline the Council Tax Support measures announced by government in response to the COVID-19 situation.
- 1.2. To set out a series of recommendations which support the implementation of the measures together with a proposed local response.

2. BACKGROUND INFORMATION

- 2.1 As part of the national response to the COVID-19 outbreak, the government has announced a series of measures to support households in receipt of Council Tax Support. This additional support has been made available over and above the support offered through locally agreed schemes.
- 2.2. Funding of £1.17m will be made available to the council in order to implement the changes. The government's strong expectation is that billing authorities will provide all recipients of working age local council tax support ('LCTS') during the financial year 2020-21 with a further reduction in their annual council tax bill of £150, using their discretionary powers to reduce the liability of council tax payers outside of their formal LCTS scheme design. In addition, billing authorities should establish their own local approach to utilising any remaining grant to assist those in need through consideration of:
 - Council tax relief using existing discretionary discount/hardship policies (adapted where necessary in order to capture those most likely to be affected by COVID-19);
 - Additional support outside the council tax system through Local Welfare or similar schemes; and
 - A higher level of council tax reduction for those working age LCTS recipients whose annual liability exceeds £150.
- 2.3 Based upon recent activity levels in new applications for council tax support it is anticipated that there will be an increase in cases and liability, it is proposed that further decisions on what additional support should be implemented with the remaining funds be considered at the point where an accurate remaining balance can be calculated.
- 2.4 Council tax legislation assumes a default standard payment schedule based on ten monthly payments, but it is not prescriptive as to which ten months those payments should be made over and the frequency can also be varied upon request e.g. weekly payments. This means that residents can change their payment scheduled from an April – January schedule to a June to March schedule for example if this would better meet their needs in the current situation.

- 2.5 These changes would not reduce the overall level of collection but it would affect cash flow. Movement from this default position is at the request of the taxpayer, as a billing authority we do not have blanket powers to change the payment schedule on every account.

3. OPTIONS FOR CONSIDERATION

- 3.1 Council Tax Support – Apply the additional £150 reduction to those accounts eligible for working age Council Tax Support.
- 3.2 Changing Payment Schedules for Council Tax Payments – Apply reasonable rescheduling of instalments on a case by case basis.
- 3.3 Debt Recovery Schedule – Defer April reminders.

4. ANALYSIS OF OPTIONS

- 4.1 The additional payments to Council Tax Support customers is a government directive and therefore not subject to local discretion. However due to the influx of applications we are experiencing we are unable at this time to accurately predict the level of funding which would be available of the remaining grant for other support mechanisms. Once we are able to understand the likely additional demand, further decisions will be sought as to how best to support the residents with the balance of grant monies available.
- 4.2 We are unable to change payment schedules for all residents en-masse, due to both legislation and customer preference. We are however able to work with residents to better enable them to meet their Council Tax liability during the financial year by adjusting payment dates due to hardship, upon request.
- 4.3 It is proposed that reminders for non-payment of the April Council Tax instalment be deferred and reviewed again in May and monthly thereafter, in discussion with the director, depending on the COVID19 situation.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

- 5.1 The government have committed to fully funding additional support for working age residents in receipt of Council Tax Support as outlined above. Based upon the current caseload, the initial anticipated expenditure in fulfilling this requirement is estimated to be c. £800,000.
- 5.2 A significant increase in applications for council tax support has been received over the last 10 days under the council's local scheme, with several hundred new applications being received each day. Each of these new successful applicants would be eligible for the additional funding. Nationally there has been an increase of over 1 million claims for Universal Credit, many of which will lead to a subsequent application for Council Tax Support.

5.3 All other options aim to secure the payment of Council Tax liability whilst supporting residents through the Covid19 situation.

6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)

6.1 Not applicable.

7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

7.1 Not applicable.

8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

8.1 Relevant Cabinet Members have been updated on these changes.

9. RECOMMENDATIONS

9.1 Approve a reduction of £150 for all recipients of working age local council tax support ('LCTS') in their 2020-21 council tax bill

9.2 Approve the reasonable rescheduling of Council Tax instalments where requested by residents on hardship grounds and defer April reminders.

9.3 Review options for the use of any remaining balance of government funding once a wider analysis of demand/expenditure has been completed.

LOCAL TAXATION & BENEFITS SHARED SERVICES MANAGER

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Author: Cindy Laherty/RC/JW
Date: 1 April 2020

Background Papers used in the preparation of this report

Council Tax Hardship Fund Guidance

<https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance>