

<b>REPORT TO:</b>		Resources Overview & Scrutiny Committee	
<b>DATE:</b>		19 July 2022	
<b>PORTFOLIO:</b>		Cllr Joyce Plummer - Resources	
<b>REPORT AUTHOR:</b>		Lee Middlehurst Head of Benefits, Revenues and Customer Contact	
<b>TITLE OF REPORT:</b>		Council Tax Energy Rebate Scheme	
<b>EXEMPT REPORT (Local Government Act 1972, Schedule 12A)</b>	<b>Options</b>	Not applicable	
<b>KEY DECISION:</b>	<b>Options</b>	If yes, date of publication:	

## 1. **Purpose of Report**

- 1.1 To provide Overview and Scrutiny with an overview of the Council Tax Energy Rebate Scheme and the Councils approach to the administration of this scheme.

## 2. **Recommendations**

- 2.1 That Overview and Scrutiny note the contents of the report and comment accordingly

## 3. **Reasons for Recommendations and Background**

- 3.1 Overview and Scrutiny have requested this report for information purposes only.
- 3.2 The Government, on 3 February 2022, announced a package of support known as the Energy Bills Rebate to help households with rising energy bills, worth £9.1 billion in 2022-2023. This includes:
- A £150 non-repayable rebate for households in England in Council Tax bands A to D, known as the Council Tax Energy Rebate.
  - £144 million of discretionary funding for billing authorities to support households who are in need but are not eligible for the main Council Tax Energy Rebate Scheme, known as the Discretionary Fund.

3.3 On 23 February 2022, Government issued detailed guidance to billing authorities in relation to the administration of the Council Tax Energy Rebate, and the Discretionary Fund.

### **Council Tax Rebate – Eligibility Criteria**

3.4 The eligibility criteria for the Council Tax Energy Rebate, is based on a household meeting all of the following factors, as at 01 April 2022;

- The property is in Council Tax valuation band A to D. This includes properties that are valued in band E, but have an alternative valuation band of band D, as a result of the disabled band reduction scheme;
- It is someone’s sole or main residence;
- It is a chargeable dwelling, or in the following exemption classes –  
Class N – Wholly occupied by students  
Class S – Wholly occupied by persons under 18  
Class U – Wholly occupied by severely mentally impaired persons  
Class W – Occupied annexe to an occupied dwelling
- The person liable to pay Council Tax is not a local authority, a corporate body, or other body such as a housing association, the Government, or government body.

3.5 A property that meets all the above criteria, but has nil Council Tax liability as a result of Council Tax Support, **will** be eligible.

3.6 A property that has no permanent resident and is someone’s second home **will not** be eligible.

3.7 An unoccupied property **will not** be eligible.

3.8 The Council estimate that 35,000 households meet the eligibility criteria for the Council Tax Energy Rebate Scheme.

### **Council Tax Rebate – Households with a live direct debit instruction.**

3.9 The Government guidance in relation to the Council Tax Energy Rebate Scheme outlines that where a Council holds a live direct debit instruction for an eligible household, they should make an automatic payment as early as possible in the 2022/2023 financial year, provided that they are assured that the household is eligible and the bank details have been verified.

3.10 In addition, the Government guidance outlines that all payments within the scope of the scheme must be made by 30 September 2022.

- 3.11 The software solution for the administration of the Council Tax Energy Rebate Scheme was provided to the Council late April 2022. This software solution has been subject to a number of minor updates to date.
- 3.12 Following extensive testing of the software solution, and the Council undertaking pre-payment checks, the Council commenced Energy Rebate payments to eligible households, where it held a live direct debit instruction on 09 May 2022.
- 3.13 Energy Rebate payments to all 25,000 households where the Council holds a live direct debit instruction where completed by 25 May 2022.

### **Council Tax Rebate – Households without a live direct debit instruction**

- 3.14 The Government guidance in relation to the Council Tax Energy Rebate Scheme outlines that Councils can determine an appropriate application method locally. This should take into consideration the software solutions available to them, but should include an option for residents who are digitally excluded.
- 3.15 As referred to in paragraph 3.11 of this report, the software solution for the administration of the Council Tax Energy Rebate scheme was provided to the Council late April 2022. This also included the framework of an application form for Councils to use for households where the Council does not hold a live direct debit instruction.
- 3.16 The on-line application provides an option for a household to receive the Energy Rebate by BACS, or, by the rebate being allocated to their Council Tax account.
- 3.17 Following extensive testing and customisation of the application form, the Council launched the application process on 16 June 2022.
- 3.18 As part of this process, the Council notified eligible households direct by email of the availability of the application form to encourage applications.
- 3.19 The Council have also issued correspondence by post to eligible households where an email address is not held to notify them of the availability of the application form. The communications issued by the Council are also complimented by use of the Councils social media channels.
- 3.20 To support all households including those who may be digitally excluded, and to assist with the Energy Rebate scheme, the Council have set-up a dedicated team purely for the administration of the Energy Rebate Scheme.
- 3.21 The Energy Rebate Team are available to assist residents with assisted applications by telephone, together with providing help and advice on the Energy Rebate scheme, and to facilitate the processing of the pre-payment checks that the Council are required to undertake for anti-fraud purposes.

