

Bath & North East Somerset Council

DECISION MAKER:	Cabinet Member for Economic Development and Resources	
DECISION DATE:	On or after 9th July 2022	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3356
TITLE:	Energy Rebate Discretionary Fund	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 - Energy Rebate Discretionary Fund Policy Appendix 2 - Support for energy bills - the council tax rebate 2022-23: billing authority guidance Appendix 3 - Council Tax Rebate FAQ's Appendix 4 - Energy Rebate Discretionary Scheme EIA		

1 THE ISSUE

The Government is introducing an Energy Rebate scheme to help with rising energy costs. The scheme consists of funding to be disbursed as grants of £150 to households living in property in Council Tax bands A-D. An additional allocation of funding has been provided to councils to operate a discretionary scheme to help residents who do not qualify for support through the main Energy Rebate. This Discretionary scheme is the subject of this decision.

2 RECOMMENDATION

The Cabinet Member is asked to confirm the adoption of the Energy Rebate Discretionary Fund Scheme as set out in the policy document attached to this report.

3 THE REPORT

- 3.1 Rising energy prices are affecting residents across the country because of the increase in the wholesale price of gas on the international market. This has been exacerbated by the war between Russia and Ukraine.
- 3.2 The Department for Levelling Up, Homes and Communities (DLUHC) has allocated funding and guidance to the council to enable cash grants of £150 to be made to residents who live in council tax bands A-D, as well as additional

funding to help residents who do not qualify for this scheme but are nonetheless exposed to rising energy prices.

- 3.3 The guidance on qualification for the £150 grants for residents who live in council tax bands A-D is clear and is detailed in the attached document *Support for energy bills - the council tax rebate 2022-23: billing authority guidance*. The guidance also stipulates some basic criteria for eligibility to support through the Discretionary scheme, however the Government has left some scope to develop the discretionary scheme to meet the different needs of residents in each local authority area.
- 3.4 Whilst the funding for the Main scheme is sufficient to provide a rebate to all qualifying residents who live in council tax bands A-D, the funding allocation for the discretionary scheme is not sufficient to provide all other residents a rebate to help with rising energy costs. It is therefore necessary to prioritise this element of funding to help residents who are more exposed to rising energy costs. This includes residents who are on benefits or a low income, and residents who receive disability benefits. This approach will ensure that residents who are required to spend proportionately more of their income on energy costs are given more help.
- 3.5 The policy intention of the scheme is to provide support to residents who do not qualify for the main scheme, however, the guidance issued by DLUHC states that in exceptional circumstances councils may also make discretionary awards to residents who qualify under the rules of the Main scheme. The exception to this is that residents who qualify for a class O council tax exemption, in respect of property owned by the MOD for use by armed forces personnel, will be ineligible for the Discretionary or Main scheme payment as the MOD will be responsible for ensuring support is provided for these cases.

4 STATUTORY CONSIDERATIONS

- 4.1 Payments under the Energy Rebate scheme, including the Discretionary Fund constitute Local Welfare Provision, as defined by The Social Security (Miscellaneous Amendments) Regulations 2013 (SI/2013/443). These payments are disregarded for the purpose of calculating entitlement to Income-related Benefits, Local Council Tax Support and are not taxable.
- 4.2 Payments made under the Main Energy Rebate scheme, for residents in council tax bands A-D are governed by specific rules set out in the annex to this report *Support for energy bills - the council tax rebate 2022-23: billing authority guidance* and so do not form part of this decision or policy framework.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The Administrative costs of operating this scheme will be met through New Burdens funding provided by DLUHC. The Department will undertake an initial estimate of New Burdens costs and make a down payment to Local Authorities to meet early set-up costs and carry out an exercise to gather information from Local Authority representatives on the full range of costs associated with running the scheme.
- 5.2 Where possible the Administration and IT costs will be kept in-house, and decisions on applications will be made by officers working in the Welfare Support

team. It is estimated that the staffing costs for processing the applications will be around £11,160 on top of existing service budgets for the 8-month duration of the scheme. Use of existing council infrastructure, for example the Benefits team telephone line, will allow for customer contact without additional set up costs. IT related costs will be absorbed through existing resources.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.
- 6.2 This scheme will require a decision maker to establish entitlement to support as unlike the Main scheme there is no automatic entitlement to a payment. A series of checks will be undertaken to verify that each applicant is not entitled to support under the Main Energy Rebate Scheme, or if they are and still require help with energy costs, that they are significantly exposed to higher energy prices and are in financial hardship. In addition, applicants will need to provide a bank statement as evidence of their bank account, evidence that they are directly liable for energy costs through provision of an energy bill, and, where appropriate, evidence of their earnings and pensions.
- 6.3 As with any scheme which provides direct grants there will be an increased risk of fraud and abuse. This will be mitigated by providing decision makers with access to DWP and Council systems to enable checks on identity and entitlement to qualifying benefits.

7 EQUALITIES

- 7.1 A basic Equalities Impact Assessment has been carried out and has not identified any groups of people which would be disproportionately disadvantaged by the proposed scheme. The policy intention behind the Energy Rebate Discretionary scheme is to support Households in Financial Difficulty. It is therefore necessary to set eligibility criteria based on supporting residents who are more exposed to rising energy prices, because they receive disability or income-related benefits or have a low income and therefore spend a proportionately higher amount of their income on energy costs.

8 CLIMATE CHANGE

Applications will be made wherever possible on a web-form, to limit the use of paper applications and customers having to visit the council's One Stop Shops. However, where the applicant requests a paper form will be issued.

9 OTHER OPTIONS CONSIDERED

None

10 CONSULTATION

S151 Officer, Monitoring Officer.

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Background papers	Energy Rebate Discretionary Fund Policy. Support for energy bills - the council tax rebate 2022-23: billing authority guidance. Council Tax Rebate FAQ's. Energy Rebate Discretionary Scheme EIA.
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