



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

***Administration of Council Tax
Discretionary Hardship Fund in
respect of COVID-19***

May 2020

1. Background

As part of its response to COVID-19 the Government provided Local Authorities with £500m of new grant funding to support economically vulnerable people and households in their local area.

Stockport MBC were awarded £2,462,460.00.

The Government expects that billing authorities will primarily use their grant allocation to reduce the council tax liability using their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.

Billing authorities will provide all recipients of working age local council tax support (CTS) during the financial year 2020-21 with a further reduction in their annual council tax bill of £150.

Where a taxpayer's liability for 2020-21 is, following the application of CTS, less than £150, then their liability would be reduced to nil. Where a taxpayer's liability for 2020-21 is nil, no reduction to the council tax bill will be available.

There should be no need for any recipient of CTS to make a separate claim for a reduction under this scheme. The billing authority will assess who is eligible for support from the hardship fund and automatically rebill those council taxpayers.

Whether or not a taxpayer has been affected by COVID-19, directly or indirectly, should not be taken into account in assessing eligibility for this reduction.

After applying an automatic £150.00 (maximum) hardship reduction to all working-age recipients in 2020/21, the remaining fund can be allocated as the local authority sees fit.

Stockport has allocated the new grant funding as follows:

- Automatic £150.00 hardship reductions = £1.258m
- Discretionary Hardship Support Fund = £0.500m
- Humanitarian/support funds = £0.704m

This document is to outline the approach for administration of the Discretionary Hardship Support Fund.

2. How it will be publicised

Stockport Council will make residents aware of the hardship fund via the following means:

- The Council's webpages.
- The additional Council Tax 'soft' reminder letter being issued in June 2020. This is being sent as a soft reminder to residents who have fallen behind with their payments, in an attempt to avoid formal recovery action being taken at a later date.
- A pro-active exercise to invite an application from residents who have applied for Council Tax Support since April 2020 but do not qualify. These residents will not be entitled to the automatic £150.00 hardship discount but may still be financially vulnerable due to the effect of COVID-19.
- Communications to the Council Tax Recovery team, Benefit team, Contact Centre, Debt Advice, Citizens Advice, Help with Benefit Appeals and any other teams dealing with Council Tax charge payers, to make them aware of the hardship fund so they can advise financially vulnerable residents to apply.

3. Application process

Applications can be made using a new combined Council Tax Discretionary Payment/Hardship Fund application form which will be available to download on the Council's website. The form will include questions to capture the impact of Covid-19 but will also accommodate applications made under the Council's existing Discretionary Payment Policy as well as applications made under the new Covid-19 hardship fund.

If the form cannot be downloaded, the relevant information can be supplied in an alternative format e.g. by letter or email. Applications cannot be made over the telephone.

4. Criteria

The following criteria must be satisfied before an award is made:

- The claimant has checked that they are not entitled to any other financial help/benefits.
- Has provided details of income, expenses and capital
- Has provided documentary evidence as required
- Has evidenced financial vulnerability due to the impact of COVID-19
- Has demonstrated the need for financial assistance

5. Decision Process

Each case will be considered on 'its merits', no blanket decisions will be made in common situations as this will fetter the application of discretion.

The decision to award a discretionary hardship reduction will be made by Senior Benefit Officers. The application will be checked to ensure that the appropriate criteria are met.

Overall cash limits, the effect on other charge payers and the Council's financial situation will be valid elements of the decision-making process.

Principles of reasonableness will apply in all cases.

6. Amount of Award

Both the amount and the duration of a hardship reduction award will be determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of each case.

7. Administration and Recording

Awards will be made through the Civica Discretionary Payment module. The amount of the awards will be recorded via the Civica module. A separate record of grant expenditure under this scheme will be kept showing the reasons for award or refusal.

8. Appeals

Where a decision is refuted this will be considered by a Senior Officer who was not involved in the original decision. If the decision is upheld, and the claimant still refutes the decision, the Revenues and Benefits Manager will undertake a review of the case.

An Appeal against a decision under Section 13A(1)(c) of the Local Government Finance Act 1992 may be made in accordance with the legislation outlined in Section 16 of the Local Government Finance Act 1992. The process includes an appeal to a Valuation Tribunal if a charge payer remains unhappy with a decision made.