



<p>*Report for:</p> <p style="text-align: center;">ACTION</p>
<p>Item Number: 3</p>

Contains Confidential or Exempt Information	No
Title	Council Tax Support Fund 2023/24
Responsible Officer(s)	Alison Reynolds – Director of Customer and Transactional Services
Author	Joanna Pavlides – Assistant Director Financial Assessments
Portfolio(s)	Councillor Steve Donnelly, Inclusive Economy
For Consideration By	Cabinet
Date to be considered	22 February 2023
Implementation Date if Not Called In	7 March 2023
Affected Wards	All
Keywords/Index	Council Tax Reduction, Council Tax Support, localism, CTS, CTR

Purpose of Report:

This report sets out proposals for a distribution of the Council Tax Support Fund 2023/24.

1. Recommendations

It is recommended that Cabinet:

- a) Approves the recommendations set out in section 3 for distribution of additional Council Tax Support funding 2023/24.
- b) Approves the proposed discretionary reduction policy pursuant to section 13A(1)(c) of the Local Government Finance Act 1992 as set out in Appendix 1 to this report.
- c) Delegates authority to the Strategic Director for Corporate Resources in respect of decisions on individual applications for reducing Council Tax payable.

2. Background and reasons for the decision

- 2.1 On 23 December 2022, the government announced funding and guidance for its Council Tax Support Fund for 2023/24. This allows the Council to reduce Council

Tax bills by up to £25 for those in receipt of Council Tax Support (CTS) and to use remaining funding as they see fit to further support households in need.

- 2.2 This was following the revised Council Tax Reduction report being considered by Ealing's Cabinet on 7 December.
- 2.3 The government has advised that the mechanism which should be used to make these reductions in Council Tax liability is by relying on section 13A(1)(c) of the Local Government Finance Act 1992 ("1992 Act"). Therefore, this report recommends an amendment to the Council's existing 13A(1)(c) policy provided as Appendix 1 to this report.
- 2.4 The government advice regarding the funded scheme for 2023/24 can be found here: [Council Tax Support Fund guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/council-tax-support-fund-guidance)
- 2.5 Ealing funding allocation for the additional Council Tax Support funding is: £630,896

3. Discretionary Council Tax Discount Policy changes

- 3.1 The proposed policy amendment sets the way in which the Council's discretion to make council tax reductions under section 13A(1)(c) of the 1992 Act will be utilised in 2023/24 and in subsequent years. This is distinct from Ealing's Council Tax Reduction Scheme.
- 3.2 The policy sets out two classes of taxpayer as eligible for the funding:
 - a) Those in receipt of CTS who will be entitled to an award of up to £40 off their Council Tax for 2023/24 under the government's CTS fund. This will apply to all awards of CTS for the 2023/24 financial year. These reductions are made to qualifying Council Tax accounts without the need for application. Those that have CTS included in their Council Tax bill to be issued in March 2023 will have the reduction of up to £40 included in their bill;
 - b) Any excess Council Tax Support Fund provided to the Council and not used in a) will be provided to supplement the Council's Council Tax Discretionary Discount scheme from which households are able claim support under 13A(1)(c).
- 3.3 The £40 award consists of £25 statutory maximum payment required by the government and additional £15 discretionary award which has been determined locally to support CTS claimants during the cost-of-living crisis. The award will be a maximum of £40, limited to the actual Council tax liability of the individual CTS recipient.
- 3.4 It is expected that the 2023/24 reductions under this policy will benefit around 9,926 households. This includes 1,934 pensioner households and 7,992 working age households.

4. Financial implications

- 4.1 These proposals will be funded from the Government's Council Tax Support Fund grant. The Ealing funding allocation is £630,896.

- 4.2 The cost of providing one off awards of £40 to eligible households is estimated at £397,040. The £40 award consist of £25 statutory maximum payment and additional £15 discretionary payment.
- 4.3 Awards will be made up to 100% of liability and will not result in any credit on council tax accounts.
- 4.4 The remaining balance of £233,829 will be added to the Discretionary Council Tax Discount Scheme.

