

East Herts Council Report

Executive

Date of Meeting: 19 April 2022

Report by: Councillor Geoff Williamson, Executive Member for Financial Sustainability

Report title: Discretionary Energy Rebate Scheme

Ward(s) affected: All

Summary

To approve a discretionary scheme funded by Government.

RECOMMENDATIONS for Executive:

- (A) **To approve the discretionary energy rebate scheme as detailed at paragraph 2.4**
- (B) **That the Head of Revenues and Benefits Shared Service in conjunction with the Deputy Leader and Executive Member for Financial Sustainability, amend the scheme criteria for any subsequent rounds of applications if allocated funding is not distributed in full in the first round (see paragraph 2.4(h))**

1.0 Background

- 1.1 On 3 February 2022 the Government announced a package of support known as the **Energy Bills Rebate** to help households with rising energy bills, This included a £150 non-repayable rebate for households in England in council tax bands A – D*, known as the Council Tax Rebate, and also discretionary funding for billing authorities to support households who are in need but are not eligible for the

Council Tax Rebate. The scheme details were published on 23 February 2022.

A-D. This includes property that is valued in band E but which has an alternative valuation band of band D, as a result of the disabled band reduction scheme*

- 1.2 East Herts has been allocated £ 244,500 for the discretionary fund. This is a cash limited allocated which will not be topped up, and unspent funds must be returned to the Government at the end of the scheme in November 2022.
- 1.3 The criteria are for local authorities to determine, but the guidance has recently been amended and may therefore be changed again. However at the time of writing these are as follows;
- 1.4 The Guidance states;
 - i) Councils can determine locally how best to make use of this funding to support those suffering financial hardship as a result of the rising cost of living. This could include households living in property valued in bands E to H that are on income related benefits or those where the energy bills payers are not liable for council tax.
 - ii) Where councils consider it the best means of supporting those in financial difficulty, they can use the discretionary fund to offer carefully targeted 'top-up' payments to the most vulnerable households in bands A to D (for example, those on means tested benefits), or to offer discretionary support exceeding £150 per household.
 - iii) Occupants of class M (student halls) are unlikely to be eligible for discretionary support, unless they are exposed to rising energy prices in a similar way to other households.

iv) Discretionary support should not be offered to occupants of property in exemption class O, where the Ministry of Defence will provide cost of living support.

v) Support from the Discretionary Fund does not have to be provided in relation to the position on 1 April 2022.

1.5 Unlike the main scheme for eligible residents of properties in band A-D who will receive £150.00 based on occupancy on the 1 April 2022. The discretionary scheme can be more flexible in respect of the date and an amount '**in excess of**' £150.00 per household can be awarded.

1.6 Applications must be submitted by the liable person and prepayment checks in line with the requirements of the main scheme are to be carried out on all applications.

2.0 Report

2.1 The funding allocated would permit 1630 grants of £150.00, or more if the grants were smaller (i.e 2445 cases @£100).

2.2 We currently have 25,641 properties in bands E –H, but we do not know how many households are not individually liable for Council Tax, for example living in multiple occupation dwellings, or other arrangements.

2.3 The proposed approach therefore aims to address the 'unknowns' and target the limited funds to the most vulnerable in our district

2.4 The table below shows the proposed scheme:

A	An application window is open for at least one month: No grant will be paid unless an application is completed and verification checks cleared.
B	Residents liable for properties in band E –H (a chargeable dwelling) and in receipt of Council Tax

	reduction scheme (CTS) Housing Benefit or Universal credit on 1.4.2022 are eligible to apply.
C	Households who have a liability for rent on 1.4.2022, but not Council Tax, and are also liable for energy bills, and in receipt of universal credit or Housing Benefit are eligible to apply.
D	Only one grant, main or discretionary will be paid to a household in the first round and will not exceed £150.00, (although this could be less if oversubscribed)
E	The household must occupy the property as their main residence and be liable for rent or council tax on 1.4.2022. (Backdated liability rules apply as for the main scheme*)
G	Consistent with the main scheme, no award will be made to a local authority, a corporate body or other body such as a housing association, the government or governmental body.
H	If funds remain available after the initial application period is completed, a further scheme will be launched, and open to residents not previously awarded a grant, or where specific additional hardship is proven etc. Any revisions to the criteria to be approved by the Head of Revenues & Benefits Shared Service in conjunction with the Deputy leader & Executive Member for Financial Sustainability

Backdated liability*

- Eligibility should be determined based on the position at the end of the day on 1 April 2022. Were a council has reason to

believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, they should withhold the payment and take reasonable steps to determine the correct information.

- Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, councils should take reasonable steps to pay or clawback payments.
- Where the property band recorded on a valuation list is amended retrospectively to 1 April 2022, for example as a result of a successful appeal made to the Valuation Office Agency ('VOA') that concluded after this date, councils are not required to pay or clawback payments. The exception is where a property is a new build and awaiting an official banding from the VOA. In these cases, eligibility should be determined based on the official band subsequently allocated by the VOA, where this has an effective date before or on 1 April 2022.
- Where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate, councils may wish to provide support using their Discretionary Fund.
- Where a review, proposal or appeal was made after the announcement, a decision will not be made by the VOA before 1 April and therefore taxpayers will not be eligible for the Council Tax Rebate.

3.0 Risks

Fraud – Can be mitigated by spotlight/ ascendant / bank checks

Implications/Consultations

No

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Only as referenced in the report

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

4.0 Background papers, appendices and other relevant material

<https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance>

Contact Member

Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability,

Contact Officer

Su Tarran. Head of Revenues & Benefits Shared
Service

Contact Tel No x2075

su.tarran@hertspartnership-ala.gov.uk

Report Author

Su Tarran. Head of Revenues & Benefits Shared
Service

Contact Tel No x2075

su.tarran@hertspartnership-ala.gov.uk