

Bolton Council

Report to:	Cabinet			
Date of meeting:	6 th February 2023			
Report of:	Sue Johnson Chief Executive	Report Number:	32762	
Reporting Officer:	Phil Rimmer Assistant Director Revenues, Benefits and Customer Services	Telephone Number:	01204 331541	
Contact Officer:	Phil Rimmer Assistant Director Revenues, Benefits and Customer Services	Telephone Number:	01204 331541	
Report title:	Bolton Council Tax Support Fund Scheme 2023-24			
Not confidential				
This report does not contain information which means it should be considered without the press or members of the public being present.				
Purpose:	To seek approval from Cabinet to implement Bolton's Council Tax Support Scheme 2023/24			
Recommendations:	Cabinet is recommended to approval these proposals			
Decision:				
Background documents:				
Date:				
Consultation with other officers				
Finance	Yes	25.01.23	Tony Glennon	
Legal	Yes	25.01.23	Helen Gorman	
HR	NA			
Procurement	NA			
Climate Change	NA			
Information Governance	NA			
Equality Impact Assessment	Yes	27.01.23	Rebecca Albrow	
Post consultation reports Please confirm that the consultation response has been taken into consideration in making the recommendations.			No	
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.			1. Start Well	X
			2. Live Well	X
			3. Age Well	X
			4. Prosperous	
			5. Clean and Green	

	6. Strong and Distinctive	
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1. INTRODUCTION

- 1.1 The following report outlines the Council's approach to the recent initiatives by Central Government to assist the most vulnerable taxpayers who are suffering financial hardship due to the cost-of-living crisis.
- 1.2 Central Government have provided funds to the Council under S31 of the Local Government Act 2003 with the proviso that all monies are paid strictly in accordance with S13A (1) (c) of the Local Government Finance Act 1992 and in line with guidance used on 23 December 2022.
- 1.3 The fund, named by Central Government as the 'Council Tax Support Fund' is designed to meet the immediate needs of all taxpayers who are currently claiming Council Tax Reduction (CTR) under S13 A (1) (a) of the Local Government Finance Act 1992. The fund will assist all Council Tax Reduction applicants who will be required to make a payment of Council Tax for the 2023-24 financial year.
- 1.4 Whilst it is essentially down to individual authorities to determine how to use the funds available, Central Government through the Department for Levelling Up, Housing and Communities (DLUHC) states that, in order to retain the funding, Council's must look to use monies as directed by them in their guidance.

2. LEGISLATION

- 2.1 The relevant legislation (S13A of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012), states the following:
Reductions by billing authority

(1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13):
 - a. In case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme;
 - b. (not relevant to English Billing Authorities);
 - c. In any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated things fit.**
- 2.2 The provisions stated in (c) above, allows the Council to reduce the Council Tax liability for any taxpayer in addition to any application for Council Tax Reduction under the Council's scheme. This is a general power that has always been available to the Council.
- 2.3 In relation to the 'Council Tax Support Fund', DLUHC have stated that Councils will use the powers given under that act.

3. THE COUNCIL TAX SUPPORT FUND

- 3.1 The Council Tax Support Fund is divided into two distinct elements as follows:
 - a. The minimum reduction in Council Tax liability for all taxpayers who are in receipt of Council Tax Reduction; and
 - b. Discretionary support.

- 3.2 Each of these elements are detailed in the following paragraphs.
- 3.3 In all cases, Government expects billing authorities to apply the reductions to the 2023-24 Council Tax bills.

The minimum reduction in Council Tax liability for all taxpayers who are in receipt of Council Tax Reduction.

- 3.4 Because there is a need to support the most vulnerable taxpayers at this time, the Government's strong expectation is that the billing authorities will provide all recipients of Council Tax Reduction (both working age and pension age) with a further reduction in their annual council tax bill of up to £25.
- 3.5 This reduction will apply to all Council Tax Reduction recipients who have an outstanding liability for the 2023-24 financial year.
- 3.6 For the sake of clarity:
 - (a) where the taxpayer's Council Tax liability for 2023-23 (after the application on any relevant discounts, reliefs, and Council Tax Reduction) is £25 or more, then a further reduction in Council Tax liability of £25 will be made;
 - (b) where the taxpayer's Council Tax liability for 2023-24 (after the application of any relevant discounts, reliefs, and Council Tax Reduction) is greater than nil but less than £25, then a further reduction in Council Tax liability will be made to reduce the liability to nil; and
 - (c) where the taxpayers Council Tax liability for 2023-23 (after the application of any relevant discounts, reliefs, and Council Tax Reduction) is nil then **no** further reduction in Council Tax will be made.
- 3.7 There will be no requirement for any taxpayer to apply for this reduction and any amount granted will automatically be applied based on the criteria being met on 1 April 2023.
- 3.8 Government has stated that it will be up to individual authorities to decide whether to allow the reduction for taxpayers who become eligible for Council Tax Reduction after 1 April 2023.

