

Runnymede Borough Council

CORPORATE MANAGEMENT COMMITTEE

Thursday 24 September 2020 at 7.30 p.m.

To be held remotely via MS Teams

**ADDENDUM**

**PART I**

5. **PROPOSED REVIEW OF RUNNYMEDE'S COUNCIL TAX SUPPORT SCHEME  
(HOUSING BENEFITS TECHNICAL MANAGER - ED BOWEN)**

**REVISED SYNOPSIS OF REPORT AND REVISED RECOMMENDATIONS**

A revised synopsis of report and revised recommendations are set out below:-

**Revised synopsis of report:**

**To review Runnymede's Council Tax Support scheme to ensure it is up to date and relevant, incorporating the roll out of Universal Credit to Runnymede's residents.**

**To align the Council Tax Support Scheme with Housing Benefit and Universal Credit regulations to simplify the administration of claims within Benefits and make it easier for the Council's most vulnerable residents to understand how they can apply for financial assistance with their Council Tax.**

**To consider the four options proposed and to consult if necessary with stakeholders on the preferred options put forward by Officers.**

**To appoint an external company to carry out the required consultation with stakeholders on at a cost of £4,525, if options 1, 3 or 4 are selected.**

**Members should note that the Council Tax Support Scheme and the Housing Benefits Service are mutually exclusive schemes with different funding streams. Residents can qualify for both.**

**Revised Recommendations:**

**1. The Corporate Management Committee considers the relevant options on changes to Runnymede's Council Tax Support Scheme and notes that Officers recommend adopting Option 2 in these unprecedented times when there is a need to react quickly to provide support to the most vulnerable.**

**2. The Committee agrees to the creation of a £50,000 hardship fund to help those most in need utilising part of the Government grant received for dealing with the impacts of Coronavirus.**

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### 3. EITHER

If the Committee decides to adopt Option 2, which would mean maintaining the scheme in its current form and creating the hardship fund referred to above, no consultation with stakeholders be undertaken.

OR

The Committee approves a supplementary revenue estimate of £4,525 to conduct a thorough consultation with stakeholders in October 2020 on preferred options 1, 3 and 4 before deciding on which scheme to implement from 1 April 2021 with the cost to be met from savings made from a vacant post (Housing Benefits System Support Analyst) within the Housing Benefit Service; and

4. If the Committee decides that consultation is necessary, Officers report back to the Committee in 17 December 2020 on the results of that consultation and on how the new Council Tax Support scheme will be implemented from April 2021.

### **CHANGES TO THE REPORT**

Changes to the report circulated in the main agenda are shown below:-

#### **DELETE PARAGRAPH 2.4 IN THE REPORT IN THE MAIN AGENDA AND REPLACE WITH AMENDED PARAGRAPH 2.4 AS FOLLOWS**

- 2.4 This demonstrates that with the revised scheme we did not adversely affect the collection rate and during the first year we had one appeal to the Valuation Tribunal Service regarding the refusal to award a discretionary hardship payment under section 13A of the LGFA 1992. This appeal was settled before the hearing and the customer withdrew their appeal. The various changes to the scheme and fluctuations in the caseload, particularly among the working age population, have not had a negative impact on the ability to collect the Council Tax.

#### **DELETE DESCRIPTION OF OPTION 1 AT PARAGRAPH 2.8 IN THE MAIN AGENDA AND REPLACE WITH REVISED DESCRIPTION OF OPTION 1 AS FOLLOWS**

- 2.8 Scheme unchanged - make no changes without increasing or decreasing the entitlement for any group of customers. This proposal is to keep the scheme in its current form.

#### **DELETE PARAGRAPH 2.14 IN THE REPORT IN THE MAIN AGENDA AND REPLACE WITH THE FOLLOWING PARAGRAPHS 2.14 TO 2.17**

- 2.14 In 2013, Surrey County Council granted Runnymede £24,000 to be spent as a hardship fund for those affected by the transition from council tax benefit to CTS. It took 6 years for Runnymede to spend this allocation.
- 2.15 However, since April 2019 Runnymede has relied upon Section 13A(1)(c) of the Local Government Finance Act 1992, to reduce council tax liability on a case by case basis. It is our proposal that we allocate a budget of £50,000 from the

Government Covid 19 fund. This budget would therefore not have an adverse impact on the General Fund.

