

Hambleton District Council

Report To: Cabinet

Date: 6 September 2022

Subject: **Discretionary Council Tax Rebate Scheme - Support For Energy Bills**

Portfolio Holder: Economic Development and Finance
Councillor P Wilkinson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 The purpose of this report is to set out the proposed Discretionary Council Tax Rebate Scheme criteria that is being recommended for approval.
- 1.2 Central Government announced a package of support for households with rising energy costs. Although the government have called the scheme 'Council Tax Rebate' it is important to note that this is not a discount off the council tax bill.
- 1.3 The Council Tax Rebate scheme is effectively in two parts. The core scheme which is determined by central government which provides a £150 non repayable rebate for eligible households in council tax bands A-D, and a £144 million discretionary fund for billing authorities to support other households who are energy bill payers but are not eligible under the terms of the core band A-D scheme. The council has received £153,450.
- 1.4 The billing authority is responsible for deciding how best to provide discretionary payments to other households, in their area, who are energy bill payers but not eligible under the criteria for the Council Tax Rebate. This can include households living in council tax bands E-H that are on income related benefits or those where the energy bill payer is not liable for Council Tax.
- 1.5 Due to the limited funds it is not possible to provide support to all households in council tax bands E-H, so it is important when designing our local discretionary scheme, to balance the provision of targeted help for households, whilst ensuring the scheme is not overly burdensome to administer. The proposed eligibility criteria to best meet government issued guidance and the needs of residents, is to provide:
 - A single one-off payment of £150 to occupied households in bands E-H who are receiving Council Tax Reduction as of 1 April 2022.
 - A single one-off payment of £150 to residents of multi occupied properties, as of 1 April 2022, where the resident is not liable for council tax but is responsible for paying energy bills directly to an energy provider. These are ineligible under the core scheme.

- A single one-off payment of £150 to occupied households in bands E-H as of 1 April 2022, who have class U exemption due to severe mental impairment

1.6 Where it is clear to the council that the household meets the eligibility criteria and bank details are known then payments will be made automatically. Where the household circumstances are required to be verified or no bank details are held then an application form will be required to comply with the prepayment checks we are required to carry out.

1.7 The delegated authorities would ensure that any required technical scheme changes could be updated promptly to ensure spending of the allocated funding is managed to maximise support to households in need.

2.0 Link to Council Priorities

2.1 The Council Tax Rebate Discretionary Scheme supports our corporate priority to enhance health and wellbeing of residents by supporting warm and healthy homes.

3.0 Risk Assessment

3.1 There are no significant risks in approving this report.

4.0 Financial Implications

4.1 The government grant allocated by the Department of Levelling Up, Housing and Communities in respect of the Discretionary Council Tax Rebate scheme is £153,540. This is a cash limited fund therefore expenditure will need to be contained within the cash limited amount payable.

4.2 Any unspent funding by 30 November 2022 will be required to be repaid to government.

4.3 Reasonable costs of administering both the core and discretionary council tax rebate scheme are funded by government in accordance with its new burden's doctrine. The Council has received £45,238 to support administration and implementation costs.

4.4 The council tax system is not designed to make energy payments and therefore an alternative solution is required. The £6,676 costs of procuring an external solution to administer the discretionary scheme and capture the required management information for reporting back to central government will be covered by the new Burdens Funding.

4.5 Central government will undertake a reconciliation exercise against actual expenditure later in 2022/23

5.0 Legal Implications

5.1 The Department for Levelling Up, Housing and Communities has issued “Support for energy bills – the council tax rebate 2022-23:billing authority guidance”, which sets out how authorities should administer the Council Tax Rebate and associated Discretionary Fund for households as part of a package of support for rising energy costs.

6.0 Equality/Diversity Issues

6.1 Equality and diversity issues have been considered with the grant scheme. There are no issues pertinent to implementing this report.

7.0 Recommendations

7.1 That Cabinet approves:

- (1) the proposed Council Tax Rebate Discretionary Fund 2022-23 scheme as set out in this report; and
- (2) delegating authority to the Council’s Section 151 Officer to make amendments to the Council Tax Rebate Discretionary Scheme eligibility criteria to ensure that government funding is directed to support vulnerable households, if needed.

Dr Justin Ives
Chief Executive

Background papers: Support for Energy Bills – the Council Tax Rebate 2022-23:Billing Authority Guidance

Author ref: SG

Contact: Susan Grant
Taxation and Benefit Manager
01609 767220