

## **URGENT DELEGATED DECISION**

Date: 20 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.\*

\*The Leader of the Opposition was not present on this occasion and did not submit written comments.

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**Usual Decision Maker: -**

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

This decision needs to be made and implementation commenced, before the committee is next due to meet on 23 September 2021 meaning that any awards would not become effective until early October.

The decision is in response to changing Governance guidance, and continuation of Hardship Relief into 2021/22 to support those experiencing financial hardship as a result of COVID-19.

This is a hardship award to assist financially vulnerable residents of the district and as such, a delay in making a decision could cause more financial hardship and thus contribute to affecting the health and well-being of some of our more vulnerable residents.

Call-in does not apply.

## **Background**

The full background to this decision is as detailed in the report titled “**Covid 19 Discretionary Hardship Fund** ” which is appended to this decision.

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 was awarded a Covid-19 hardship fund of £793,388 from Central Government.

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

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

A previous decision in respect of this Fund was taken on 31 July 2020 , and can be viewed here [Officer decisions | West Lindsey District Council](#)

## **Reason for Urgency and Rationale for use of urgent Delegated Decision**

The decision is for the expenditure of the £158,801 Covid 19 Hardship Fund allocated to West Lindsey District Council (WLDC) by central Government for 2021/22 and the residual balance outstanding of £143,369.13 from 2020/21 making a total hardship balance grant of £302,170.13. A condition of which is to abide by central Government 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 is to be used to support economically vulnerable people and households.

To ensure that any relief could be allocated as soon as possible – recovery action had commenced for 2021/22 arrears and the Authority was already receiving requests for assistance with liabilities as many residents were still suffering financial hardship as a result of the pandemic.

## **Financial Detail and Implications**

Full financial details and implications are contained within the appended Management Team report FIN/38/22/CC

## **Notes of Consultation Relevant to the Decision**

In presenting the report Officers summarised the appended report and previous decisions which had been made in respect of Government allocations for COVID-19 Hardship relief. Previous payment allocations, rationale applied, and the reasoning for a surplus existing were summarised.

Central Government had recently made a new hardship Covid 19 grant to all local authorities to enable the scheme for 2020/21 to continue to be supported.

West Lindsey District Council had been awarded £158,801. The report proposed the continuation of payments under the Council Tax Reduction Hardship Fund for the first quarter of the year after which the time the Fund would close. The balance being used to provide a new discretionary hardship fund for 2021/22

The Covid-19 Discretionary Hardship Fund for 2020/21 of £200,000, received and contributed towards 206 applications for assistance. Of the balance carried forward of £75,534.64 a further 79 applications totalling £54,475.54 had so far been awarded.

It was considered the availability of this fund had allowed council tax payers suffering financial hardship due to the pandemic to be offered a solution towards paying their council tax liability. It had also enabled financial assistance to be provided to those residents who did not qualify for council tax support but have found themselves on a low income.

The fund had help ensure that the council tax arrears had been kept to a minimum and, more importantly, ensured that the local authority had not had to take formal recovery action and place undue financial pressure on our most vulnerable residents.

As such it was being proposed that a further such fund be established for 2021/22 using the balance of the hardship grant once all the appropriate payments have been made in respect of the Covid-19 Council Tax Reduction Hardship Fund.

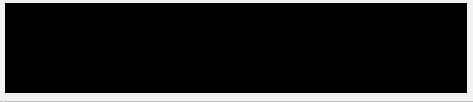
Members welcomed the proposals, and the approach to the spending of the Grant in the proposed schemes. Ensuring funding was received promptly by those being most severely impacted was to remain a priority. Collection rates remained high and this was to be welcomed, assurance was sought that the message was been received by those eligible and officers outlined the proactive work undertaken at an early stage if there were signs a customer was struggling to pay.

All Members present indicated their support for the Schemes as proposed.

## **Decision**

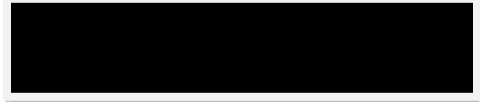
**-Agreed that the balance of the Covid 19 hardship fund awarded in 2020/21 and the new fund awarded for 2021/22 be distributed in the following way:**

- 1. For 2021/22 a £200 payment (or part thereof) be made against the council tax liability for all working age council tax support claimants as awarded in 2020/21. Such a payment to be made for the period 1.4.21 to 30.6.21 (first quarter of the year) after which time the fund will then be effectively closed.**
- 2. For 2021/22 a new Council Tax Discretionary Hardship Fund of approximately £100,000 be established to allow assistance to be provided for anyone still suffering financial hardship in the current financial year, funded from the balance remaining after all awards of £200 (or part thereof) have been made to all CTR claimants, referenced in 1 above.**



.....  
Ian Knowles  
Head of Paid Service

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



.....  
Councillor Anne Welburn

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



.....  
Councillor Owen Bierley

Date all Members were notified of the decision: 23 July 2021



**Head of Paid Service  
Delegated Decision**

**20 July 2021**

**Subject: Covid-19 Discretionary Hardship Fund 2021/22**

Report by:

Nova Roberts

Contact Officer:

Alison McCulloch  
Revenues Team Manager  
01427 676508  
alison.mcculloch@west-lindsey.gov.uk

Purpose / Summary:

To consider and agree the proposals for the expenditure of the remaining balance of the £793,388 Covid-19 Hardship Fund allocated to WLDC in 2020/21 by central Government and the allocation of a further grant for 2021/22.

