



COUNCIL CABINET
15 June 2022

ITEM 8

Report sponsor: Simon Riley, Strategic Director
of Corporate Resources
Report author: John Massey, Head of
Revenues, Benefits and Exchequer Services

Approval of the Single Discretionary Award Policy

Purpose

- 1.1 The purpose of this report is to present the Single Discretionary Award (SDA) Policy operable from 1 April 2022 for approval.

Recommendation

- 2.1 To approve the Council's SDA Policy from 1 April 2022; this is shown at Appendix 1

Reason

- 3.1 To refresh the Council's SDA Policy to ensure that those households hosting a Ukrainian citizen or family under the Homes for Ukraine scheme can receive Council Tax Hardship that will mitigate any loss of Council Tax Support as a result of receiving a 'thank you' payment or non-dependent deductions.
- 3.2 To ensure that decisions are made swiftly so that financial assistance can be targeted as efficiently as possible, in line with emerging residents' needs and Government expectations.

Supporting information

- 4.1 The Single Discretionary Award (SDA) Policy brings together the application process for Discretionary Housing Payments (DHPs), Council Tax Hardship (CTH) Payments and the Local Assistance Scheme (LAS).

- 4.2 The current version of the SDA Policy has been in force since 30 August 2016, following approval by Council Cabinet on 3 August 2016. The Policy has now been refreshed to incorporate changes, as outlined in this report.
- 4.3 When announcing Homes for Ukraine scheme on 14 March 2022, the Government said that the scheme would not affect the sponsor's benefits or council tax status.
- 4.4 Under the Homes for Ukraine scheme a sponsor receives a monthly "thank you" payment of £350. Further, it could be that the Ukrainian citizen being hosted is undertaking activity (for example work) that could mean they attract non-dependant deductions. Both this and the "thank you" payment could result in the sponsor household receiving less Council Tax Support.
- 4.5 As Council Tax Support schemes for a financial year must be finalised by 11 March and in-year changes are not permitted the Council cannot adjust its Council Tax Support scheme for the 2022/23 financial year to disregard the £350 monthly "thank you" payment and any potential non-dependant deductions. Therefore, to protect the amount of Council Tax Support a host family receives the Council's SDA Policy is being amended so that any loss of Council Tax Support can be offset through awards of Council Tax Hardship. To facilitate this, new Collection Fund (Council Tax Reductions) (England) Directions 2022 have been laid which specify that where a discount is provided to offset an increase in Council Tax liability resulting from a Homes for Ukraine "thank you" payment or non-dependant deduction no billing authority payment need be made into the collection fund. The net impact of this measure will be that billing authorities and major preceptors will receive the same amount of income.

Public/stakeholder engagement

- 5.1 As the changes in the policy represent an easement and neither the individual household or Council are financially affected it is not deemed necessary to have a consultation exercise or carry out a further Equalities Impact Assessment.

Other options

- 6.1 There is an option to do nothing. This has been discounted, as to do so would mean that households sponsoring Ukrainian citizens under the Homes for Ukraine scheme would be financially adversely affected.

Financial and value for money issues

- 7.1 There are no financial implications for the Council.
The new Collection Fund (Council Tax Reductions) (England) Directions 2022 specify that where a discount is provided to offset a Homes for Ukraine-related increase in council tax liability during the remainder of 2022-23 the billing authority is not required to make a payment into the collection fund. The net impact of this measure will be that billing authorities and major preceptors will receive the same amount of income as if there had been no Homes for Ukraine impact on the Council Tax Support claim.
- 7.2 Households sponsoring Ukrainian citizens through the Homes for Ukraine scheme will not lose any support because of making these changes.

Legal implications

- 8.1 Councils can reduce or remit the amount of Council Tax a household has to pay by providing discretionary discounts under s13(A) (1) (c) of the Local Government Finance Act (LGFA) 1992.
- 8.2 The Collection Fund (Council Tax Reductions) (England) Directions 2022 provide for changes to how the collection fund operates meaning that Councils will receive the same amount of income if they make awards under s13(A) (1) (c) of the LGFA 1992 to households sponsoring Ukrainian citizens under the Homes for Ukraine scheme.

Climate implications

- 9.1 None

Other significant implications

- 10.1 None

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu Head of Legal Services	18/05/2022
Finance	Toni Nash, Head of Finance	19/05/2022
Service Director(s)	Alison Parkin, Director of Financial Services	20/05/2022
Report sponsor	Simon Riley, Strategic Director of Corporate	
Other(s)		

Background papers:	
List of appendices:	Single Discretionary Award Policy from 1 April 2022