**Discretionary Council Tax Hardship Covid-19 Policy 2021/2022**

**1. Background**

In April 2020 the Council was allocated £699,209 to provide Council Tax hardship relief to customers financially vulnerable as a result of the COVID pandemic.

The guidance issued at the time stated that Local Authorities should provide all working age recipients of Council Tax Reduction (CTR) with a further reduction of up to £150 for the 2020/21 billing year, using their discretionary powers outside of their formal CTR scheme.

This was extended locally to allow additional support as follows:

* Additional £100 for working age applicants that had already received the £150;
* £150 for pension age applicants financially impacted by COVID;
* £150 for any other Council Tax payer financially vulnerable as a consequence of COVID.

The policy intention is that support should be paid primarily to alleviate hardship for those financially vulnerable as a result of the COVID pandemic.

A total of £339,459.18 was paid to customers in this support during the 2020/21 billing year. Therefore the scheme has been extended into the 2021/22 billing year as follows.

All working age recipients of CTR as of the 1st April 2021 have been awarded up to £150 for the 2021/22 billing year. This was automatically applied to customers who were eligible to the annual Council Tax bill issued in March this year.

The remaining funds of around £196,000 have been used to create a Discretionary Council Tax COVID fund. This fund will be used on a case by case basis to alleviate financial hardship as a result of COVID.

**2. Application & decision making process**

* Applications must be made online, with applicants being asked to detail their household income and expenditure and explain how Covid-19 has affected their financial situation.
* Referrals from Officers of the Authority may also be used as an application. In this case the customer may be asked to provide further information about their financial circumstances, where possible this will be done over the phone or by email.
* This may include details of steps that they are taking to improve their position, such as seeking budgeting and/or debt advice or applying for payment holidays on household debt such as mortgages, loans, utilities and credit cards etc.
* All applicants will have made a claim for CTR and other available discounts to reduce their council tax liability prior to DCTR being considered.

<https://www.chichester.gov.uk/counciltaxdiscount>

<https://www.chichester.gov.uk/counciltaxreduction>

* Applications will be decided on a case by case basis, with the amount of support determined by the awarding officer based on the circumstances and remaining liability of the applicant. The application will also consider arrears for the 2020/21 billing year where necessary with a view to placing the account in a position that promotes future payment success.
* Successful applicants will have the DCTR applied to their council tax account and be issued with a revised bill showing the award.
* Applicants that are unsuccessful will be advised in writing. Applicants have the right of appeal if they disagree with the decision. Further information can be found at <https://www.valuationtribunal.gov.uk/council-tax-reduction-appeal-form-guidance>

**3. Changes in circumstance**

Any change in circumstances that prompts a change in DCTR will be considered and any discretionary support that is no longer required as a result of that change will be returned to the fund and redistributed as appropriate.

**4. Monitoring and review**

* The discretionary grant fund is cash limited when the Council’s allocation of funds have been distributed no further awards will be made and applications will no longer be accepted.
* To allow for fair distribution of the funding and to ensure that as many working age customers are supported by the funding as possible the balance of funding and spending will be reviewed on a monthly basis.
* The COVID pandemic remains an evolving situation therefore the Council reserve the right to amend the scheme as required in consultation and agreement with the Cabinet Member for Revenues, Benefits & Customer Services and the Director of Housing and Communities.