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To: All Members of the **EXECUTIVE**

The following papers have been added to the agenda for the above meeting.

They were not available for publication with the rest of the agenda.

Yours sincerely

Damian Roberts

Chief Executive

SUPPLEMENTARY PAPERS

	Pages
6. Discretionary Energy Rebate Scheme	3 - 14

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Surrey Heath Borough Council
Executive
19 July 2022

The Discretionary Council Tax Energy Rebate Scheme
2022-23

Portfolio Holder	Cllr Robin Perry – Finance & Customer Services Portfolio
Strategic Director/Head of Service	Bob Watson
Report Author	Robert Fox – Revenues and Benefits Manager
Key Decision:	Yes
Date Portfolio Holder signed off the report	6 July 2022
Wards Affected:	All

Summary and purpose

To consider and agree a scheme to allocate the discretionary fund to support other financially vulnerable energy bill payers not covered under the Government's main Energy Bills Rebate scheme.

Recommendation

The Executive is advised to RESOLVE that

- (i) the Discretionary Council Tax Energy Rebate Scheme, as set out at Annex A to this report, be approved; and
- (ii) authority be delegated to the Strategic Director for Finance & Customer Service in consultation with the Finance & Customer Service Portfolio Holder, to distribute any remaining funding to any specific identified vulnerable group as a credit to their Council Tax account by the end of November 2022.

1. Background and Supporting Information

- 1.1 In February 2022 the government announced a package of support known as the Energy Bills Rebate to help households with rising energy bills. The scheme includes a £150 rebate to all properties in council tax band A-D with criteria set by the government (the main scheme).
- 1.2 The announcement includes a discretionary fund to support other financially vulnerable energy bill payers not covered under the main scheme. This report sets out a local scheme to comply with the government guidance.

2. Reasons for Recommendation

- 2.1 Surrey Heath has been allocated discretionary funding of £136,500 to support those suffering financial hardship as a result of the rising cost of living, but not eligible for the main energy rebate scheme. All payments of this funding have to have been made prior to the 30 November 2022, which is the deadline for the scheme.
- 2.2 Councils can decide locally how best to use the funding to support those suffering financial hardship as a result of the rising cost of living. This could include providing top up funding the most vulnerable households in bands A to D and to households living in property valued in council tax bands E to H that are on income related benefits or those where the energy bills payers are liable for council tax.

3. Proposal and Alternative Options

- 3.1 Return the funding to the government

4. Contribution to the Council's Five Year Strategy

- 4.1 A discretionary scheme that seeks to help the those vulnerable residents in our Borough to meet their increased energy bills will contributes to the goals of the Health and Quality of life arm of our five year strategy

5. Resource Implications

- 5.1 The scheme is funded by the government with a one-off cash limited amount of £136,500 and the government requires unallocated monies as of 30 November 2022 will be returned.
- 5.2 The proposed delegated powers for the balance of any unspent monies will ensure that a maximum amount of funding is distributed to the vulnerable in the borough.
- 5.3 The government has provided New Burdens funding of £35,999 to cover the administrative cost of the whole scheme.
- 5.4 The staff time needed to deliver this scheme has been taken as an additional burden on existing staff at no additional cost to Surrey Heath.
- 5.5 Software has been purchased to deliver the core scheme and additional expenditure will be incurred to set up this discretionary element

6. Section 151 Officer Comments:

- 6.1 No additional matters arising.

7. Legal and Governance Issues

- 7.1 The scheme is discretionary but the guidance on qualifying core criteria has been specified by the government as detailed in the report.
- 7.2 The Universal Credit (Energy Rebate Scheme Disregard) Regulations 2022 confirm that any discretionary payments do not adversely impact the calculation of universal credit.

8. Monitoring Officer Comments:

- 8.1 No matters arising.

9. Other Considerations and Impacts

Environment and Climate Change

- 9.1 Surrey Heath declared a climate change emergency on 9 October 2019 and pledged to become carbon neutral by 2030.
- 9.2 The claim process for the Energy Rebate is by default online, all payments are made by BACS and notification of the payment is by email, reducing the carbon footprint impact.

Equalities and Human Rights

- 9.3 The scheme has to be within the guidance set out by the government and is aimed at those in receipt of Council Tax Support or other benefits.
- 9.4 There are no wider specific direct equality, diversity, or inclusion implications in this report.

Risk Management

- 9.5 The discretionary scheme has been costed against our council tax database. Allowing for 100% take up, the value of the payments made will not exceed the government funding provided.

Community Engagement

- 9.6 No matters arising.

