



URGENT DELEGATED DECISION

Date: 31 July 2020

Request to the Head of Paid Service to exercise delegated authority as per Responsibility of Functions in Part IV, page 28 of the Constitution.

“to determine any matter within the referred or delegated powers and duties of a committee / sub-committee / board / working which is so urgent that a decision must be made before the next meeting of that committee / sub-committee / board / working group is due to be held.”

Limits on delegation: -

- Before making a decision using this delegated power, The Head of Paid Service shall consult with and take cognisance of the views of the Chairman (or in his absence the VC) of the relevant Committee / Sub-Committee etc; and
- Any decision taken by the Head of Paid Service under this delegated power shall be reported to Members within five working days of the decision taken.
- During the COVID-19 Pandemic we have also committed to consult with the Leader of the Opposition on such decisions.

Usual Decision Maker: -

This decision would have been taken by Corporate Policy and Resources Committee

This decision needs to be made and implementation commenced, before the body is next due to meet.

The decision is for the expenditure of the £793,388 Covid 19 Hardship Fund allocated to West Lindsey District Council (WLDC) by central Government, abiding by their guidance that in the first instance, it must be used to reduce council tax bills for working age council tax support claimants and then any sums still remaining to be used to support economically vulnerable people and households.

Call-in does not apply.

Background

The background to this decision is as detailed in the report titled “**Discretionary Hardship Relief**” which is appended to this decision.

Reason for Urgency and Rationale for use of urgent Delegated Decision

To ensure that any relief could be allocated ASAP – recovery action was due to start in August, and it would be undesirable to start any action against those who may be entitled to some extra assistance. The next Corporate Policy and Resources committee was not until 17 September.

It had not been to the previous Corporate Policy and Resources committee in July as the award had been unable to be automatically allocated to council tax support claimant's accounts. This was due to a delay in Northgate, the supplier of revenues and benefits software to West Lindsey District Council providing the appropriate software.

Notes of Consultation Relevant to the Decision

- Various ways of allocating the Hardship Grant had been investigated; it should be used in the first instance for working age council tax payers in receipt of council tax support;
- There had been a delay in the provision of software from the Council's providers, Northgate, to enable WLDC to automatically award relief to Council Tax support claimants. This relief had now been awarded on all current cases, and continues to be awarded on a daily basis for new cases;
- After payment had been allocated, there was over £500,000 remaining in the fund that wasn't able to be spent on claimants. Because of this, other ways of spending the claim had been investigated; the only other alternative would be to hand back the grant;
- The Community Fund had been used to help the West Lindsey community during Covid 19. This fund was being looked after by the Enterprising Communities Manager;
- There had been a number of telephone calls received from landlords; currently, empty property exemptions were granted for two months, after which time empty properties can be charged Council Tax at the full rate. The one off payment of £200 would be a token to those who have empty properties and were having a tough time financially;
- This fund was set up for Council Tax support, and was not designed to help with everyday bills. The £200,000 as a discretionary hardship fund was designed for people to make a claim against Council Tax liability;
- The grant has to be used in the 2020/2021 financial year;
- £100,000 was proposed to be taken out of the £793,388 award from central Government and allocated to the Community Fund. This money could be used again if there were a 'second wave' of Covid 19;
- £200,000 would be available for discretionary hardship; however new council tax support claimants are entitled to receive the £200 payment until the end of March 2021;
- Councillors present welcomed the recommendations.

Decision:

Agree to distribute the Covid 19 hardship fund in the following way:

1. Increase the hardship fund for working age council tax support claimants from £150 to £200
2. Allocate £100,000 to the community fund
3. Allocate £200,000 as a discretionary hardship fund for council tax payers to apply for - consideration could then be given to individual circumstances
4. Award owners of empty properties who became liable for a council tax charge during the lockdown period of 23 March to 16 May a one off payment of £200
5. Ensure the remaining balance is maintained in order to pay any new entitled claimants the hardship fund of up to £200

Financial Detail and Implications

West Lindsey District Council was awarded £793,388 Covid-19 Hardship Fund from Central Government.

To date the £242,482 of the Covid-19 hardship fund has been utilised in respect of all working age Council Tax support households. The remaining balance is £551,406.

The report details how the Council plans to fully utilise this grant.

