



**Corporate Policy and
Resources**

**Thursday 10 November
2022**

Subject: Council Tax Energy Rebate Discretionary Scheme

Report by:	Director of Change Management, ICT & Regulatory Services
Contact Officer:	Alison McCulloch Revenues Manager alison.mcculloch@west-lindsey.gov.uk
Purpose / Summary:	To consider and agree the proposals to amend the discretionary council tax energy rebate scheme previously agreed by delegated decision on 9 May 2022.

RECOMMENDATION(S):

- **To amend the existing council tax energy rebate discretionary scheme and approve option 1 which would enable a payment to all eligible households in band E, who have not already received a council tax energy payment to receive a small payment estimated at approximately £33. This may result in a small surplus being refunded back to central Government. The payment will be paid on to council tax accounts thus reducing the instalments due.**
- **That any minor amendments to the estimated £33 payment, in respect of this scheme, be delegated to the S151 Officer**

IMPLICATIONS

Legal:

Payments made in respect of the council tax energy rebate scheme must be paid in line with the guidance received from central Government.

Financial : **FIN/95/23/MT/SSC**

As the discretionary scheme is available to assist those in difficulty paying their energy bills, rather than return any underspend back to central Government, 4 options are suggested in this report which could enable the remaining fund of £117,300 to be distributed between certain categories. The recommended option is option one as the majority of applications for the discretionary relief were from residents in Band E who were not entitled to claim the mandatory award this would suggest that it is residents in this band of property that are most in need of some financial support.

Category	Award per property	Number of eligible properties	Total Award	Surplus
Band E properties	£33	3,554	£117,282	£18

This option would enable all eligible households in band E to receive a small payment of council tax energy rebate of approximately £33 to be paid to their council tax account.

As this option uses the remaining funds and would be made to the Council Tax account of the residents there should be no additional financial implications from this report.

Staffing :

None

Equality and Diversity including Human Rights :

All payments are being made in accordance with Government guidance and consideration has been given to various categories of individuals who may be suffering financial hardship due to the energy crisis.

The original scheme has already paid all groups identified as vulnerable at that time with the remaining balance to be paid on an application basis enabling all those who wished to apply for the full £150 to do so. The application process has now closed leaving an outstanding balance.

The remaining balance is to be distributed amongst those who have not received an automatic payment.

An Equality Impact Assessment is attached at Appendix A.

Data Protection Implications:

All data is being collected in accordance with GDPR.

Climate Related Risks and Opportunities:

None

Section 17 Crime and Disorder Considerations:

None

Health Implications:

None

Title and Location of any Background Papers used in the preparation of this report:

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

Risk Assessment :

Central Government have allocated each local authority with a grant for the Council Tax Energy Rebate Discretionary Scheme and West Lindsey District Council has been awarded £169,950.

Any underpayment of this scheme will be reclaimed by the Government and any overpayment of the scheme will also be reclaimed and West Lindsey will be required to make up any shortfall.

To this end the scheme has been carefully monitored to ensure there is no overspend of the scheme.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

☐

No

X

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

X

No

☐

Introduction

On the 3rd February 2022 the Government announced measures to help protect millions of households from rising energy costs. This included a £150 council tax energy rebate. West Lindsey District Council was awarded £5,632,050 for the mandatory scheme and £169,950 for the discretionary scheme (enabling us to pay up to 1,133 households the discretionary payment at £150) and making a total grant of £5,802,000. The condition of the mandatory scheme was that only one payment of £150 was to be made per household regardless of the number of occupants or liable council taxpayers. The mandatory scheme closed on 30 September 2022 but on 31 October notification was received that this scheme would be extended to 30 November 2022 in line with the discretionary scheme.

The calculations for the funding have been based on figures submitted to the Department for Levelling Up, Communities and Housing in October 2021 and they have agreed that should the mandatory funding be insufficient they will issue more funding to compensate us for any overspend.

The discretionary funding is the maximum amount they will pay so if our spending exceeds the award any overspend will be at the expense of the billing authority but any underspend will be required to be reported and returned to central Government at 30 November 2022.

When the mandatory scheme originally ended on 30 September payments had been paid to 37,021 eligible households totalling a sum of £5,553,150. These payments were either paid direct to council taxpayers bank accounts or to their council tax liability.

2 Discretionary Relief Scheme

A delegated decision was obtained on 9 May 2022 to enable us to launch the council tax energy rebate discretionary scheme for council tax payers resident at 1 April 2022 in bands E to H properties. Unfortunately, due to the huge amount of work involved in the mandatory scheme this launch had to be postponed to 2 September 2022.

The original discretionary scheme was for automatic awards of £150 to be paid to anyone in band E to H in a vulnerable category defined as being in receipt of:

- disabled relief
- severe mental impairment
- council tax support
- or an exemption because all the occupiers were students, under 18 or resident in an annex because they were a dependant relative.

Awards totalling 142 or £21,300 were paid on 26 August leaving an outstanding allocation of £148,650.

Following the automatic awards contact was made with every individual who had contacted us about the discretionary relief scheme to assist them with either making an online application for them or to advise them that it was available for

them to apply. We also checked the discretionary hardship fund applications but there was only one in Band E who had already applied. The scheme has been promoted via social media and on our website but to date we still have an outstanding amount of £117,300.

3 Current awards already paid

We have already made 351 payments to vulnerable council tax payers from the discretionary fund totalling £52,650. This leaves an outstanding balance of £117,300.

4 Current Eligible Properties

Band	E	F	G	H	Total
Total No of eligible properties not in receipt of a payment	3,554	1,494	498	47	5,593

5 Options

As the discretionary scheme is available to assist those in difficulty paying their energy bills, rather than return any underspend back to central Government, 4 options are suggested below which could enable the remaining fund of £117,300 to be distributed between certain categories:

Option 1

To pay all band E properties who have not already received a council tax energy rebate payment.

