

**Barrow Borough Council**  
**Executive Committee**  
**13 October 2021**  
**COVID-19 Council Tax Hardship**

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**Report from:** Director of Resources

**Report Author:** Director of Resources

**Wards:** All Wards

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**1.0 Summary and Conclusions**

1.1 At the end of March 2020 the Council received a £798,140 to support economically vulnerable people and households in the Borough impacted by COVID-19. Government set the expectation that the majority of the hardship fund would be used to provide Council Tax relief, alongside existing local Council Tax Support schemes. Specifically, Government expected all recipients of working age local Council Tax Support to receive a further reduction in their annual council tax bill of £150 or less if the net liability were less. Cumbria-wide the relief was doubled to £300.

**2.0 Recommendation**

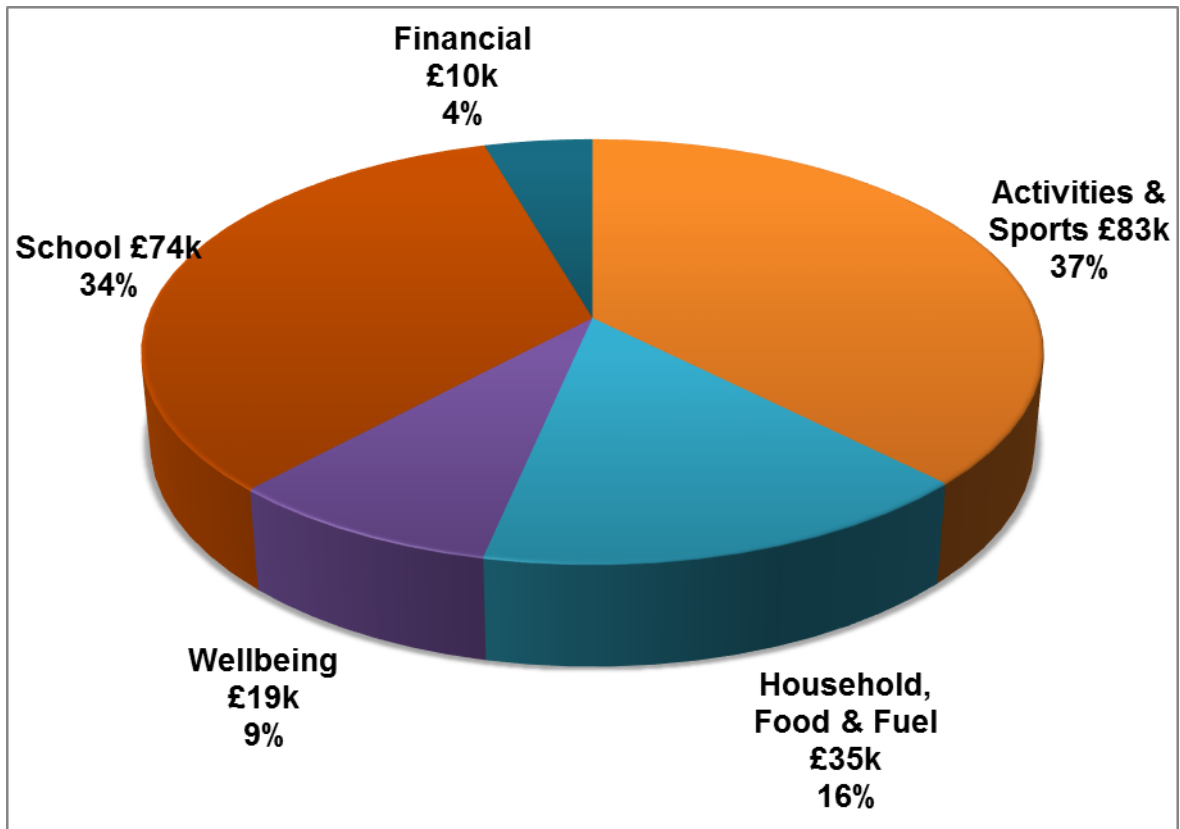
**2.1 It is recommended that the Executive Committee:-**

- 1. Note the COVID-19 Council Tax Hardship distributed to date; and**
- 2. Delegate the transfer of COVID-19 Council Tax Hardship grant between Council Tax relief and grants for community support to the Director of Resources to ensure that the grant is fully spent by the 31 March 2022.**

**3.0 Background and Proposals**

3.1 The Council has distributed COVID-19 Hardship grant as Council Tax relief for working age Council Tax Support recipients and as grants for COVID-19 community support needs identified by the Barrow Community Local Resilience Forum (BCLRF).

3.2 At September 2021 £460k has been awarded as Council Tax relief to over 2,100 accounts, and £221k has been distributed to 26 projects addressing the needs highlighted through the BCLRF:



3.4 The groupings in the chart include:

- Activities & Sports
  - Summer holiday support for children
  - Access to leisure
  - Childcare and sports
  - Christmas gifting
- Household, Food & Fuel
  - Food delivery parcels
  - White goods
  - Fuel vouchers
  - White linen goods and urgent supplies
- Wellbeing
  - Wellbeing packs
  - Hygiene packs
  - Support work and sessions
- School
  - Uniforms and clothing essentials
  - Return to school kits
  - IT hardware and Wi-Fi
- Financial
  - Assistance for those not qualifying for Universal Credit

- 3.5 There is currently £88k remaining for Council Tax relief and £29k remaining for projects to meet the community needs highlighted by the BCLRF; £117k in total.
- 3.6 It is proposed that Members delegate the transfer of COVID-19 Council Tax Hardship grant between Council Tax relief and grants for community support to the Director of Resources to ensure that the grant is fully spent by the 31 March 2022.
- 3.7 The Council Tax relief award does not apply to this financial year's bills; it is only a retrospective award which means that there is little more that can be awarded, however, it is prudent to hold some of the balance back for a few more months to cover any changes to accounts awarded.
- 3.8 To achieve 100% spend it is expected that there will be two transfers from Council Tax relief and into the grant/project pot: one now and a final before the year-end.

#### **4.0 Consultation**

The original distribution of Council Tax relief was subject to consultation between the main preceptors in Cumbria.

#### **5.0 Alternative Options**

- 5.1 The alternative of taking no action is not advised.

#### **6.0 Contribution to Council Plan Priorities**

- 6.1 Providing assistance to those suffering hardship underpins the Council Plan priority to support people.

#### **7.0 Implications**

##### **Financial, Resources and Procurement**

- 7.1.1 The council tax hardship relief pot is grant funded and cash limited; the details are set out in the body of the report.

##### **Legal**

- 7.1.2 Billing authorities have discretionary powers to reduce a council tax liability under s13A(1)(c) of the Local Government Finance Act 1992.

##### **Equality and Diversity**

- 7.2 Have you completed an Equality Impact Analysis? No, this is a Government scheme.

**Risk**

<b>Risk</b>	<b>Consequence</b>	<b>Controls required</b>
Cash limited pot.	The grant is not spent.	Grant may be repaid.

**Contact Officers**

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**Background Documents Available**

<b>Name of Background document</b>	<b>Where it is available</b>
1. COVID-19 hardship fund guidance 2020-2021	1. <a href="https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance">https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance</a>