

Report sponsor: Simon Riley, Strategic Director
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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 January 2021 for approval.

Recommendation(s)

- 2.1 To approve the Council's SDA Policy from 1 January 2021; this is shown at Appendix 1.
- 2.2 With reference to the Government's Covid-19 Council Tax Hardship (CTH) Fund, to delegate authority to the Section 151 Officer, in consultation with the Cabinet Member for Finance and Procurement, to be able to approve any changes to how this funding is used.

Reasons

- 3.1 To refresh the Council's SDA Policy to ensure it is up to date, incorporating the Government's latest guidance on Council Tax Hardship (CTH) during 2020/21, plus other necessary updates that have been identified since the Policy was first introduced in August 2016.
- 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 several changes, as outlined in this report.

Council Tax Hardship Fund changes

- 4.3 The proposed SDA Policy sets out that there are now two elements to the CTH Scheme:
- (a) The Government's Covid-19 Hardship Fund;
 - (b) The Council's Council Tax Hardship Scheme.

The Government's Covid-19 Hardship Fund

- 4.4 In response to the Covid-19 pandemic, the Government made new Council Tax Hardship funding available to local authorities to provide relief to Council Tax payers during 2020/21. The Council's allocation for this is £2,187,702.00 and working age claimants receive a set award of up to £150 for the year if they have a Council Tax liability to pay and are in receipt of Council Tax Support. The proposed SDA Policy has been updated with amendments to the CTH Scheme to reflect how this funding is administered.

The Council's Council Tax Hardship Scheme

- 4.5 This element of the CTH Scheme was in existence prior to the changes to the Scheme brought about by the Government's Covid-19 response. This element is still in existence and is another way that the Council may provide help for those struggling to pay their Council Tax liability. No changes are proposed to this element of the CTH Scheme.

Other minor changes to the SDA Policy

- 4.6 The proposed Policy has also been refreshed to update it with several minor changes, corrections and amendments following changes in legislation, policies and processes since 2016.

- 4.7 The further changes made to the Policy at Appendix 1 can be summarised as follows:
- Reference to Welfare Discretionary Policy updated to Single Discretionary Award Policy;
 - Introduction has been condensed and refreshed to reflect the current context of the Policy;
 - Scope of the Policy has been updated:
 - When support might be provided criteria has been expanded on;
 - Food vouchers description has been clarified.
 - Eligibility criteria has been updated:
 - Reference to Disability Living Allowance is now no longer duplicated;
 - Criteria references the current method of making a claim;
 - References to shortfalls in CTS and also the Council Tax Empty Property premium has been added for completeness and to reflect the current position;
 - Alterations to the "towards work" activity section;
 - Definition of "better off calculations" added.
 - Priority Group information has been updated – "Person from abroad" now described differently;
 - Internal administration change – the resilience of the Policy is now referenced differently, alluding to Brexit and Universal Credit migration;
 - Data Access and Sharing – Policy updated to reflect the changes made due to the Data Protection Act 2018;
 - Appendix 1 to the Policy:
 - Additional assistance from the Department for Work and Pensions (DWP) has been added in (new claim advances);
 - Reference to Midland Community Finance removed.

Public/stakeholder engagement

- 5.1 An Equalities Impact Assessment (EIA) took place on 22 October 2019 which contributed to identifying some of the necessary minor updates; these have been included in 4.7.

Other options

- 6.1 There is an option to do nothing. This has been discounted, as to do so would mean that the Policy would continue to remain out of date during 2020/21.

Financial and value for money issues

- 7.1 Government has provided funding of £2,187,702.00 for the Council to use by way of the CTH Scheme to reduce the Council Tax liability of CTS recipients during 2020/21. Current predictions suggest that all the available funding will be spent.

- 7.2 As it is difficult to predict exactly what the cost of the revised SDA Policy will be in terms of spend on the CTH Scheme, the Policy allows for the maximum set spend limit to be adjusted in-year if necessary, in order to ensure that the Scheme continues to remain affordable. This provides the means to either:
- Increase spending as the year progresses, if it becomes clear that fewer taxpayers than expected will be eligible for assistance, or
 - Reduce spending as the year progresses, if it becomes clear that more taxpayers than expected will be eligible for assistance, to ensure that as many taxpayers as possible receive at least some help with their Council Tax bills.
- 7.3 Some retrospective CTH awards / adjustments may be made to 2020/21 liabilities beyond 1 April 2021. This will happen for example where:
- (a) A taxpayer's circumstances are such that they would have been eligible to receive a CTH award during 2020/21, but they did not receive that award during that year. If this happens, we will apply it retrospectively to their Council Tax liability for 2020/21, during a later financial year;
 - (b) A taxpayer received a CTH award during 2020/21, but then had a change of circumstances during that year which would have affected their CTH award, but the necessary adjustment was not applied during that year. If this happens, we will apply the adjustment retrospectively to their Council Tax liability for 2020/21, during a later financial year.
- However, the amount of retrospective awards / adjustments should be limited, because there will eventually only be a finite number of people entitled to CTS during 2020/21.
- 7.4 In all other respects, expenditure on SDA claims is not expected to vary significantly during 2020/21.

Legal implications

- 8.1 The Government's expectation is that the Covid-19 funding will primarily be issued using the Council's discretionary powers under S13A (1)(c) of the Local Government Finance Act 1992.

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	16 November 2020
Finance	Toni Nash, Head of Finance	18 November 2020
Service Director(s)	Alison Parkin, Acting Director of Financial Services	17 November 2020
Report sponsor	Simon Riley, Strategic Director of Corporate Resources	XXXX
Other(s)	Bernard Fenton, Head of Customer Service	10 November 2020
	Liz Moore, Head of HR	11 November 2020
	Lynda Innocent, Head of Information, Transformation and Application Support	12 November 2020

Background papers:

List of appendices:

Appendix 1

Single Discretionary Award Policy from 1 January 2021