4. THE COUNCILS SCHEME IN RESPECT OF THE COUNCIL TAX SUPPORT FUND

- 4.1 The Council is keen to support all eligible taxpayers within its area and, as such, will implement the scheme strictly in accordance with Central Government guidelines by taking the following actions:

The minimum reduction in Council Tax liability

- 4.2 A reduction of up to £25 will be made to the Council Tax account of taxpayers who are in receipt of Council Tax Reduction **on** 1 April 2023. It should be noted that where the liability of any taxpayer is less than £25 (after considering any discounts, reliefs, or reductions) then an amount will be granted to ensure that the liability is reduced to nil. There will be no requirement for any taxpayer to apply for this initial award and it shall be automatically applied to their account.
- 4.3 The reduction in liability will apply to both working age and pension age Council Tax Reduction applicants.

Discretionary Support

- 4.4 Where any funds remain after applying the reduction in liability as outlined in 5.2 above, the Council will use the funds to provide support to any low-income household who is suffering exceptional hardship using its Discretionary Council Tax Reduction Scheme.

General requirements in relation to funding

- 4.5 As mentioned previously, the Council have been allocated a limited amount of funding and in view of this, should the allocation be exhausted, the policy of the Council will be to cease any further reductions in liability. Where this occurs, any taxpayer may apply for a reduction under the Council's existing S13A (1)(c) policy and each case will be considered on its merits in line with the legislation.
- 4.6 Any reduction in liability under this policy shall apply for the 2023-24 financial year **only**.

5. PAYMENT

- 5.1 In line with legislation, any award shall be granted as a reduction in the liability of the Council Taxpayer thereby reducing the amount of Council Tax payable.

6. NOTIFICATION

- 6.1 Eligible taxpayers will be notified of the decision to award any reduction in liability by means of a reduction applied directly to the Council Tax account for the 2023-24 financial year only.

7. APPEALS

- 7.1 Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.
- 7.2 The Council Taxpayer must in the first instance write to the Council outlining the reason for their appeal. Once received the council will then consider whether any additional information has been received which would justify a change to their original decision and notify the Council Taxpayer accordingly.
- 7.3 Where the Council Taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be obtained from the Council's website or from the Valuation Tribunal Service website.

8. REDUCTIONS IN COUNCIL TAX LIABILITY GRANTED INCORRECTLY

- 8.1 Where a reduction in liability has been granted incorrectly or in error, either due to a failure to provide the correct or accurate information to the Council or some other circumstances, the Council Taxpayer's account will be adjusted and the taxpayer will be billed in the normal way.

9. FRAUD

- 9.1 The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully eligible to them.
- 9.2 An applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances, providing a false statement of evidence in support of their application, may have committed an offence under The Fraud Act 2006.

- 9.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being investigated.

10. COMPLAINTS

- 10.1 The Council's complaints procedure (available on the Council's website) will be applied in the event of any complaint received about this policy.

11. IMPACTS AND IMPLICATIONS:

11.1 Financial

11.1.1 Any amounts granted under S13A(1)(c) are normally financed through the Council's general fund and do not form part of the collection fund. However, Central Government has provided funding directly to the Council (amounting to £617,940) to compensate for this particular support package and it strongly expects the Council, wherever possible, to use all of the funds provided as outlined within the Department's guidance.

11.1.2 Any additional assistance, outside of the funding, would fail to be paid by the Council itself. In view of this, the Council has determined that once the allocated funds are exhausted, no further reduction in liability will be made under this scheme.

11.2 Legal

11.2.1 None

11.3 HR

11.3.1 None

11.4 Climate Change

11.4.1 None

11.5 Information Governance

11.5.1 None

11.6 Other

11.6.1 None

12. EQUALITY IMPACT ASSESSMENT (EIA)

- 12.1 Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **Eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act;
2. **Advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **Foster good relations** between people who share a protected characteristic and people who do not share it.

