



EXECUTIVE MEMBER DECISION

REPORT OF:	Executive Member for Finance and Governance
LEAD OFFICERS:	Director of Finance
DATE:	03 March 2023

PORTFOLIO/S AFFECTED:	Departments
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WARD/S AFFECTED:	(All Wards);
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SUBJECT: Council Tax Support Fund 2023/24
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1. EXECUTIVE SUMMARY

A new scheme to support recipients of Council Tax Support with the impact of rising bills was announced by the Government alongside the 2023/24 provisional Local Government Finance Settlement.

On the 30th December 2023, the Government issued guidance to Local Authorities outlining how the fund should operate and how much each authority had been allocated. Blackburn with Darwen BC's allocation totals £406,100.

This report outlines the approach that will be taken in identifying the eligible households, the calculation of the discount, and the timescales for implementation.

2. RECOMMENDATIONS

That the Executive Member:

- approves the Council Tax Support Fund Scheme for 2023/24

3. BACKGROUND

Recognising the impact of rising bills, the Government will be distributing £100m of new grant funding in 2023-24 to Local Authorities to support economically vulnerable households in their area with rising Council Tax bills.

Funding will be allocated to Councils based on their numbers of Council Tax support claimants from government returns in Q2 of 2022/23. The Government has stated that it expects Local Authorities to use the funding allocations to reduce bills for current working age and pension age Local Council Tax Support claimants, by up to £25. Once the main element of the scheme has been implemented, Councils can use any remaining allocation in a discretionary manner to support economically vulnerable households with Council Tax bills.

The Council Tax reductions from this scheme should be applied from the beginning of the 2023-24 financial year for existing recipients of Council Tax Support, and the discounts should be reflected in Council Tax bills issued in March.

4. KEY ISSUES & RISKS

4.1 Main Scheme Design

As detailed in the table below, there are 12,143 households eligible for the main element of the scheme and will receive a discount of up to £25. Those Council Tax payers with a bill of £25 or more will receive the full discount amount, whilst those with annual bills of less than £25 to pay, will receive a discount that results in a nil bill.

The number of Council Tax Support recipients does vary on a day to day basis as new claims are received or eligibility ceases. The figures below are from January 2023. Whilst the overall number will increase or decrease slightly, the numbers are a good indicator of how many households will receive the discount. The discount eligibility will be assessed and calculated on 2nd March during the annual billing process.

Working Age Council Tax Support claimants	10,747
Pensioner Council Tax Support claimants (with an amount to pay)	1,396
	12,143*

*As at 9th January 2023.

4.2 Discretionary element of the scheme

Once the main scheme has been delivered, the remainder of the Government funding allocation can be used in a discretionary manner to support economically vulnerable households with council tax bills. Based on the current caseload, the discretionary funding available to the Council will be approximately £102,525.

The Government has instructed Councils that any scheme must be simple for residents to understand, easy to implement, and **not** require an application from residents. It is therefore proposed that the remaining funding be distributed equally across all Council Tax recipients who are eligible for the main scheme. Based on the January caseload this will increase the overall discount for Council Tax Support claimants who have a Council Tax bill to pay, to approximately £33.44. As indicated in the main scheme the final calculation will be made on 2nd March 2023 as part of the annual billing process.

5. POLICY IMPLICATIONS

In accordance with the Government instructions, this scheme will be delivered by the Council using its discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.

6. FINANCIAL IMPLICATIONS

The funding for Blackburn with Darwen totals £406,100. Based on our design of the scheme detailed above, the full allocation will be distributed to recipients of Council Tax Support.

7. LEGAL IMPLICATIONS

The scheme outlined above will be delivered using the Council's discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.

8. RESOURCE IMPLICATIONS

The Government recognises that the implementation of this policy will place an additional burden on

Local Authorities. In accordance with the New Burdens doctrine, the Government will conduct an assessment of the expected additional costs associated with the implementation of the policy. Once completed additional administration costs will be paid over to the Council.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

Consultation is not required for this policy.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

VERSION:	1
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CONTACT OFFICER:	Andy Ormerod
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DATE:	20 th January 2023
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BACKGROUND PAPER:	Council Tax Support Fund guidance – December 2022
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