

## CYNGOR GWYNEDD'S CABINET

**Meeting Date:** 25 October 2022

**Cabinet Member:** Councillor Ioan Thomas

**Contact Officer:** Bleddyn Jones, Taxation Manager  
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**Contact Number:** 01286 682684

**Item Title:** Discretionary Cost of Living Support Scheme

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### DECISION SOUGHT

**Adoption of the Discretionary Cost of Living Support Scheme included in Appendix 1.**

### REASON WHY DECISION IS NEEDED

#### Background

1. As part of the Welsh Government's Supplementary Budget on 15 February 2022, it was announced that a scheme would be put in place to support households with the cost of living by providing a payment of £150 to certain households. Although this was the Government's scheme, local authorities were expected to administer it as eligibility was based on the Council Tax status of the property.
2. In order to qualify for payment under the scheme a household had to meet one of the following conditions, as set by the Welsh Government:

***A: Council Tax Reduction Scheme entitlement condition***

*If the householder(s) was in receipt of support through the Council Tax Reduction Scheme on 15 February 2022, they are automatically assessed as being entitled to a payment of £150 regardless of the valuation band in which their property is placed.*

***B: Council Tax Band condition***

*Households occupying properties in council tax Bands A to D are assessed as being entitled to a payment of £150 provided they satisfy all of the following criteria:*

- *liable for council tax on a property on 15 February 2022*
- *not in receipt of an exemption for that property on 15 February 2022*

- *living in that property as their main or primary residence on 15 February 2022*
  - *responsible for paying the associated utility and other regularly incurred bills for that property on 15 February 2022.*
3. The Council's Taxation Service has administered these payments by distributing them either as a direct payment to bank accounts if we already had that information (i.e. Council Tax is paid by direct debit) or, where we did not have the bank account information, a bespoke letter containing a unique code was sent to the households so that the resident could receive their money at a Post Office.
  4. Through a combination of direct payments to the bank and payments at the post offices, by 30 June the Taxation Service had assisted in distributing £150 each to 39,486 eligible households within Gwynedd. This was approximately 99% of eligible households, and work has continued to identify and communicate with the remaining 1%.
  5. Apart from the above, the Welsh Government has also provided local authorities with a discretionary fund of £25m. This will allow councils to help people they deem in need of support, by providing discretionary support as deemed appropriate to address local needs.

#### **RATIONALE AND JUSTIFICATION FOR REACHING THE DECISION**

6. A decision is sought to implement Gwynedd Council's Optional Living Support Scheme which is a combination of the following:
  - Payments of £150 based on Council Tax
  - Funding the Supporting People Hub Network and Food banks
7. The Network of Gwynedd Supporting People Hubs and Foodbanks has seen an increase in demand since March 2022; with more people using them for access to emergency fuel vouchers, essential household goods and food or feeding provision. Foodbank uptake has increased and they have all reported the challenges of obtaining adequate stock to greet the increase. The number of referrals to the Foodbanks and to the Citizens Advice Service continues to increase. We are keen to use local networks within our communities to ensure that people have easy access to services, advice and vouchers and food provision. Glyndwr University's evaluation of the network impact of hubs in 2022 has shown that people are more willing to seek help, and receive it, if it is available in an informal, community and local setting to them.

### Payments of £150 based on Council Tax

8. Each local authority needs to decide how it will use the available funding. In developing the Gwynedd local plan, a basic principle was to extend the scheme to provide support to those residents who would have been eligible to receive £150 under the original master plan, but that the Council Tax account was exempt due to the individual's personal circumstances, but still face serious challenges in paying for food, heating etc. Cyngor Gwynedd's proposed Discretionary Scheme therefore extends this support to households receiving exemptions and discounts relating to individual / family vulnerability or a financial situation where household circumstances limit the taxpayer's income. These exceptions are:

- Class N exception– property occupied by full-time students
- Class S Exception – Property occupied by under-18s
- Class U Exception – Property occupied by residents that have been identified as having a "Severe Mental Impairment"
- Class W Exception – Annex occupied by dependent relatives under conditions
- Class X Exemption – Individuals under 25 who have left care
- Band F-I Property which is eligible to a band reduction due to disability
- Band E-I Property where there is a discount due to "Severe Mental Impairment"
- Band E-I Property where there is a discount due to care responsibility
- Band E-I Property where the second person is an 18 or 19 year-old in education
- Band E-I Property Eligible for Single Resident Discount

9. **Further details of the Discretionary Scheme to make payments of £150 based on Council Tax can be found in Appendix 1.**

10. It is estimated that the costs of this element of the Optional Scheme will be as follows:

Exemption / Discount / Disregard	Number	Amount
Class N exception– property occupied by full-time students	1,061	£159,150.00
Class S Exception – Property occupied by under-18s	12	£1,800.00
Class U Exception – Property occupied by residents that have been identified as having a "Severe Mental Impairment"	272	£40,800.00
Class W Exception – Annex occupied by dependent relatives under conditions	18	£2,700.00
Class X Exemption – Individuals under 25 who have left care	25	£3,750.00

Band F-I Property which is eligible to a band reduction due to disability	33	£4,950.00
Band E-I Property where there is a discount due to "Severe Mental Impairment"	62	£9,300.00
Band E-I Property where there is a discount due to care responsibility	74	£11,100.00
Band E-I Property where the second person is an 18 or 19 year-old in education	32	£4,800.00
Band E-I Property Eligible for Single Resident Discount	2,654	£398,100.00
<b>Estimated total based on Council Tax data</b>		<b>£636,450.00</b>

#### Supporting People Hub Network

11. In addition to the £150 payments to individuals, the conditions of the Discretionary Scheme allow local authorities to use a proportion of the money to fund external bodies that support individuals experiencing dire challenges from the cost of living crisis. Accordingly, therefore, £300,000 of the scheme is planned to be transferred for use by the Supporting People Hub Network located across Gwynedd. This will be for the provision of food and household goods support, advice and support on personal finance and small 'one time' emergency payments.
12. It is mandatory that this money is spent / shared out within the current financial year.
13. The groups funded through the Supporting People Hub Network will have to account for the expenditure in line with their normal monitoring processes. The Welsh Government has established the Discretionary Scheme in order to provide financial support to those households excluded from the original scheme, but also to provide support to Wales' most vulnerable households based on their characteristics.
14. The Finance Department has discussed the most effective use of this funding with colleagues in the Anti-Poverty Unit within the Children and Family Support Department.
15. **Further details of the Discretionary Scheme can be found in Appendix 1.**

## **EQUALITY IMPACT ASSESSMENT**

16. An Equality Impact Assessment is included in Appendix 2. The outcome of the Assessment is that there will be a positive overall impact from the implementation of the scheme, although it is not believed that this positive impact will be significant due to the financial amounts involved. The financial support (individual payments of £150) provided does not meet the gap households face as a result of rising costs.
  17. The impact assessment has not identified any negative impacts on any protected groups or cohorts of the population, so there will be no need to take steps to reduce or mitigate such a situation.
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## **OPINION OF STATUTORY OFFICERS**

### Monitoring Officer

It is appropriate that the Cabinet considers the appropriate way of awarding these particular payments. It is noted that an Equalities Impact Assessment has been prepared and regard should be had to its findings in coming to a decision.

### Head of Finance

I have worked with the Cabinet Member to prepare this report and I confirm the accuracy of the content.

Local Member(s) – Not applicable