

## Portfolio Holder decision record sheet PH-027-22

<b>Name of decision makers:</b>	<b>Cllr Andrew Williams, Cllr Graeme Elliot</b>
<b>Portfolios:</b>	<b>Corporate Services</b>
<b>Date of Portfolio Holder decision:</b>	

<b>Title of decision:</b>	<b>Energy Bills Rebate – local scheme for Dacorum</b>
<b>Part II:</b>	<b>No</b>
<b>Part II reason:</b>	

### Background to report:

In February 2022 the Government announced a package of support known as the Energy Bills Rebate (EBR) to help households with rising energy bills.

The package consisted of:

- Non-repayable payments of £150 to households occupying properties in council tax bands A-D (including those valued in band E but subject to a disabled band reduction)
- A £200 reduction to electricity bills applied by energy companies in October, to be paid back over the next five years. (This has now been superseded and increased to a £400 reduction which does not need to be repaid)
- £144 million of funding to billing authorities to support to other energy bill payers who are not eligible under the terms of the core scheme, or to provide carefully targeted ‘top-up’ payments to the most vulnerable households in bands A to D.

Dacorum has been allocated £289,350 to create its local scheme – this is funding which will need to be returned to Government if not spent, but will not be topped up if our spending exceeds the allocation.

Local authorities have discretion over the design and implementation of their local scheme. This paper outlines a proposed local scheme for Dacorum.

### Decision made and reasons:

To formally approve the adoption of the “Energy Bills Rebate – local scheme for Dacorum” to utilise the funding provided by Government. Full details of the scheme are included within the body of this report.

### Reports considered: (here reference can be made to specific documents)

Support for energy bills – the council tax rebate 2022-23: billing authority guidance [Support for energy bills - the council tax rebate 2022-23: billing authority guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/support-for-energy-bills-the-council-tax-rebate-2022-23-billing-authority-guidance)

### Officers/Councillors/Ward Councillors/Stakeholders consulted:

Cllr Andrew Williams  
Cllr Graeme Elliot  
Head of Revenues & Benefits  
Chief Finance Officer  
Assistant Director – Place, Communities and Enterprise

### Monitoring Officer comments:

## Portfolio Holder decision record sheet PH-027-22

### Chief Finance Officer comments:

**Implications:** This scheme will provide additional support with the cost of living to many of the most vulnerable residents of the borough.

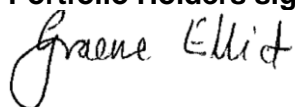
**Risk:** If the Council does not adopt the scheme there is a risk of increased financial pressures on residents due to the rising cost of living.

**Value for money:** There is no net cost to the Council to introduce the scheme.

### Options considered and reasons for rejection:

The rationale behind the proposed approach for all discretionary elements of the scheme is covered in detail within the body of the report.

### Portfolio Holders signatures:



**Date:** 22/08/22

**Details of any interests declared and any dispensations given by the Standards Committee:**

### For Member Support Officer use only

Date decision record sheet received from portfolio holder: 13/07/22

Date decision published: 26/08/2022

Decision no: PH-027-22

Date of expiry of call-in period: 06/09/2022

Date any call-in received or decision implemented:

### Background

1. In February 2022, the Government announced a package of support for households to help with rising energy costs. The package consisted of:
  - Non-repayable payments of £150 to households occupying properties in council tax bands A-D (including those valued in band E but subject to a disabled band reduction)
  - A £200 reduction to electricity bills applied by energy companies in October, to be paid back over the next five years. (This has now been superseded and increased to a £400 reduction which does not need to be repaid)
  - £144 million of funding to billing authorities to support to other energy bill payers who are not eligible under the terms of the core scheme, or to provide carefully targeted 'top-up' payments to the most vulnerable households in bands A to D.
2. Dacorum has been allocated £289,350 for its local scheme. The Government guidance on how it can be distributed is wide-ranging:

## Portfolio Holder decision record sheet PH-027-22

Councils can determine locally how best to make use of this funding to support those suffering financial hardship as a result of the rising cost of living. This could include households living in property valued in bands E to H that are on income related benefits or those where the energy bills payers are not liable for council tax. Where councils consider it the best means of supporting those in financial difficulty, they can use the discretionary fund to offer carefully targeted 'top-up' payments to the most vulnerable households in bands A to D (for example, those on means tested benefits), or to offer discretionary support exceeding £150 per household... Support from the Discretionary Fund does not have to be provided in relation to the position on 1 April 2022.