- 2.16 The hardship scheme was reviewed and accepted by Members earlier this year, and it is that policy that would be applied. Officer discretion is accepted for the administration of Discretionary Housing Payments, and often we would like to make payments towards Housing rent as well as Council Tax.
- 2.17 The option of a discretionary fund allows us to help the broadest range of customers impacted by Coronavirus and who have been either unable to gain access to CTS or have limited entitlement.

**AMENDMENT TO PARAGRAPH 2.19 IN THE REPORT IN THE MAIN AGENDA – SHOWN IN BOLD TYPE**

- 2.19 It is important that Members understand the availability of the funding and the creation of a** hardship fund would be used to help those most in need due to the economic impact of coronavirus but excluded from council tax support or are receiving less than their full liability.

**AMENDMENT TO PARAGRAPH 2.26 IN THE REPORT IN THE MAIN AGENDA – SHOWN IN BOLD TYPE**

- 2.26 It is proposed that the MIF is not applied to those in the following groups:
- Where an applicant is partly self-employed and partly employed, **clarify in the rules**, the MIF will only be applied if net earnings from both self-employment and employed work are less than the amount derived from multiplying the National Minimum Wage by 35 hours.

**AMENDMENT TO PARAGRAPH 3.1 IN THE REPORT IN THE MAIN AGENDA – SHOWN IN BOLD TYPE**

- 3.1 Currently, RBC have a discretionary Housing payment policy, CTS scheme and discretionary council tax policy. The proposed action **would amend and support** those policies in order to provide flexibility in the scheme to continue to deliver a scheme that helps the most vulnerable, while limiting the financial impact on the wider community.

**AMENDMENT TO PARAGRAPH 5.1 IN THE REPORT IN THE MAIN AGENDA – SHOWN IN BOLD TYPE**

- 5.1 Before the RBC CTS scheme can be revised **as** outlined in options 3 and 4, there would need to be consultation with major preceptors, partners and the general public on the possible options for change.

**AMENDMENTS TO PARAGRAPHS 8.1 AND 8.2 IN THE REPORT IN THE MAIN AGENDA – SHOWN IN BOLD TYPE**

- 8.1 Having looked at the various options, Officers recommend the Committee consider option 2 ~~& 3~~ as **a viable updates** to the current CTS scheme.

8.2 The table at Appendix 'A' demonstrates how options **2 & 3 extends** the safety net for the next two years while the effects of coronavirus dissipate and residents and businesses of the borough return to normal, whilst ensuring the Council does not overspend against the CTS budget.

### **COMMENTS OF THE HOUSING COMMITTEE**

On 9 September 2020, the Housing Committee considered the report on the main agenda and its comments are set out below.

### **DRAFT MINUTE OF THE HOUSING COMMITTEE – 9 SEPTEMBER 2020**

#### **PROPOSED REVIEW OF RUNNYMEDE'S COUNCIL TAX SUPPORT SCHEME**

"The report presented to Committee would be going to Corporate Management Committee on 24 September, and its intention was to align the Council Tax Support Scheme with Housing Benefit and Universal Credit regulations to simplify the administration of claims within Benefits. This would be done in order to make it easier for the Council's most vulnerable residents to understand how they can apply for financial assistance with their Council Tax.

Four options would be presented to Corporate Management Committee, and whilst a review was due the timing was considered opportune as the impacts of Covid-19 had highlighted concerns from residents.

Officers felt that option two was the most palatable scheme, which maintained the scheme in its current form and included a hardship fund of £50,000. It was felt that this would see the Council through the next two years and provided the best opportunity to control expenditure and deliver for residents. It also mirrored what other District and Borough Councils were doing.

However, a number of Members felt uncomfortable that option two would result in everything being done by discretion, preferring a rules-based approach to ensure fairness across the board. Furthermore, option three provides a list of categories – such as the terminally ill and those prevented from working by law – who would be exempt. It was felt that this list needed to be written into the policy.

It was also felt that the matters were extremely complex, and whilst consultation with residents was welcomed and necessary, consultation with organisations who can support the people affected – such as Citizens Advice and Surrey Rights Unit – should also be involved in the consultation process.

Using unexpected savings from the previous version of the scheme to pay for changes was also considered necessary, whilst removing the minimum income floor was also considered the right thing to do in order to avoid penalising those trying to earn an income.

Comments were noted, and the updated report would be presented to Corporate Management Committee on 24 September 2020."