Annexes

Annex A - Discretionary Council Tax Energy Rebate Scheme 2022-23

Background Papers

The Department for Levelling Up, Housing and Communities guidance issued to Local Authorities can be access from the link below



Discretionary Council Tax Energy Rebate Scheme
2022-23

Table of Contents	Page
Purpose of the scheme and background	3
Funding	3
Scope of the Policy	3
Statutory basis for the Policy	4
Eligibility	4
Group A	5
Group B	5
Alterations to liability or the Council Tax Band	6
Eligibility Disputes	7
How the Council Tax Energy Rebate will be paid	7
Provision of information to the Council	7
Scheme of Delegation	7
Notification of Decisions	8
Review of Decisions	8
Taxation and the provision of information to Her Majesty's Revenue and Customs (HMRC)	8
Managing the risk of Fraud	8
Recovery of amounts incorrectly paid	8
Data Protection and use of data	8

Purpose of the scheme and background

The purpose of this policy is to determine eligibility for a payment under the Council's Discretionary Council Tax Energy Rebate Scheme.

The scheme has been designed based on the general principles issued by the Secretary of State for Levelling Up, Housing and Communities on 3 February 2022.

Government has determined that councils can decide locally how best to make use of the discretionary funding to provide payments to other households who are energy bill payers but not covered in the mandatory council tax rebate. However, Government has stated that occupants of class M (student halls) are unlikely to be eligible for discretionary support, and discretionary support should not be offered to occupants in exemption class O, where the Ministry of Defence will provide the cost of living support.

The government has announced a package of support known as the council tax rebate to help households with rising energy costs, worth £9.1bn nationally in 2022-23. Schemes to be administered by Local Authorities, include:

- A £150 non-repayable rebate for households in England in Council Tax bands A–D.

This will be referred to as the Main Scheme.

- A Discretionary Scheme fund of £144 million nationally has been provided.

Billing Authorities will provide support to households who are not eligible under the terms of the Main Scheme. Surrey Heath Borough Council are responsible for making payments to eligible residents.

Funding

Government has provided funding to councils; all payments have to be made by 30 November 2022, which is the deadline for the scheme. Surrey Heath's allocation of funding is:

Main Scheme £2,760,300

Discretionary Scheme £136,500

Total £ 2,896,800

The Main Scheme will be administered in accordance with the prescribed government guidelines and this policy will cover the operation of the Discretionary Scheme.

Scope of the Policy

The purpose of this policy is to specify how Surrey Heath Borough Council will administer the Discretionary Scheme awards of the Council Tax Energy Rebate.

The £136,500 funding provided permits 910 Discretionary Scheme payments of £150 to be made.

The Council has decided awards will be available to two distinct groups of applicants, these are shown in Group A and Group B below.

Funds will be awarded to **all** households who fall into Group A. In the case of Group B, an award under the application process will be made on a first come basis until the funding is exhausted. No further awards will be made unless further funding is made available by central government.

This policy ensures that the Council will act fairly, reasonably, and consistently throughout the decision-making process.

All customers will be treated equally and fairly and in accordance with the Council's policies.

Statutory basis for the Policy

The Discretionary Council Tax Energy Rebate Scheme adheres to the following national rules and guidance:

Support for Energy Bills -The Council Tax Rebate 2022-23: billing authority guidance - Published 23 February 2022, updated 16 March 2022.

Eligibility

Councils can determine locally how best to make use of this funding to provide payments to other households who are energy bill payers not covered by the Main Scheme. The government have stipulated:

- Support from the Discretionary Scheme does not have to be provided in relation to the position on 1 April 2022, but councils should take all reasonable steps to ensure they are not providing additional support to an individual from a household that has already received a payment under the Main Scheme
- Support from the Discretionary Scheme can be used to top up payments for the most vulnerable households in Bands A to D or to offer support exceeding £150
- Occupants of class M (student halls) are unlikely to get 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
- Allocations from the Discretionary Scheme fund should be spent by 30 November 2022. Any remaining funding will be required to be repaid to government
- No payments will be made in respect of unoccupied properties or second homes under the Main or Discretionary Schemes.

Group A

Surrey Heath Borough Council will make a single one-off payment of £150 Council Tax Energy Rebate Discretionary Scheme to individuals who do not qualify for a Main Scheme payment, where they are the liable taxpayer, the subject property is in band E-H, and it is their sole or main residence and they:

- are in receipt of Local Council Tax Support on the 1 April 2022 or
- are in receipt of a Disabled Band Reduction on the 1 April 2022 or
- are classed as a Care Leaver in accordance with The Children (Leaving Care) Act 2000 on the 1 April 2022 or
- are exempt from Council Tax under class U due to a determination of the dwelling being occupied only by person(s) being Severely Mentally Impaired in accordance with The Council Tax (Discount Disregards) Order 1992 (as amended)

Customers who qualify under the criteria and pay their Council Tax by Direct Debit will receive payment directly into their account, all other customers will invited to claim the £150 payment using the online application process.

