

KENT COUNTY COUNCIL – URGENT RECORD OF DECISION

DECISION TAKEN BY:

Roger Gough – Leader of the Council

DECISION NO:

21/0031

For Publication**Key decision: YES**

Key decision criteria. The decision will:

- a) *result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or*
- b) *be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:*
 - *the adoption or significant amendment of major strategies or frameworks;*
 - *significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether County-wide or in a particular locality.*

As Leader of the Council, I:

- 1) Agree up to £6m allocation from the available one-off Covid-19 Emergency Grant Funding to fund Council Tax Hardship Relief Support as part of the Helping Hands Scheme. This will be:
 - i) Used to automatically reduce the 2021-22 Council Tax bill for all existing CTRS working age households by the higher of £50 or the total council tax liability. New claimants throughout the year will also receive up to the maximum £50 reduction.
 - ii) Provide one-off funding to each Kent district to be used to provide Council Tax relief due to financial hardship. This funding will be used to support those who have been seriously impacted by the pandemic and have suffered a loss in income or a change in the financial circumstances, such as furlough, or redundancy.
- 2) Delegate authority to the Corporate Director, Finance, after consultation with the Leader, to update, review and amend the proposed level and distribution of the funding in response to changing need; and
- 3) Delegate authority to the Corporate Director, Finance to take other necessary actions including but not limited to entering into contracts or other legal agreements, as required to implement this decision.

Reason(s) for decision:

The Government has provided significant one-off grant funding to Kent County Council to support the local response to the coronavirus (Covid-19) pandemic. The Council has worked with a range of partners to allocate funding to respond to the impact of the Covid-19 pandemic on the Council's services, to meet its public health obligations and to support those residents, families and businesses most in need of support since the start of the pandemic. In addition to a number of specific grants, a total of £95m Covid-19 Emergency Grant Funding has been received since March 2020.

As a result of the economic impact of the virus, the number of working age households that receive a

discount to their Council Tax through the Council Tax Reduction Scheme has increased, reflecting increased levels of financial hardship across the county.

District and borough councils will receive the funding and will apply the £50 reduction to all eligible 2021-22 Council Tax accounts and award Council Tax Hardship Relief support through their existing S13A Council Tax Hardship schemes. Districts and borough councils will provide regular management information to the County Council in terms of the number of Council Tax payers supported and how much of the funding has been spent. This information will form part of the regular reporting to Cabinet and Policy and Resources Committee.

Financial Implications:

There are no direct financial implications on the Council's revenue budget as the allocation is one-off grant funding received from the government to support the Council's response to the Covid-19 pandemic. The activities and projects funded by the Emergency Grant Funding are time limited and will not be a recurring cost to the Council. Any additional administrative costs will be charged to the grant.

£6m expenditure from grant is approved by this decision.

Reason for Urgency:

The District / Borough Councils require the funding as soon as possible to ensure they can make the necessary software changes, calculate the reductions in the council tax liability which need to be reflected in the council tax bills that have to be issued in advance of the end of March and to update the funding allocations for their hardship relief schemes in time for 1st April 2021.

Member and other consultation:

No Cabinet Committee consultation possible due to urgency process.

The Chair of the Scrutiny Committee, in addition to agreeing that the decision could not be reasonably deferred, provided the following comments:

Mr Booth supported the decision.

The Group Spokespeople of the Scrutiny Committee and Policy & Resources Cabinet Committee provided the following comments:

Mr Bird and Mr Farrell stated that;

“We are not confident or satisfied that this decision should have been progressed via urgency procedures, as it appears there is no substantial or obvious reason why the formal decision process could not have been commenced at an earlier stage to allow proper notice and consideration in advance. However, we support the principle and intentions of this decision to provide necessary relief to those struggling due to the COVID Pandemic.

It would be helpful if further information could be provided on the funding arrangements, proposed allocations and the associated formulae, offering appropriate reassurances as to the fairness of the distribution across the county.”

The Chair of Policy & Resources Cabinet Committee provided the following comments:

Mr Sweetland supported the decision.

Any alternatives considered and rejected:

The Council could have chosen not to allocate this funding but this was rejected on the basis that the Coronavirus pandemic has had a disproportionate impact on the finances of those households already eligible for the Council Tax Reduction Scheme as well as those who are just above the threshold for Council Tax Reduction Scheme support, particularly those impacted by furlough, redundancy and loss of self-employment. This scheme directly targets those households and those that become eligible throughout 2021-22. The districts and boroughs are responsible for council tax and are well placed to identify the households that would benefit from their hardship relief schemes and can therefore target the funding appropriately.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None



16 February 2021

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signed

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date