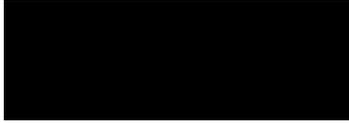
Cost of Expenditure Recommendations

1	LCTS claimants – increased support from £150 to £200	917 x £
2	Community Fund	
3	Allocation of Discretionary Hardship Council Tax	
4	Award a one off payment of £200 in respect of empty properties that became liable to a council tax charge during the lockdown period	119 x £



Ian Knowles
Head of Paid Service

As the Chairman of the Corporate Policy and Resources Committee I have been fully consulted on this matter



.....
Leader of the Council

As the Chairman of the Prosperous Communities Committee I have been fully consulted on this matter



.....
Chairman of the Prosperous Communities Committee

As the Leader of the Opposition I have been fully consulted on this matter through a separate meeting with the Chief Executive on 30 July.



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Leader of the Opposition.

Date all Members were notified of the decision: 31 July 2020



MANAGEMENT TEAM REPORT

SUBJECT: Discretionary Hardship Relief

REPORT AUTHOR: Alison McCulloch

MT MEETING DATE: Monday, 20 July 2020

COMMITTEE	DIRECTORS
	Assistant Director of Operational and Commercial Services

FINANCIAL IMPLICATIONS: West Lindsey District Council was awarded £793,388 Covid-19 Hardship Fund from Central Government.

To date the £242,482 of the Covid-19 hardship fund has been utilised in respect of all working age Council Tax support households. The remaining balance is £551,406.

The report details how the Council plans to fully utilise this grant.

Cost of Expenditure Recommendations

1	LCTS claimants – increased support from £150 to £200	917 x £50	£ 47,350
2	Community Fund		£100,000
3	Allocation of Discretionary Hardship Council Tax		£200,000
4	Award a one off payment of £200 in respect of empty properties that became liable to a council tax charge during the lockdown period	119 x £200	£ 23,800
		Total additional Spend	£371,150
Current Balance			£551,406
Spend			£371,150
New Balance			£180,256

FIN REF: FIN-44-21

HUMAN RESOURCES IMPLICATIONS: None

HR REF:

LEGAL IMPLICATIONS: Expenditure must be paid per guidance issued by Government and full controls kept.

SECTION 17 CRIME AND DISORDER CONSIDERATIONS: None

HEALTH IMPLICATIONS: None

DATA PROTECTION IMPLICATIONS: All data is being collected in accordance with GDPR

RISKS AND MITIGATING ACTION: None

Consultation With: Angela Matthews and Grant White

DECISION(S) REQUIRED:

To agree the distribution of the Covid 19 hardship fund in the following way:

- 1. Increase the hardship fund for working age council tax support claimants from £150 to £200**
- 2. Allocate £100,000 to the community fund**
- 3. Allocate £200,000 as a discretionary hardship fund for council tax payers to apply for - consideration could then be given to individual circumstances**
- 4. Award owners of empty properties who became liable for a council tax charge during the lockdown period of 23 March to 16 May a one off payment of £200**
- 5. Ensure the remaining balance is maintained in order to pay any new entitled claimants the hardship fund of up to £200**

Purpose of report

To consider and agree the proposals for the expenditure of the £793.888 Covid 19 Hardship Fund allocated to WLDC by central Government, abiding by their guidance that in the first instance, it must be used to reduce council tax bills for working age council tax support claimants and then any sums still remaining to be used to support economically vulnerable people and households.

Background

In March 2020, following the Covid 19 pandemic and lockdown, the Government announced a relief for working-age council tax support claimants. West Lindsey DC were awarded a Covid-19 hardship fund of £793,388 from Central Government.

The Government's expectation for this fund is that all working-age Local Council Tax Support (LCTS) claimants in 2020/21 (who are entitled to working-age LCTS in respect of any part of the 2020/21 council tax liability) will receive a further discount of £150. Where the liability is less than £150 the discount should be applied to bring the liability down to NIL.

The Government's aim for the Covid-19 hardship fund is to support economically vulnerable people and households through additional council tax relief.

Local Authorities are responsible for administering the hardship fund and retain discretion to make their own decisions on the levels and methods of delivering this additional support.

This reduction is to be made through the use of powers under Section 13A (1) (c) of the Local Government Finance Act 1992 and the Section 13A hardship policy will be amended in due course to include this.