Those who do not claim the £150 payment will have the £150 credited to their council tax account before the scheme closes.

Group B

A payment of £150 under the Discretionary Scheme will be considered by application from residents who are the liable taxpayer and this is their sole or main residence and:

- the property is in band A-D, and they moved into the property between 2 April 2022, but before 30 April 2022, provided they have not already received a Council Tax Energy Rebate.

- A single payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E to H, provided they have not already received a Council Tax Energy Rebate, and are not in receipt of Council Tax Reduction and who are in receipt of any of the following on 1 April 2022:
 - Universal Credit
 - Carer's Allowance
 - Disability Living Allowance
 - Personal Independence Payment
 - Attendance allowance
 - Income-based Job Seeker's Allowance
 - Income-related Employment Support Allowance
 - Income Support
 - Pension Credit

Any resident who does not fall within any of the categories above and is experiencing financial difficulties should apply to the Exceptional Hardship Fund. Details can be found on the Surrey Heath Borough Council's website.

For the purpose of the discretionary scheme, a household is a person or group of persons occupying a single dwelling, as defined in section 3 of the Local Government Finance Act 1992. No award will be made for second homes or unoccupied dwellings. It should be noted that for the purposes of this scheme, awards will be made to the council tax liable party.

Alterations to liability or the Council Tax Band

Where the 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, it will withhold the payment and take reasonable steps to determine the correct information.

Where the records relating to the liable taxpayer(s) or the residents' circumstances in respect of 1 April 2022 are retrospectively updated, the Council will take reasonable steps to either pay the discretionary award or potentially reclaim any payment made.

In any case, where the Council Tax band of the chargeable dwelling is amended retrospectively after 1 April 2022, for example a successful appeal is made to the Valuation Office Agency that concluded after this date, the Council is not required either to pay any discretionary award or to reclaim any payment made.

The Council will legally access the information available from the DWP's Customer Information System (CIS) to verify receipt of the benefits stated as relevant for an

application to be approved within this policy. The guidance from Central government has indicated that this is a valid use of the CIS date by the Council

Eligibility Disputes

The decision of the council on any eligibility matter will be final. Should any tax payer feel aggrieved by any decision, then matters will be dealt with through the Council's complaints procedure. Full details are available on the Council's website.

How the Council Tax Energy Rebate will be paid

Where the Council determines that all the eligibility criteria are met in full payment will be made to the household using the verified bank details held or as a credit to the council tax account. It should be noted that only one discretionary payment will be made per household, regardless of the number of occupants or liable Council Taxpayers.

Provision of information to the Council

Residents, owners and managing agents should note that the Council has powers available to it under Regulation 3 (1) (c) of the Council Tax (Administration and Enforcement) Regulations 1992, to request such information to determine the correct liable person for Council Tax purposes. Central Government has stated that these powers may be used for Council Tax Energy Rebate purposes.

Failure to respond to such a request, without reasonable excuse, within 21 days could lead to penalties being imposed. The Council, therefore, encourages all such persons to provide any requested information as soon as possible.

Scheme of Delegation

The Council has approved this scheme. The Council's Section 151 Officer is authorised to make technical policy amendments to ensure the scheme meets the criteria set by the Government and the Council.

Notification of Decisions

All Council Tax Energy Rebate payments will be made by the Revenues Team

All decisions shall be notified in writing either by letter or email except in the case of payment of an existing Direct Debit customer where payments will just be credited to the recipient's nominated bank account.

Review of Decisions

The Council will operate an internal review process and will accept a taxpayer's request for a review of its decision

All such requests must be made in writing or email to the Council and should state the reasons why the taxpayer is aggrieved with the decision of the council. New information may be submitted at this stage to support the taxpayer's review.

The case will be reconsidered by a senior officer as soon as practicable, and the taxpayer informed in writing or by email of the decision. That decision shall be final.

Taxation and the provision of information to Her Majesty's Revenue and Customs (HMRC)

The Council does not accept any responsibility in relation to a taxpayer's HMRC tax liabilities and all taxpayers should make their own enquiries to establish any tax position.

Managing the risk of Fraud

The Council will not accept deliberate manipulation of this policy or fraud. Any person caught falsifying information to gain a discretionary payment will face prosecution and any amount awarded will be recovered from them.

Recovery of amounts incorrectly paid

If it is established that **any** payment has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by a taxpayer or any other person, the Council will look to recover the amount in full.

Data Protection and use of data

All information and data provided by applicants shall be dealt with in accordance with the council's Data Protection Policy and Privacy Notices which are available on Surrey Heath Borough Council's website