

EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

A meeting of the Executive Member for Finance and Governance was held on Wednesday 27 March 2024.

PRESENT: Councillor N Walker

OFFICERS: D Ingoldsby and J McNally

APOLOGIES FOR ABSENCE: None.

23/15 **COUNCIL TAX SUPPORT FUND (DISCRETIONARY SCHEME) 2023/24**

A report was submitted for consideration by the Executive Member for Finance and Governance the purpose of which was to seek approval of the Council Tax Support Fund (Discretionary Scheme) for 2023/2024.

The report detailed that Central Government provided Local Authorities one-off additional funding to support vulnerable households through the Council Tax Support Fund in 2023/24 as outlined in paragraphs three and four of the report.

The Government provided the funding to reduce Council Tax bills for current working age and pension age residents who received help with their Council Tax as Council Tax Reduction through the Council's local Council Tax Support scheme, by up to £25.

For those residents who paid £25 or less Council Tax, the amount payable was to be reduced to nil. Any remaining funds were available to use by Local Authorities at their discretion to support vulnerable households with Council Tax bills.

The 2023/24 bills for eligible households awarded CTR, as outlined in paragraph eight of the report, were reduced automatically and no application was required.

The proposals compensated those residents who had been adversely affected by the decision to include the childcare cost element of Universal Credit as 'income' within the 2023/24 Council Tax Reduction scheme. The 2024/25 scheme disregarded that element, so the additional support from the Fund would therefore alleviate the impact during the current financial year for affected residents before this change took effect.

In addition, the proposals would provide further financial assistance to around 3,000 residents whose current Council Tax Reduction award was made at the 72% band rate or less.

Those who did not receive Council Tax Reduction at the maximum 90% rate had additional income at a level which qualified them for a lower rate and so had more Council Tax to pay. This group would include those Council taxpayers in employment and others who would not have received direct support from Central Government by way of Cost-of-Living payments.

ORDERED that the Council Tax Support Fund (Discretionary Scheme) for 2023/24 be approved.

OPTIONS

Do nothing. Without a suitable scheme to provide sufficient defined criteria, any remaining funds would not be able to be utilised by the Council and would need to be returned to Central Government.

REASONS

Central Government provided Local Authorities one-off additional funding to support vulnerable households through the Council Tax Support Fund in 2023/24.

Middlesbrough was allocated £473,542 of which around £0.37m had been allocated to

Council Tax accounts through mandated guidance provided by Central Government. The guidance also provided that the Council could allocate any remaining funds which were estimated at £0.101m through discretionary powers provided for under the scheme.

The Council had discretionary powers to utilise the remaining balance to further assist low-income households, however, it needed to confirm an approach before being able to make any awards. Without the approval of this scheme the remaining funds would need to be returned to Central Government.

The policy was a key decision that impacted on two or more wards. The remaining funding was estimated at £0.101m and therefore did not exceed the Council's Financial Procedure Rules threshold. Due to the varying number of claimants, it was not possible to provide an exact amount remaining, however it would remain within the Council's Financial Procedure Rules threshold and therefore could be subject to single member approval.

The decision will come into force after five working days following the day the decision(s) was published unless the decision becomes subject to the call in procedures.