### Methods of distribution

3. There are two main ways in which the funding can be distributed:
  - An application process, with a policy identifying what we classify as financial hardship, and a requirement to assess applications as they are received.
  - A direct award process, where we use already known facts to identify financially vulnerable groups and pay the grant with no resident interaction required
4. This proposal recommends the second option – of making direct awards. This will place a much lower resource burden on residents, and also on the Council. With an application process there is also a risk that the most vulnerable do not apply, whereas they are still helped with a direct award process.
5. A survey of the other borough and district councils in Hertfordshire indicates that they are also considering direct award schemes, although only Welwyn Hatfield have published a scheme at the date of this report.
6. Although there will be a need to write to some residents to request their bank account details in order to make payment, a lack of response will not prevent payment of the Local Scheme EBR, it will simply mean it is paid as a council tax account credit rather than as a bank payment.

## Portfolio Holder decision record sheet PH-027-22

### Categories and award values

7. As part of the council tax records, we have several indicators of financial or other vulnerability, and the following are recommended to receive Local Scheme EBR payments.

	category	notes	Approximate number*
1	Households occupying property in Council Tax Bands E to H receiving Council Tax Support (CTS)	<i>Occupied properties in bands A to D have already received £150 EBR under the main scheme</i>	370
2	Households occupying property in Council Tax Bands F to H with disabled band reduction	<i>This excludes any households included in line 1</i>	68
3	Households occupying property in Council Tax Bands E to H, where the property is exempt from Council Tax as all residents have severe mental impairment (class U exemption)	<i>This excludes any households included in lines 1 and 2</i>	25
4	Households occupying property in Council Tax Bands E to H where a Council Tax discount for a care has been awarded	<i>This excludes any households included in lines 1, 2 and 3</i>	10
5	Households occupying property in Council Tax Bands A to D receiving Council Tax Support	<i>These households have already been awarded £150 EBR under the main scheme</i>	7,170

\* numbers are approximate as new information about changed entitlement to reductions and discounts can be received.

8. The proposed award values shown below maximise distribution of the available funding. There are two key principles used:
- A base value of £150 for households in bands E to H, matching the level of the main EBR scheme
  - An additional top-up for households receiving CTS, as they have a low income level and so are likely to be disproportionately impacted by cost of living increases.
9. This table shows the detail of the award levels by category, and means:
- residents receiving CTS will get a total of £178 from the combination of main and local EBR schemes
  - other residents in Council Tax Bands A to D have been paid £150 EBR from the main scheme
  - specified vulnerable residents in Council Tax Bands E to H will receive £150 EBR from the local scheme.

	Category	Approximate number	Single award value	total
1	Council Tax Bands E to H receiving CTS	370	£178.00	£65,860.00
2	Council Tax Bands F to H with disabled band reduction	68	£150.00	£10,200.00

## Portfolio Holder decision record sheet PH-027-22

3	Council Tax Bands E to H with class U exemption	25	£150.00	£3,750.00
4	Council Tax Bands E to H with a carer disregard discount	10	£150.00	£1,500.00
5	Council Tax Bands A to D receiving CTS	7,170	£28.00	£200,760.00
	Total	7,633		£282,070.00
			unallocated	£7,280.00

10. The unallocated amount in the table acts as a contingency in case more qualifying households come to light.
11. Once the whole £289,350 has been allocated, no further awards can be made, even if additional qualifying households are identified.

### Eligibility date

12. The Government guidance does not require that eligibility is determined based on liability at 1 April 2022. However, it is recommended that this policy does adopt 1 April 2022 as a qualifying date in order to maintain consistency with the main EBR scheme.

### Exclusions

13. For the avoidance of doubt, and to ensure that the EBR local scheme payments are targeted towards residents, this scheme also excludes any properties where members of the household occupying the property are not liable to pay the Council Tax (or would be liable but for an exemption). This means that EBR local scheme will not be paid for unoccupied properties; second homes; houses of multiple occupation where the landlord is not resident.

### Administration

14. Our software provider has supplied us with the required software to make these awards. They so however say that we should have completed all processing of main scheme EBR awards before moving on to local scheme EBR payments.
15. We expect to have concluded all main scheme EBR processing by the middle of August, and so will be able to start making local scheme payments after that.
16. For 'top-up' payments to households in council tax bands A to D, we will use the same payment method as for their main scheme EBR payment, so no additional contact with the resident will be required except to notify them.
17. For residents in council tax bands E to H, we will mirror the processes used for the main scheme, i.e. we will first look for any existing council tax direct debit information. If that doesn't exist, or can't be used, we will ask for bank details to be provided online, with the backstop of making a credit to the council tax account.

## **Portfolio Holder decision record sheet PH-027-22**

### **Conclusion**

18. The recommended scheme is an efficient and effective method of distributing the available additional funding to residents who are likely to require additional support with their energy costs.