5. Legal

- 5.1 The Council Tax Support Fund 2023-2024 Local Authority Guidance (“the Guidance”) sets out the grant provisions for those Local Council Tax Support recipients.
- 5.2 This proposed policy regarding discretionary relief in respect of council tax liability under section 13A(1)(c) of the 1992 Act, which comes within the competence of the Cabinet as an executive function, is separate from the Council’s powers to reduce council tax liability under the Council’s Council Tax Support scheme under section 13A(1)(a) and 13A(2) of the 1992 Act. A Council Tax Reduction Scheme (also known as a Council Tax Support Scheme) has to be amended by Full Council.
- 5.3 The Council’s power and discretion to make reductions in council tax liability under section 13A(1)(c) of the 1992 Act (i) includes the power to reduce the council tax liability to nil (cf. section 13A(1)(6) of the 1992 Act); and (ii) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination (section 13A(1)(7) of the 1992 Act).
- 5.4 The Council proposed to amend amended its section 13A(1)(c) policy in order to accommodation the additional funding for Council Tax Support that will be provided by the government (which was announced on 23 December 2022) and this is one reason why consultation on the amended proposed section 13(1)(c) policy has not taken place. The second reason for not carrying out consultation is because there is insufficient time to do so as the proposed section 13(1)(c) policy and changes arising from the government’s additional council tax support funding will need to be incorporated into Council tax bills in advance of the next financial year. As stated above, the additional funding and guidance provided by the government was not announced until 23 December 2022.
- 5.5 The Government’s guidance dated 23 December 2022 also sets out monitoring and reporting requirements for local authorities which will include liaising with the Department for Levelling Up, Housing and Communities to monitor implementation progress and includes the following advice:

- Councils will want to consider using a proportion of their allocation to establish their own local approach to helping economically vulnerable households with council tax bills;
- Local authorities should revisit their discretionary approach at intervals during the financial year, in order to ensure expenditure for 2023/24 remains within their allocation.

6. Value For Money

None

7. Sustainability Impact Appraisal

None

8. Risk Management

None

9. Community Safety

None

10. Links to the priorities for the Borough

The scheme links directly and indirectly to strategic objective of Fighting inequality for the Ealing Borough - relentlessly tackling poverty and inequality that blights too many lives and disproportionately holds back all too many people from achieving their dreams and aspirations.

11. Equalities, Human Rights and Community Cohesion

11.1 The public sector equality duty requires public bodies to pay due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- advance equality of opportunity between people who share a protected characteristic and those who do not;
- foster good relations between people who share a protected characteristic and those who do not

11.2 The Equality Act 2010 and the Public Sector Equality Duty (outlined above) cover the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

11.3 The Council has also revised its Council Tax Reduction scheme from 1 April 2023 to increase the maximum Council Tax Reduction from 75% to 80%. The scheme provides financial assistance to low-income residents with Council Tax bill payments. The recommendations provide additional support as allowed by the legislation.

12. Staffing/Workforce and Accommodation implications

None

13. Property and Assets

None

14. Consultations

None, due to the short timescale between the government announcement on 23 December 2022 and the following financial year and for reasons set out in paragraph 5.4 of this report.

15. Timetable for Implementation

Recommendation to adopt amended Discretionary Council Discount Policy which includes additional CTS funding	22 February 2023
Date by which Council must adopt the scheme	11 March 2023
Scheme effective from	1 April 2023

16. Appendices

Appendix 1 - Ealing Council Discretionary Council Tax Policy 2023/24

17. Background Information

- [Council Tax Support Fund guidance - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Cllr. Steve Donnelly	Cabinet Member for Inclusive Economy	Continuous	Continuous	throughout
Cllr. Bassam Mahfouz	Cabinet Member for Decent Living Incomes	Continuous	Continuous	Throughout
Emily Hill	Strategic Director of Corporate Resources	Continuous	Continuous	throughout
Nick Rowe	Assistant Director– Local Tax & Accounts Receivable	Continuous	Continuous	throughout
Alison Reynolds	Director of Customer and Transactional Services	Continuous	Continuous	throughout

Justin Morley	Head of Legal Services	Continuous	Continuous	throughout
Shabana Kausar	Assistant Director- Strategic Finance	Continuous	Continuous	throughout
External				
none				

Report History

Decision type:	Urgency item?
Key decision	no
Report no.:	Joanna Pavlides, pavlidej@ealing.gov.uk