Category	Award per property	Number of eligible properties	Total Award	Surplus
Band E properties	£33	3,554	£117,282	£18

Option 2

To pay all Band E and F properties who have not already received a council tax energy rebate payment.

Category	Award per property	Number of eligible properties	Total Award	Surplus
Band E & F properties	£23	5,048	£116,104	£1,196

Option 3

To pay all Band E to H properties who have not already received a council tax energy rebate payment.

Category	Award per property	Number of eligible properties	Total Award	Surplus
Band E to H properties	£20	5,593	£111,860	£5,440

Option 4

To pay a top-up to all bands A to D properties in receipt of council tax support.

Category	Award per property	Number of eligible properties	Total Award	Surplus
Top up all bands A-D in receipt of council tax support	£19	6,028	£114,532	£2.768

6 Proposal

Consideration has been given to the financial vulnerability of our residents and we have already demonstrated our commitment to this by making payments to:

- Eligible residents at 1 April 2022 in council tax Bands E to H in receipt of either disabled relief, severe mental impairment discount or exemption, council tax support or an exemption because all the occupiers were students, under 18 or resident in an annex because they were a dependant relative.

As the majority of applications for the discretionary relief were from residents in Band E who were not entitled to claim the mandatory award this would suggest that it is residents in this band of property that are most in need of some financial support.

Option 1 would enable us to make payments to all council taxpayers in band E who have not received an energy rebate payment already. This would ensure we assisted the residents of West Lindsey and any surplus paid back to central Government would be minimal.

Appendix A – Council Tax Energy Rebate Discretionary Scheme - EQUALITY IMPACT ASSESSMENT

Name, brief description and objectives of policy, procedure, function?	<p>For Corporate Policy and Resources Committee to agree the Council Tax Energy Rebate Discretionary Scheme for West Lindsey District Council.</p> <p>To ensure that all council tax payers are treated fairly under the local scheme.</p> <p>To ensure that council tax support is payable to the most vulnerable residents of the district.</p>
Have you consulted on the policy, procedure, function and if so, what were the outcomes?	<p>There is no legal requirement to consult on this policy. It is a scheme introduced by central Government to assist council taxpayers in paying their energy bills. The discretionary scheme is to assist those who did not qualify under the mandatory scheme.</p>
What barriers may these individuals or groups face, and how can you promote equality (where possible)	
Gender	<p>There is no evidence that this policy would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of gender. This is not a criteria used to determine entitlement to the scheme.</p>
Age	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of age. This is not a criteria used to determine entitlement to the scheme.</p>
Disability	<p>The scheme has been designed to ensure those in receipt of either disabled relief on their council tax band or in receipt of a disability council tax discount or exemption are awarded the full £150 payment.</p>
Race	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of race. This is not a criteria used to determine entitlement to the scheme.</p>

Religion or Belief	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of religion. This is not a criteria used to determine entitlement to the scheme.</p>
Sexual Orientation	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of sexual orientation. This is not a criteria used to determine entitlement to the scheme.</p>
Gender Reassignment	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of gender reassignment. This is not a criteria used to determine entitlement to the scheme.</p>
Pregnancy, maternity or paternity	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of pregnancy, maternity or paternity. This is not a criteria used to determine entitlement to the scheme.</p>
Marriage and Civil Partnership	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of marriage and civil partnership. This is not a criteria used to determine entitlement to the scheme.</p>
Rural Isolation	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic.</p> <p>The scheme has been designed to treat council tax payers fairly irrespective of rural isolation. This is not a criteria used to determine entitlement to the scheme.</p>
Socio-economic factors	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic. However, any person unable to complete an application form has been offered assistance from the Revenues Team in completing the application form either by telephone communication or a face to face interview in the Guildhall.</p>

Other (eg: those with dependants/caring responsibilities, asylum seeker and refugee communities, children in the care system etc)	<p>There is no evidence that this scheme would impact on people in any way because of this characteristic. However, any person unable to complete an application form has been offered assistance from the Revenues Team in completing the application form either by telephone communication or a face to face interview in the Guildhall.</p> <p>Those council tax payers caring for someone with a mental health discount or exemption have automatically been paid an award to avoid them having to make an application.</p>								
Is there any evidence or research that demonstrates why some individuals or groups are, or are not, affected?	<p>There is no evidence or research available. This policy is based on nationally applicable legislation and it covers all applicants who must all meet a set of standards and criteria intended to ensure that evidence of hardship justifies a payment of council tax energy rebate.</p>								
If there is a potential adverse impact, please state why and whether this is justifiable.	<p>There is no potential adverse impact from this policy.</p>								
Outcome of EIA	<table border="0"> <tr> <td>No major change needed</td> <td><input checked="" type="checkbox"/></td> <td>Adverse impact but continue</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adjust the policy /proposal</td> <td><input type="checkbox"/></td> <td>Stop and remove the policy/proposal</td> <td><input type="checkbox"/></td> </tr> </table>	No major change needed	<input checked="" type="checkbox"/>	Adverse impact but continue	<input type="checkbox"/>	Adjust the policy /proposal	<input type="checkbox"/>	Stop and remove the policy/proposal	<input type="checkbox"/>
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Adjust the policy /proposal	<input type="checkbox"/>	Stop and remove the policy/proposal	<input type="checkbox"/>						
How will you monitor your policy, procedure, function to ensure there is no adverse effect on the protected characteristics (eg: gender, age, etc) in the future?	<p>This is a time limited scheme funded and determined by central Government which ends on 30 November 2022. No further payments will be made under this scheme after this date.</p>								