- 12.2 It is important to consider how the proposals contained within this report may impact positively or negatively on protected characteristics. It has been determined that due to the government framework for implementation, as well as the additional support via the hardship fund, it is not anticipated that the proposals within this report will have a differential impact on any of Bolton's diversity groups, including staff. A full EIA is therefore not required at this stage.

13. CONSULTATION

- 13.1 There is no requirement to consult

14. VISION 2030

- 14.1 The scheme proposals will provide additional financial support to residents on low incomes and consequently support Vision outcomes in relation to start well, live well and age well.

15. RECOMMENDATIONS

- 15.1 The Cabinet is recommended to approve these proposals

Equality Impact Assessment

Title of report or proposal:
Bolton Council Tax Support Fund Scheme 2023-24

Directorate:	Corporate Resources
Section:	Revenues, Benefits and Customer Services
Date:	26 th January 2023

Public sector bodies need to be able to evidence that they have given due regard to the impact and potential impact on all people with 'protected characteristics' in shaping policy, in delivering services, and in relation to their own employees.

Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act;
2. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **foster good relations** between people who share a protected characteristic and people who do not share it.

By completing the following questions the three parts of the equality duty will be consciously considered as part of the decision-making process.

Details of the outcome of the Equality Impact Assessment must also be included in the main body of the report.

1. Describe in summary the aims, objectives and purpose of the proposal, including desired outcomes.

Central Government have provided funds to the Council under S31 of the Local Government Act 2003 with the proviso that all monies are paid strictly in accordance with S13A (1) (c) of the Local Government Finance Act 1992 and in line with guidance used on 23 December 2022. The fund will assist all Council Tax Reduction applicants who will be required to make a payment of Council Tax for the 2023-24 financial year.

As there is a need to support the most vulnerable taxpayers at this time, the Government's strong expectation is that the billing authorities (Bolton Council) will provide all recipients of Council Tax Reduction (both working age and pension age) with a further reduction in their annual council tax bill of up to £25. This reduction will apply to all Council Tax Reduction recipients who have an outstanding liability for the 2023-24 financial year. There will be no requirement for any taxpayer to apply for this reduction and any amount granted will automatically be applied based on the criteria being met on 1 April 2023.

Where any funds remain after applying the reduction in liability, the council will use the funds to provide support to any low-income household who is suffering exceptional hardship using its Discretionary Hardship Fund. This will be monitored for engagement.

2. Is this a new policy / function / service or review of existing one?

This funding is a new funding stream offered by central government.

3. Who are the main stakeholders in relation to the proposal?

All working aged residents and pensioners in receipt of Council Tax Support, will be supported by the Council Tax Support Fund. Any low-income household experiencing financial hardship can seek support via the Discretionary Council Tax Reduction Scheme.

4. In summary, what are the anticipated (positive or negative) impacts of the proposal?

All working age residents and pensioners, claiming Council Tax Support will automatically be eligible for support via the Council Tax Support Fund. This will be an automatic payment, enabling all eligible residents' access to support, regardless of their protected characteristic. Therefore, it is not anticipated that any negative impacts will be attributed to any protected group eligible for support.

The Hardship Fund is available to any low-income household, via an online application. The council recognise that this may create barriers for some residents, with protected characteristics, applying for support. To mitigate any challenges, the authority will work with third-sector partners, the Library and Museum Service, as well as our community digital aiders to make access attainable for these groups.

5. What, if any, cumulative impact could the proposal have?

Bolton Council intend to monitor demographic engagement of the Hardship Fund by particular groups. The intelligence gathered will enable the authority to establish whether there is an increase level of engagement by particular groups or lack of access by others. This will inform future decision-making processes and strategy developments.

his EIA form and report has been checked and countersigned by the Directorate Equalities Officer before proceeding to Executive Cabinet Member(s)

Please confirm the outcome of this EIA:

No major impact identified, therefore no major changes required – proceed	<input checked="checked" type="checkbox"/>
Adjustments to remove barriers / promote equality (mitigate impact) have been identified – proceed	<input type="checkbox"/>
Positive impact for one or more groups justified on the grounds of promoting equality - proceed	<input type="checkbox"/>
Continue despite having identified potential for adverse impact/missed opportunities for promoting equality – this requires a strong justification	<input type="checkbox"/>
The EIA identifies actual or potential unlawful discrimination - stop and rethink	<input type="checkbox"/>

Contact Officer

Name: Phil Rimmer

Date: 26th January 2023

Directorate Equalities Lead Officer

Name: Rebecca Albrow

Date: 27th January 2023