**RECOMMENDATION(S):**

**To agree the distribution of the balance of the Covid 19 hardship fund awarded in 2020/21 and the new fund awarded for 2021/22 in the following way:**

- 1. For 2021/22 make a £200 payment (or part thereof) against the council tax liability for all working age council tax support claimants as awarded in 2020/21. This to be paid for the period 1.4.21 to 30.6.21 (first quarter of the year) this fund will then be effectively closed.**
- 2. For 2021/22 agree a new Council Tax Discretionary Hardship Fund of approximately £100,000 which will allow assistance to be provided for anyone still suffering financial hardship in the current financial year. This fund will consist of the balance remaining after all awards of £200 (or part thereof) have been made to all CTR claimants.**

## IMPLICATIONS

### **Legal:**

**(N.B.) Where there are legal implications the report MUST be seen by the MO**

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

### **Financial :**

**(N.B.) All committee reports MUST have a Fin Ref - FIN/38/22/CC**

### **Staffing :**

**(N.B.) Where there are staffing implications the report MUST have a HR Ref**

None directly resulting from this report

### **Equality and Diversity including Human Rights :**

This report will impact on all communities equally.

### **Data Protection Implications :**

All data is being collected in accordance with GDPR.

### **Climate Related Risks and Opportunities:**

None arising from this report

### **Section 17 Crime and Disorder Considerations:**

None arising from this report

### **Health Implications:**

If we do not consider providing some financial assistance there is the possibility of increased mental health issues to those residents in council tax arrears through the impact of the pandemic.

**Title and Location of any Background Papers used in the preparation of this report :**

<https://www.gov.uk/government/publications/covid-19-emergency-funding-for-local-government/covid-19-funding-for-local-government-in-2021-to-2022-policy-paper>

**Risk Assessment :**

There is no risk as forecasting has been conducted to ensure this proposal is met in full via a central Government grant.

**Call in and Urgency:**

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

X

**Key Decision:**

A matter which affects two or more wards, or has significant financial implications

Yes

X

No

## **Introduction**

Management Team considered the attached report on 5 July 2021 which sets out the purpose of the report, relevant background information and a future proposal in respect of the Covid-19 Hardship Fund allocated to WLDC in 2020/21 by Central Government.

The Constitution requires such a proposal to be submitted to the Corporate Policy and Resources Committee for approval.

However, this decision needs to be approved and implementation commenced, before the committee is next due to meet on 23 September 2021 and therefore the Head of Paid Service is seeking to make an urgent delegated decision.

The reason for urgency being, this is a hardship award to assist financially vulnerable residents of the district and as such, a delay in making a decision could cause more financial hardship and thus contribute to affecting the health and well-being of some of our more vulnerable residents.

In taking an urgent delegated decision the Head of Paid Service is required to consult with the relevant Committee Chairman. There is a commitment at present to consult both Policy Committee Chairmen and the Leader of the Opposition wherever possible.

## **Recommendation**

**To agree the distribution of the balance of the Covid 19 hardship fund awarded in 2020/21 and the new fund awarded for 2021/22 in the following way:**

- 1. For 2021/22 make a £200 payment (or part thereof) against the council tax liability for all working age council tax support claimants as awarded in 2020/21. This to be paid for the period 1.4.21 to 30.6.21 (first quarter of the year) this fund will then be effectively closed.**
- 2. For 2021/22 agree a new Council Tax Discretionary Hardship Fund of approximately £100,000 which will allow assistance to be provided for anyone still suffering financial hardship in the current financial year. This fund will consist of the balance remaining after all awards of £200 (or part thereof) have been made to all CTR claimants.**





## MANAGEMENT TEAM REPORT

**SUBJECT:** Covid-19 Discretionary Hardship Fund 2021/22

**REPORT AUTHOR:** Alison McCulloch

**MT MEETING DATE:** Monday, 5 July 2021

COMMITTEE	DIRECTORS
	Assistant Director – Change Management & Regulatory Services

### FINANCIAL IMPLICATIONS:

West Lindsey District Council was awarded £793,388 Covid-19 Hardship Fund from Central Government in 2020.

