

# Council Tax Energy Rebate Discretionary Fund

September 2022



## 1. Introduction

On 3rd February 2022, the Government announced new measures to help protect millions of households from rising energy costs in 2022-2023. The first of these measures included a one-off £150 non-repayable rebate for households in England in council tax bands A to D, known as the Council Tax Rebate. Plymouth City Council has developed its rebate scheme which is currently live and so far over £13 million pounds in payments have been made across 89,000 Council Tax accounts.

This paper is in respect of the Government announced discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Rebate, known as the **Discretionary Fund**.

## 2. Allocation

Plymouth City Council has been allocated a discretionary fund of £556,500 and can determine locally how best to make use of the funding support (within certain parameters contained in the guidance).

The guidance references the fund should be used for those Council Tax payers not eligible under the main scheme, such as those households in bands E to H who did not receive £150 under the main scheme, or targeted 'top-up' payments to the most vulnerable households.

Full details under the guidance can be found here:

<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>

Any un-spent funding by 30<sup>th</sup> November 2022 will be required to be repaid to Government.

## 3. Options Appraisal

Whilst the scheme is intended to be discretionary, it is restricted according to certain parameters contained within Government guidelines as well as the limitation of the available Council Tax database. A range of options has been considered on how best to maximise the funding and support those most vulnerable households, which has led to the following eligibility criteria;

Eligibility Criteria	Number of Properties	Discretionary Fund Payment	Cost (£)
Households receiving Council Tax Support (bands E to H)	126	£150	18,900
Households with Severely Mentally Impaired Disregard (bands E to H)	13	£100	1,300
Properties with a Disabled Band Relief (bands F to H)	27	£100	2,700
Households in bands E to H with a Single Persons Discount	1,287	£100	128,700
Top-up payment to Council Tax Support customers in bands A to D	23,000	£17.50	402,500
<b>Total Fund Spend</b>			<b>554,100</b>

This option aims to support the most vulnerable Council Tax customers in Bands E to H. These households did not receive a £150 payment under the main scheme. It also provides an additional 'top-up' payment to those households claiming Council Tax Support across bands A to D. Whilst these households have already received a payment of £150 under the main scheme, it helps provide some much needed extra support whilst maximising our use of the available funding.

*\*NOTE: Eligible household figures based on dataset as in August 2022 and is subject to change*

#### **4. Other options considered and rejected**

It should be noted that in the process of designing a suitable scheme, a number of scenarios and projections have been made using the Council Tax database. The final option is designed to maximise the fund and target support to those most vulnerable households identified from available Council Tax records.

#### **5. Access to the fund**

It is proposed that all eligible households who currently pay Council Tax by Direct Debit will receive payment direct into their bank account.

Where Direct Debit details are not held, eligible households will receive a credit to their Council Tax account.

If households wish to claim the credit then they will have the option to request this as a general refund using an online application via our website.

The scheme will close on **31 October 2022** or sooner if all of the available funding has been exhausted.

## **6. Funding**

The Discretionary Fund of £556,500 has been provided by the Government.

## **7. Costs**

The Government has provided additional funding 'New Burdens' to Local Authorities to administer both the main scheme and the discretionary scheme. Plymouth received £144,717, which has been allocated to fund costs in respect of both the main and discretionary fund. Costs include an IT solution (online application form), extra staff resourcing to help administer the scheme, and print and postage costs.

There is no cost to Plymouth City Council.

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