

# Cheltenham Borough Council

## Council – 20 February 2023

### Council Tax Support Fund

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**Accountable member:**

Councillor Peter Jeffries, Cabinet Member Finance and Assets

**Accountable officer:**

Jayne Gilpin, Head of Revenues and Benefits

**Accountable scrutiny committee:**

n/a

**Ward(s) affected:**

All

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**Key/Significant Decision:**

Yes

**Executive summary:**

On 19 December 2022 the Government announced a Council Tax Support Fund for Councils to support vulnerable households with council tax bills in 2023/24. Funding has been allocated to councils based on the number local council tax support claimants. The Government expects Councils to use the majority of the funding to further reduce bills for Local Council Tax Support claimants using discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992

**Recommendations: That Cabinet**

- 1. Approves the Council Tax Support Fund 2023/24 in Appendix 3 as an appendix to the Council Tax Section 13a Discretionary Hardship Policy**
- 2. Authorises the Head of Revenues and Benefits in consultation with the Cabinet Member Finance, Assets and Regeneration to implement any changes as required by Government to ensure funding is allocated or the successful operation of the scheme**

- 3. Due to the volume of cases, delegate decisions relating to the application of these awards to the Head of Revenues and Benefits and officers in the Revenues and Benefits team. In the case of a dispute final reconsideration is to be made by the Executive Director Finance, Assets and Regeneration**
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## **1. Implications**

### **1.1. Financial implications**

As detailed within the report and appendices central government is providing funding for the Council Tax Support Fund to support vulnerable households with council tax bills in 2023/24. The Council has received £173,493 which will be distributed as set out in the report and appendix 3. Procedures will be in place to monitor expenditure to ensure it remains within the allocation.

The Government will also provide funding to cover administration costs although the amounts have not yet been confirmed

**Signed off by:** Gemma Bell, Director of Finance and Assets, [gemma.bell@cheltenham.gov.uk](mailto:gemma.bell@cheltenham.gov.uk)

### **1.2. Legal implications**

The Government has confirmed that they expect local authorities to deliver the grant using their discretionary relief powers under s13A(1)(c) of the Local Government Finance Act 1992

**Signed off by:** One Legal, [legalservices@onelegal.org.uk](mailto:legalservices@onelegal.org.uk)

### **1.3. HR implications**

There are no HR implications arising from the content of the report

**Signed off by:** Kate Wilkins, HR Business Partner, [kate.wilkins@publicagroup.uk](mailto:kate.wilkins@publicagroup.uk)

### **1.4. Environmental and climate change implications**

There are no environmental and climate change implications arising from the content of the report or recommendations

**Signed off by:** Laura Tapping officer, Climate Emergency Programme Officer, [laura.tapping@cheltenham.gov.uk](mailto:laura.tapping@cheltenham.gov.uk)

### **1.5. Property/asset implications**

There are no property implications arising from the content of the report or recommendations

**Signed off by:** Gemma Bell, Director of Finance and Assets, [gemma.bell@cheltenham.gov.uk](mailto:gemma.bell@cheltenham.gov.uk)

## 1.6. Corporate policy framework implications

Proposals in this report ensure that we provide additional support to reduce council tax bills for the most economically vulnerable households.

**Signed off by:** Richard Gibson, Head of communities, wellbeing and partnerships  
[richard.gibson@cheltenham.gov.uk](mailto:richard.gibson@cheltenham.gov.uk)

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## 2. Promoting equality and reducing discrimination

The council tax support fund will provide additional support to help low income families pay their council tax bills in 2023/24. An equality impact assessment has been carried out and is attached to this report in Appendix 2.