The total spend of the Covid-19 Hardship Fund during 2020/21 was £574,234.23 leaving a balance to carry forward of £219,153.77 of which £75,734.64 was carried forward into 2021/22 to continue to assist council tax payers experiencing financial hardship.

The balance of £143,369.13 is outstanding to assist CTR claimants with more financial support.

Breakdown of spend is detailed below:

<b>Total Grant Awarded</b>			<b>£793,338.00</b>
		<b>Balance c/f to 2021/22</b>	
LCTS Claimants – support of £150	£305,403.65		
Allocation of Council Tax Discretionary Hardship Payments	£124,265.36	£75,734.64	
Allocation towards empty properties and the January 2021 only court of the year	£48,296.02		
Community Fund	£96,269.20		
	£574,234.23	£75,734.64	£649,968.87
Total Balance to LCTS Fund for 2021/22			<b>£143,369.13</b>

A new hardship Covid19 grant has been awarded by Central Government for 2021/22 in the sum of £158,801.

**This balance combined with the residual council tax support claimants balance of £143,369.13 from 20/21 makes a total hardship grant balance of £302,170.13 to be utilised in 21/22**

**FIN REF: FIN/38/22/CC**

**HUMAN RESOURCES IMPLICATIONS:**

**HR REF:**

**LEGAL IMPLICATIONS:**

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

**SECTION 17 CRIME AND DISORDER CONSIDERATIONS: None**

**CLIMATE RELATED RISKS AND OPPORTUNITIES: 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**

**DECISION(S) REQUIRED:**

**To agree the distribution of the balance of the Covid 19 hardship fund awarded in 2020/21 and the new fund awarded for 2021/22 in the following way:**

- 3. For 2021/22 make a £200 payment (or part thereof) against the council tax liability for all working age council tax support claimants as awarded in 2020/21. This to be paid for the period 1.4.21 to 30.6.21 (first quarter of the year) this fund will then be effectively closed.**

- 4. For 2021/22 agree a new Council Tax Discretionary Hardship Fund of approximately £100,000 which will allow assistance to be provided for anyone still suffering financial hardship in the current financial year. This fund will consist of the balance remaining after all awards of £200 (or part thereof) have been made to all CTR claimants.**

### **Purpose of report**

To consider and agree the proposals for the expenditure of the remaining balance of the £793,388 Covid-19 Hardship Fund allocated to WLDC in 2020/21 by central Government. Their guidance instructs 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 was awarded a Covid-19 hardship fund of £793,388 from Central Government.

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

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

### **Covid-19 CTR Hardship Fund**

A report was brought to Management Team at the end of July 2020 explaining that the award of £150 to all qualifying council tax payers had resulted in a balance still outstanding and recommending how this could be allocated to assist with easing financial hardship.

Following agreement of these recommendations various testing took place within Northgate, the Revenues and Benefits system, to award a further £50 to all council tax support claimants who qualified for the £150. Unfortunately, all endeavours proved unsuccessful and the only alternative offered was to award this additional payment manually. Due to the high volume of cases affected, this did not provide a practical solution and so the manual awards were not made which has contributed to the balance still remaining from 2020/21.

This combined with the new funding for 2021/22 means all affected claimants could be awarded a further £200 (or part thereof) payment in respect of their council tax for 2021/22. There are sufficient outstanding funds to pay this award against annual council tax bills for 2021/22 based on figures to-date.

The financial split is detailed below:

<b>Council tax support claimants in receipt of discretionary grant</b>	<b>No. of claimants</b>	<b>Recommended payment</b>	<b>Total cost</b>
Currently maximum of £200	514	£102,800.00	£102,800.00
Proportion of £200	909	£99,028.61	£99,028.61
		<b>Total Spend</b>	<b>£201,828.61</b>

It is proposed that the award be made for the period 1 April 2021 to 30 June 2021 to ensure that the total spend is allocated to council tax support claimants and finalised with the balance being used to provide a new discretionary hardship fund for 2021/22 as detailed below.

### **Covid-19 Council Tax Discretionary Hardship Fund**

The Covid-19 Discretionary Hardship Fund for 2020/21 of £200,000, received and contributed towards 206 applications for assistance and of the balance carried forward of £75,534.64 a further 47 applications totalling £30,977.11 have so far been awarded. Applications continue to be received requiring assistance towards council tax arrears and will continue to be paid until the fund is exhausted.

As this fund is available it has allowed council tax payers suffering financial hardship due to the pandemic to be offered a solution towards paying their council tax liability. It has also enabled financial assistance to be provided to those residents who do not qualify for council tax support but have found themselves on a low income. This has ensured that the council tax arrears have been kept to a minimum and, more importantly, ensured that as the local authority we have not had to place undue financial and thus mental health pressure on our most vulnerable residents. With this in mind it is suggested that a further fund be established for 2021/22 using the hardship grant balance.