- 3.22 At the time of this report being produced, the Council have received and processed all 2500 Energy Rebate applications that have been submitted to date via the on-line application form.
- 3.23 To ensure that all eligible households receive the Energy Rebate, including those who may fail to submit an application, the software solution provided to the Council includes a facility to allocate the Energy Rebate directly to the Council Tax account. The Council intends to use this function following the closure of the application period.

### **Discretionary Fund**

- 3.24 The Government recognises that billing authorities may also wish to provide support to other energy bill payers who are not eligible under the terms of the core Council Tax Rebate scheme, or to provide carefully targeted “top-up” payments to the most vulnerable households in bands A to D.
- 3.25 The Department for Levelling Up, Housing and Communities (DLUHC) has made £215,250 available to the Council to provide support to households through the Discretionary Fund that are not eligible for existing support linked to the main Council Tax Energy Rebate scheme.
- 3.26 The Councils’ Energy Rebate Discretionary Fund scheme was approved by Council on 19<sup>th</sup> May 2022.
- 3.27 The Council’s policy to determine who is eligible to receive support from the Discretionary Fund and to prioritise the applications received, follows the DLUHC guidance on the factors Councils should take into consideration when determining their Discretionary Fund scheme. The Council’s policy therefore outlines:
- a) The property is valued in Council Tax bands E – H; **and**
  - b) It is someone’s sole or main residence; **and**
  - c) The person who is liable to pay the council tax (or would be where the property not exempt, under classes N, S, U and W) is not a landlord, local authority, a corporate body or other body such as a housing association, the government or governmental body, **and**
  - d) The person liable for Council Tax, or their partner or someone in their household, is in receipt of one of the benefits listed below:
    - Child Tax Credit
    - Council Tax Support
    - Employment and Support Allowance (Income Related)
    - Housing Benefit
    - Income Support
    - Job Seekers Allowance (Income Based)
    - Pension Credit (Guaranteed Credit)
    - Pension Credit (Savings Credit)
    - Universal Credit
    - Working Tax Credit

**Or**

- e) The property is valued in Council Tax Bands E-H, in exemption classes listed below –

Class N – Occupied only by students, school or college leavers

Class S -- Occupied only by persons under 18

Class U – Occupied only by severely mentally impaired persons

Class W – Occupied annexe to an occupied dwelling

**Or**

- f) The property is valued in Council Tax bands A-H, **and**  
g) the premises is classed as a House in Multiple Occupation (HMO), sheltered accommodation, or other property (excluding student halls of residence) where the household or tenant is not liable for Council Tax **and**,  
h) energy bill costs are included in the rent charged/terms of the tenancy, **and**, there has been a rent increase related to the rise in energy bills or the property has one or more household(s) within it that pay energy bills separately but not by the person who is shown as the liable persons for council tax.

In addition, subject to funding availability, the Council will also consider an additional Discretionary Fund top-up payment to households in Council Tax bands A – H, that are in receipt of Council Tax Support. The level of the top-up payment will be at the determination of the Council.

- 3.28 For the Discretionary Fund scheme, the Council estimated up to 400 households, within valuation bands E-H that are considered to potentially meet the relevant eligibility criteria. With a further 6000 households potentially eligible for a top-up payment.
- 3.29 As a pro-active measure the Council will target the publicity, and, availability of the Discretionary Fund scheme to these households to encourage applications to maximise the distribution of funding available.
- 3.30 It is anticipated that the application process for the Discretionary Fund will be launched August 2022
- 3.31 The Government guidance outlines that all payments within the scope of the scheme must be made by 30 November 2022

#### **4. Alternative Options considered and Reasons for Rejection**

- 4.1 N/A

5. **Consultations**

5.1 N/A

6. **Implications**

<b>Financial implications (including any future financial commitments for the Council)</b>	n/a
<b>Legal and human rights implications</b>	n/a
<b>Assessment of risk</b>	n/a
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	n/a

7. **Local Government (Access to Information) Act 1985:  
List of Background Papers**

7.1 A copy of the Government guidance issued to billing authorities is available online – <https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance>

8. **Freedom of Information**

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.