

**NORTH LINCOLNSHIRE COUNCIL**

**POLICY & RESOURCES  
CABINET MEMBER**

**COUNCIL TAX SUPPORT SCHEME  
DISCRETIONARY SUPPORT FUND**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

1.1 This report seeks approval to reinstate the discretionary element of the Council Tax Support scheme for 2014/15 and 2015/16 in order to ensure that additional support may be provided to claimants requiring financial assistance over and above that which is allowed through the core scheme.

1.2 The recommendation within the report will ensure that the council mitigates a risk of challenge at Valuation Tribunal as any decisions will have been made on an individual basis taking into account the relevant circumstances of the individual.

**2. BACKGROUND INFORMATION**

2.1 The Council Tax Support Scheme introduced in April 2013 included a discretionary element which would allow additional support to be granted to claimants who could evidence that they required additional financial assistance. Applications for additional support are assessed on an individual basis based on Income and expenditure, including an assessment as to whether the applicant may be in a position to re-prioritise the finances in order to meet their liability.

2.2 At the Council meeting on 10 December 2013 Council agreed the continuation of the Council Tax Support Scheme for 2014/15 and 2015/16 at the same level as had been agreed for 2013/14.

2.3 The decision made on 10 December 2013 included a resolution to withdraw any additional discretionary support, on the grounds that demand in 2013/14 had been minimal, with estimated spend at that time of approximately £4k per year. The actual amount allowed was £2k.

2.4 During 2014/15 it has become clear that whilst the level of financial demand remains low, the provision for some discretionary payment is crucial for claimants who are require extra help. The award of the additional support

is also beneficial to the council as the costs of attempting recovery of these debts, potentially leading to write-off, out-weighs the cost of what are extremely modest awards.

2.5 It had previously been the view of Local Taxation legal experts that refusal to allow discretionary awards was not subject to the jurisdiction of the Valuation Tribunal, which is the body that considers other appeals in relation to Council Tax liability, due to the fact that decisions are made on a discretionary basis in accordance with local policy.

2.6 During 2014/15 an appeal in another Local Authority area has been made to the Valuation Tribunal against a decision not to allow a discretionary award. The Tribunal accepted the appeal on the grounds that such decisions affect liability to pay, which in itself does constitute grounds for appeal. The appellant was successful with their appeal.

2.7 The outcome of this decision for means that an appellant may appeal to the Valuation Tribunal in any circumstance, whether their application for a reduction has been made in accordance with national regulation or local policy decisions.

2.8 Should North Lincolnshire Council face an appeal against a decision not to consider an award of additional support, it is important that the council can demonstrate that all of the facts in relation to the individual application have been considered.

2.9 By failing to operate any kind of scheme to consider applications for additional support, the council would be at risk of criticism for applying a blanket policy and failing to consider cases on an individual basis.

### **3. OPTIONS FOR CONSIDERATION**

3.1 Reinstating the provision for a scheme which provides additional discretionary support for claimants who are in need of additional financial assistance, this is the recommended option.

3.2 Uphold the decision to remove provision for any additional support.

### **4. ANALYSIS OF OPTIONS**

4.1 By reinstating the original provision the council will be able to demonstrate that each application is considered on its' own merit. In the event of any appeal against a decision to refuse support the council will be able to evidence that claims have been correctly assessed in order to defend the appeal.

4.2 If the decision to remove the additional provision is upheld there is a significant risk of challenge in the event of any appeal, as the council will not be able to demonstrate that appellant's case has been considered on merit.

**5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

5.1 The cost of allowing the additional discretionary support has proved to be lower than anticipated. In 2013/14 a total of £2k was awarded to 134 applicants. At present it is estimated that a maximum of £4k would be awarded in 2014/15 to those who would be eligible. There is no separate budget requirement for this amount, the awards impact on the overall Council Tax base and collection fund and the impact is negligible.

5.2 There are no staffing, property or IT implications.

**6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

6.1 Not applicable

**7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

7.1 Not applicable

**8. RECOMMENDATIONS**

8.1 That the provision for additional discretionary support for recipients of Council Tax Support is reinstated for 2014/15 and onwards.

DIRECTOR OF POLICY AND RESOURCES

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**Background Papers used in the preparation of this report - None**