## 3. Performance management – monitoring and review

The number of households benefitting from an award and the total amount awarded will be monitored by the Head of Revenues and Benefits and will be reported to the Government periodically

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## 4. Introduction

- 4.1. On 19 December 2022 the Government announced a new Council Tax Support Fund to help the most vulnerable households with council tax bills in 2023/24
- 4.2. The Government expects the Council to provide the support using its discretionary powers under s13A (1)(c) of the Local Government Finance Act 1992. As the council already has a Section 13a Discretionary Policy the Council Tax Support Fund is being added as an appendix in respect of the financial year 2023/24 only.
- 4.3. Funding has been allocated to Councils based on the number of residents receiving council tax support. Cheltenham has received £173,493.00. This is based on a caseload of about 6,500 in respect of both working and pension age claimants.
- 4.4. The Government expects Councils to use the majority of their funding allocations to reduce bills for current working age and pension age Council Tax Support claimants, by £25. The Council can use its remaining funding allocation to support economically vulnerable households as it sees fit.
- 4.5. The funding provided is finite and Councils are required to monitor awards closely to ensure expenditure remains within the allocation.
- 4.6. The Government will also provide funding to cover administration costs although the amounts have not yet been confirmed.

## 5. Council Tax Support Fund Awards

- 5.1. The council is required to prioritise the funding to reduce the council tax liability of all council tax support recipients with an outstanding balance at the start of the 2023/24 financial year by at least £25. There is no requirement to make an award to new council tax support recipients eligible after 1 April 2023. The council has the discretion to decide how the remaining funding should be allocated to help the most economically vulnerable households.
- 5.2. The total council tax support case load is currently about 6,500. Unlike the majority of Councils our council tax support scheme provides the full 100% support to the most vulnerable residents. As a result about 2,400, which is just over one third of the total recipients, currently have to pay some council tax.
- 5.3. The funding allocation was based on the total council tax support caseload but an award will only be made to those with a balance to pay. As these represent just over one third of the total caseload it is possible to make awards above the £25 set by Government.
- 5.4. The policy in appendix 3 proposes an award of £60 to all council tax support recipients on 1 April 2023 with a balance.
- 5.5. An award of £60 will also be made to approximately 100 households in receipt of housing benefit but not eligible for council tax support.
- 5.6. These awards of £60 ensure that council tax support recipients are prioritised with a much higher level of support.
- 5.7. It is estimated that the above awards will use about £146,000 of the available funding.
- 5.8. After prioritising those eligible for council tax support or housing benefit at 1 April 2023 a slightly lower level of support will be available
- 5.9. A reduction of up to £50, depending on the balance to pay, will be made to new council tax support recipients, eligible after 1 April 2023
- 5.10. The awards to all those in receipt of council tax support or housing benefit will be made automatically to reduce council tax bills without the need for application
- 5.11. Awards of £50 will then be available for households that have incomes within a range just above the level to qualify for council tax support to apply for.
- 5.12. As no details are held for these households an application will need to be submitted with supporting evidence so that income can be verified
- 5.13. In all cases where the balance to pay, before a council tax support fund reduction is awarded, is less than the relevant award amount then the actual award will be the amount that reduces the balance to nil. No awards that reduce the balance to less than nil will be made.
- 5.14. All awards will reduce the council tax liability. No cash payments will be made.
- 5.15. Awards will be reduced or cancelled where circumstances change that affect the eligibility
- 5.16. As the funding is finite close monitoring will be undertaken. Once the funding is allocated the scheme will be suspended.

## **6. Reasons for recommendations**

- 6.1. The Council must adopt a policy using its discretionary powers under section 13A (1)(c) of the Local Government Finance Act 1992 to administer this fund

## **7. Alternative options considered**

- 7.1. None.

## **8. Consultation and feedback**

- 8.1. None

## **9. Key risks**

- 9.1. The risks are in Appendix 1
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### **Report author:**

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### **Appendices:**

- i. Risk Assessment
- ii. Community Impact Assessment
- iii. Council Tax support Fund 2023/24

### **Background information:**

1. Section 13a Local Government Finance Act 199
2. Guidance document on the Council Tax Support fund
3. <https://www.gov.uk/government/publications/council-tax-support-fund-guidance/council-tax-support-fund-guidance>

