

Meeting Executive
Portfolio Area Resources
Date 16 March 2022



APPROVAL OF THE DISCRETIONARY 'ENERGY REBATE' SCHEME

KEY DECISION

1 PURPOSE

- 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 (the Main Scheme), and also discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Rebate (the Discretionary Scheme). The Discretionary 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 As a consequence of the Discretionary Scheme details only being received from the Government on 23 February 2022, this item was not given the requisite 28 days' notice for a Key Decision, as required by the Council's Constitution. The decision is required urgently to enable the scheme to commence from 1 April 2022. The Chair of the Overview and Scrutiny Committee has been consulted as to why the decision is urgent and cannot

reasonably be deferred, and under the provisions of the Constitution, has given her agreement that the decision may be taken under such circumstances.

- 1.3 Stevenage has been allocated £161,500 for the Discretionary Scheme. 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.
- 1.4 The criteria are for local authorities to determine but awards should not be made to a household that has received an award under the Main scheme.
- 1.5 The Guidance states:
 - Councils can determine locally how best to make use of this funding to provide payments to other households who are energy bill payers but not covered by the Council Tax Rebate.
 - This could include households living in property valued in bands E – H that are on income related benefits or those where the energy bills payers are not liable for council tax.
 - 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.
 - 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.
- 1.6 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 ‘up to’ £150.00 per household can be awarded.
- 1.7 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. RECOMMENDATIONS

- 2.1 That the proposed scheme detailed below (4.1) be approved.
- 2.2 That delegated authority be given to the s151 officer in conjunction with the portfolio holder to make revisions to the scheme criteria as specified in section H of the proposed scheme.

3 BACKGROUND

- 3.1 The funding allocated would permit 1076 grants of £150.00, or more if the grants were smaller (i.e. 1615 cases @£100).
- 3.2 We currently have 4580 properties in bands E –H, but we do not know how many households in the borough are not individually liable for Council Tax, for

example living in multiple occupation dwellings, or other arrangements.

- 3.3 The proposed approach therefore aims to address the ‘unknowns’ and target the limited funds to the most vulnerable in the Borough.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 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 |
| 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, inviting customers not previously awarded a grant. Any revisions to the criteria to be approved by the S151 officer in conjunction with the portfolio holder. |

Backdated liability*

- Eligibility should be determined based on the position at the end of the day on 1 April 2022. Where 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.

5 IMPLICATIONS

5.1 Financial Implications

5.1.1 The scheme is funded by the government.

5.1.2 The scheme is designed to use all, but not exceed the available funding.

5.2 Legal Implications

5.2.1 The scheme is discretionary but guidance on core qualifying criteria has been specified by the Government as detailed in the report.

5.3 Risk Implications

5.3.1 Whilst the scheme cannot be appealed against as it is discretionary, a judicial review can be requested if the process agreed is not applied correctly.

5.4 Equalities Impact Implications

5.4.1 The scheme has to be within the guidance set out by the government. The scheme is targeted at those in receipt of Council Tax Support or other benefits. There are no wider specific equality implications for those with protected characteristics within the meaning of the Equality Act 2010.

6. BACKGROUND DOCUMENTS

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