Under these discretionary powers, if any unallocated funding remains after all the awards have been made, a discount of more than £150 can be made or other complementary reliefs can be payable. Provided there is sufficient funding in the scheme to continue to pay any new LTCS entitlements, remaining funds may be used to support economically vulnerable people and households in the district.

All hardship expenditure must be recorded in line with Government expectations.

Currently the sum of £242,482 of this Covid-19 hardship fund has been used to award £150 (or the outstanding 2020-21 Council Tax account balance if lower than £150) to all working age council tax support households. The balance of the hardship fund now stands at £551,406.

Regarding expenditure to date, we awarded the maximum relief of £150 to 947 Council Tax accounts for working age council tax support claimants. If we were to increase the maximum award to £200 and all 947 accounts qualified for the full £50 increase, this would cost an initial sum of £47,350. Any new LCTS working aged claimants becoming entitled up to 31 March 2021 would also then qualify for the £200. This would still leave a considerable sum of the hardship grant outstanding.

A £100,000 Community Fund was created by WLDC to support local charities and community organisations to deliver essential services to vulnerable residents impacted by Covid-19. Currently £46,914 of this funding has been allocated, of which £13,500 relates to the provision of food support.

The whole Community Fund could be either paid for completely or supplemented by £100,000 from the remaining Covid 19 hardship fund, this would conform to the Government's expectation that this funding be used to support the economically vulnerable and ensure that, in the event of a second wave or future pandemic, that this authority is financially able to support those vulnerable households again. As all payments awarded from the Hardship Grant must be individually accounted for, full details would be required to be maintained. This data is already being recorded and would be available for inclusion into any requests from Central Government into how the fund has or is being spent.

Another area where a 'fund' could be financed by the Covid-19 Hardship Fund is where a household is not entitled to Local Council Tax Support, but whose income has been reduced dramatically by the lockdown conditions. Some households have seen their income reduced massively, but their remaining income would place them above LCTS thresholds. These people could have taken a 50% or more cut in monthly salaries and find themselves in a position where they have been offered a mortgage break by their bank but are still being asked to pay full Council Tax for the year.

A Discretionary Hardship fund could be established with £200,000 and applications considered for assistance from this fund. Applications could be considered by the Revenues and Benefits Team Leaders with authorisation from either of the Revenues or Benefits Managers. This would ensure all cases are considered fairly, they are authorised by a Manager and a full record would be kept of every application and the result of any awards. This would comply with the requirements to keep a record of all cases.

Finally, another area in which part of this funding could be used is to support those owners of empty properties that have not been in a position to re-let them due to the Covid-19 lockdown. Whilst it could be argued that owners of more than one property are not as financially vulnerable as those in receipt of LCTS, a number of owners of empty properties have found themselves unable to let their properties between 23 March (when lockdown began) and 16 May (when lockdown eased). As we can only award a maximum of 2 months exemption for empty properties, some properties have 'clocked' a charge which has caused an unexpected financial burden for the owners.

In order to alleviate this, it is proposed that any property that clocked a council tax charge between 23 March and 16 May, be awarded a one off payment of £200 towards their council tax liability or less if their liability has since reduced. There are currently 119 properties in this position which would create a maximum spend of £23,800. The £200 would then be in line with the award to LCTS claimants and the dates would align with the lockdown dates. This would provide some structure and reasoning behind the awards in the event of a customer challenge if they did not

agree with the conditions. Anyone in this position would then be instructed to complete a discretionary hardship application for consideration.

Cost of Expenditure Recommendations

1	LCTS claimants – increased support from £150 to £200	917 x £50	£ 47,350
2	Community Fund		£100,000
3	Allocation of Discretionary Hardship Council Tax		£200,000
4	Award a one off payment of £200 in respect of empty properties that became liable to a council tax charge during the lockdown period	119 x £200	£ 23,800
		Total additional Spend	£371,150
Current Balance			£551,406
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Recommendation

- 1. Increase the hardship fund for working age council tax support claimants from £150 to £200**
- 2. Allocate £100,000 to the community fund**
- 3. Allocate £200,000 as a discretionary hardship fund for council tax payers**
- 4. Award owners of empty properties who became liable for a council tax charge during the lockdown period of 23 March to 16 May a one off payment of £200**
- 5. Ensure the remaining balance is maintained in order to pay any new entitled claimants the hardship relief of up to £200**