



**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**



## Cabinet

18 January 2024

Report of Councillor Ashley Baxter,  
Deputy Leader of the Council

# Discretionary Council Tax Payment Policy 2024/25

### Report Author

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### Purpose of Report

This report provides an update to Cabinet on Discretionary Council Tax Payment (DCTP) expenditure and requests that Cabinet approve the policy for 2024/25.

### Recommendations

#### Cabinet is asked to:

1. **Recommend to Council the continuation of the £30,000 Discretionary Council Tax Payment fund for 2024/25.**
2. **Approve the policy for the administration of Discretionary Council Tax Payments for 2024/25.**

### Decision Information

Is this a Key Decision?	Yes
Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Healthy and strong communities High performing Council
Which wards are impacted?	All wards

## 1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance***

- 1.1 Funding for Discretionary Council Tax Payment is determined as part of the Localised Council Tax Support Scheme decision making process. Each year, as part of the budget proposals Council has agreed to provide £30,000 funding for this scheme.
- 1.2 Continuation of the Discretionary Council Tax Payment fund of £30,000 will be a direct cost to the General Fund.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

### ***Legal and Governance***

- 1.3 The Council's practices, in relation to the allocation of Discretionary Council Tax Payments, are in line with its legal duty as part of the Localised Council Tax Support Scheme which is currently going through the relevant decision making process.
- 1.4 As the proposed policy for 2024/25 does not contain any material amendments, there are no legal implications. However, the Council is adhering to best practice by reviewing the policy and keeping it up-to-date.

Completed by: Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer

## **2. Background to the Report**

- 2.1 The Council has a clear commitment in its Corporate Plan 2020-2023 to healthy and strong communities and being a high performing council. This report, and the support provided through the Council's Discretionary Council Tax Payment Scheme, delivers these priorities.
- 2.2 Each year, as part of the Council Tax Support Scheme consultation, the Council has agreed to provide £30,000 funding for this scheme. This will be a direct cost to the General Fund.
- 2.3 The continuation of this funding is currently being considered as part of the Localised Council Tax Support Scheme decision process, with approval of a final scheme to be in place by January 2024.
- 2.4 If funding is approved, the Discretionary Council Tax Payment (DCTP) policy for 2024/25 will be put in place to ensure effective financial support is provided to eligible recipients.
- 2.5 A DCTP is available to anyone in receipt of Council Tax Support who has a shortfall between the weekly amount awarded and their Council Tax liability.
- 2.6 The DCTP scheme provides additional funding to help those with a council tax liability who are experiencing exceptional hardship in situations where Council Tax Support does not cover all of their council tax liability. To qualify for consideration for assistance under this scheme the customer must already be in receipt of some Council Tax Support.
- 2.7 Awards of DCTP may be made where a tax payer has a short term financial difficulty that means they are unable to pay their Council Tax. Awards will normally be for a defined period and have the effect of reducing the monthly contribution a tax payer has to make towards their bill.
- 2.8 Consideration will be given as to whether all other discounts and sources of help have been exhausted. Where appropriate, decisions will be deferred until other avenues have been explored.

### **Expenditure**

- 2.9 The total amount of funding allocated for each year is £30,000. For 2023/24, the decision was taken to move any unspent funding from 2022/23 into the new year. As a result, in 2023/24 there was a total of £47,610 funding available.
- 2.10 The table below shows the amount of funding agreed in recent years, and the total expenditure. The remaining amount for 2023/24 is as up to 16 October 2023.

	2020/21	2021/22	2022/23	2023/24
<b>SKDC Contribution</b>	£30,000	£30,000	£30,000	£30,000
<b>Rolled over from previous years</b>	£0.00	£11,915	£8,815	£17,610
<b>Total funding</b>	£30,000	£41,915	£38,815	£47,610
<b>Expenditure</b>	£18,085	£33,100	£21,205	£13,936
<b>Remaining</b>	£11,915	£8,815	£17,610	£33,674

- 2.11 Since Covid, Government has provided a number of additional top-ups of support for those in receipt of Council Tax (beyond Council Tax Support). As a result, this has had an impact on the amount of funding remaining, which has been rolled over into the forthcoming financial years.
- 2.12 This ongoing top-up support is currently in place to 31 March 2024, and it is not known whether there will be a new top-up announced. It is therefore important the Council continues to approve the roll-over of the underspend as this will provide additional budget in a year in which other government top-up would not be available.
- 2.13 Discretionary Payments can be applied for independently but are often considered as part of the application process for Discretionary Housing Payments (support for shortfall between Housing Benefit / Universal Credit award and eligible rent). Officers are aware of the DCTP and actively encourage customers to apply where eligibility criteria is met.
- 2.14 South Kesteven's Cost of Living Support Team is aware of the fund and ensure they consider this as part of the financial needs and support assessment which is undertaken when supporting any resident referred them who is impacted by current cost of living pressures.
- 2.15 In addition to this, residents are also being supported by the Cost of Living Team through the Household Support Fund (HSF) grant.

### **Discretionary Council Tax Payment Policy**

- 2.16 The administration and payment of DCTP is at the discretion of each local authority. South Kesteven District Council has a DCT Policy which sets out eligibility for the scheme and the application process. The proposed policy for 2024/25 is included within Appendix 1 to this report.
- 2.17 The aim of the policy is to enable our most vulnerable residents, who cannot access any other income, to sustain their home and health.
- 2.18 Discretionary payments can be applied for independently but are often considered as part of the application process for Discretionary Housing Payments (support for shortfall between Housing Benefit / Universal Credit award and eligible rent).

Officers are aware of the discretionary payments and actively encourage customers to apply where eligibility criteria is met.

- 2.19 There is a need for proactive work and support due to the ongoing impacts of cost of living on residents. However, it is important DCTP is recognised as support for those in short-term crisis. Where longer term support is identified – such as income top-ups, referrals are made to the Council's Cost of Living Team, external support agencies such as Citizens Advice and Money and Pensions Service. For all residents with a Council Tax liability, our Revenues Enforcement Team is able to provide a holistic approach to advice and support.

### **3. Key Considerations**

- 3.1 The Council's current policy has been in place for some time and has been updated annually in line with delegated powers. It is appreciated this is an important policy, which provides detail of additional financial support available to our residents. Therefore, it is important this policy is reviewed on an annual basis, not only to ensure the policy is fit for purpose, but to be reactive to any issues our residents are facing.

### **4. Other Options Considered**

- 4.1 There are no other options to consider.
- 4.2 To not approve the Policy or continue the Discretionary Funding.

### **5. Reasons for the Recommendations**

- 5.1 These are set out in the report.

### **6. Consultation**

- 6.1 On 28 November 2023, Finance and Economy Overview and Scrutiny committee considered the policy as detailed in Appendix One.

### **7. Background Papers**

- 7.1 A full report was presented to Finance, Economic Development and Corporate Services Overview and Scrutiny Committee on 28 November 2023 (item 13) agreeing to recommend to Cabinet the approval of the policy. The report can be located here: [Agenda for Finance and Economic Overview and Scrutiny Committee on Tuesday, 28th November, 2023, 2.00 pm | South Kesteven District Council](#)

## **8. Appendices**

### **8.1 Appendix 1: Discretionary Council Tax Payment Policy – 2024/25**