

FORM 1

NOTICE OF DELEGATION OF DECISION TO CABINET MEMBER BY STRONG LEADER

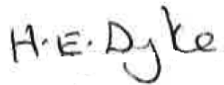
Section 15(4) of the Local Government Act 2000, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

I, Councillor Helen Dyke, as Strong Leader, delegate the decision to decide the Council's Discretionary Council Tax Energy Rebate policy to the Cabinet Member detailed below:

Councillor Mary Rayner, Cabinet Member for Finance and Capital Portfolio

Dated: 4 April 2022

Signed:

Handwritten signature of H.E. Dyke in black ink.

Leader of the Council

FORM 2

NOTICE OF DECISION OF CABINET MEMBER

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me by the Leader, I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
Council Tax Energy Rebate	To decide the Council's Discretionary Council Tax Energy Rebate policy	The Council is required to decide its own discretionary scheme for providing households with payments to help with rising energy costs who may not be eligible for help under the main scheme.	4 April 2022

I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.

Dated: 4th April 2022

Signed: 

Councillor: Mary Rayner
Cabinet Member for Finance and Capital Portfolio

WYRE FOREST DISTRICT COUNCIL

STRONG LEADER REPORT

COUNCIL TAX ENERGY REBATE

OPEN	
CONTACT OFFICER:	Lucy Wright, Head of Revenues, Benefits & Customer Services
DATE:	4th April 2022
APPENDICES:	Appendix 1: Discretionary Council Tax Energy Rebate scheme

1. PURPOSE OF REPORT

- 1.1 To seek approval to the Wyre Forest District Council's discretionary Energy Rebate scheme and to provide an overview of the process used to make payments to all council taxpayers in bands A – D.

2. RECOMMENDATION

- 2.1 The Leader is asked to **APPROVE** the scheme set out in Appendix 1.
- 2.2 To **DELEGATE** to the Head of Revenues, Benefits and Customer Services the making of amendments to the said Scheme in the event of any changes necessary to allow payments to be made to individuals that may apply direct to the Council.

3. BACKGROUND

- 3.1 On 3 February 2022 the government announced support to help households with rising energy bills including a one-off £150 energy grant payment to council taxpayers in bands A-D. This payment will operate outside of the council tax system but use council tax lists to identify eligible households. The terminology used by the Government ("council tax energy rebate") is rather misleading because the payment to be made to the vast majority of households will not be a rebate applied to council tax bills: council tax bills have been issued in full in line with the decisions of Council on 23 February.
- 3.2 On 23 February 2022 the Government published guidance intended to support local authorities in administering the council tax energy rebate. Further information was still required so DHLUC issued additional frequently asked questions on 16 March 2022.
- 3.3 Billing authorities are to provide a £150 one-off payment to a liable council taxpayer (or a person who would otherwise be liable where the property is exempt) for every household that occupies a property which meets all of the following criteria on 1 April 2022

- It is valued in council tax bands A - D. This includes property that is valued in band E but has an alternative valuation band of band D, as a result of the disabled band reduction scheme;
- It is someone's sole or main residence;
- It is a chargeable dwelling, or in exempt classes N, S, U or W; and
- The person who is liable to pay the council tax (or would be were the property not exempt) is not a local authority, a corporate body or other body such as a housing association, the government or governmental body.

This list is not exhaustive and councils should use their judgement in consideration of the aims of the scheme, which is to support households with domestic energy costs.

This means that:

- A property that meets all the criteria but has a nil council tax liability as a result of local council tax support, **will** be eligible.
- A property that has no permanent resident and is someone's second home **will not** be eligible.
- An unoccupied property (for the purposes of calculating council tax) **will not** be eligible.

3.3 Wyre Forest District Council has been allocated £5,924,700 for the main energy rebate scheme. Each qualifying household in council tax bands A – D will receive £150.

3.4 Billing authorities must also adopt a discretionary scheme, having regard to the published guidance. £227,850 has been allocated to Wyre Forest District Council.

4. KEY ISSUES

4.1 The software system used by the revenues section is not set up to pay out large amounts of money but to collect money owed. Although bank account details are held for the majority of council taxpayers it is not an easy process to implement. New software is required, correspondence needs to be sent to all households, bank details must be verified and any mismatches need to be manually checked before any payments can be made to households.

4.2 Households who do not pay by direct debit can be invited to make a claim or billing authorities can opt to use single use voucher-based payment transactions. There remains the option of crediting £150 to a household's council tax account but this cannot be used as a default option.

4.3 Inviting non direct debit payers to make a claim would involve thousands of households providing their bank details, all of which would need to be verified to

prevent fraudulent claims. Councils are required to undertake pre-payment checks prior to payment of any grant which is not awarded to a person where there is a “live” direct debit instruction.

- 4.4 Due to the significant amount of work involved in verifying thousands of bank account details, it has been decided to use the Post Office Payout service instead. All non direct debit payers will be sent a letter including a £150 voucher which can be redeemed at any Post Office. The voucher will be valid for 3 months from the date of issue and, if not redeemed, the £150 will be credited to the household’s council tax account.
- 4.5 The discretionary scheme is set out in Appendix One. To summarise: all Council Tax Reduction Scheme claimants in council tax bands E – H will receive a £150 payment using the same payment methods as the main scheme depending on whether their bank account details are held or not. The remaining funding will be used to ‘top up’ all working age Council Tax Reduction Scheme claimants who receive the maximum level of support due to their low income. Pension age Council Tax Reduction Scheme claimants who receive 100% support will also receive a ‘top up’ payment. Profiling has been undertaken and each household in these categories, across all council tax bands, will receive approximately an additional £35 on top of their initial £150 payment. The final amount will be based on the information extracted on 1 April 2022. The software to enable the section to carry out this task has not yet been received but is expected week commencing 4 April 2022.
- 4.6 In order to help households who may not be liable for council tax but who have to pay energy bills, applications will be accepted, by email, and restricted to one payment per household or property.

5. FINANCIAL IMPLICATIONS

- 5.1 Central government have agreed to meet the administrative costs incurred by councils as a result of implementing the scheme. No information has yet been provided about this new burdens funding and there is a risk that costs incurred by the council will not be recovered in full. In order to minimise the council’s exposure, use will be made of the Post Office Payout scheme as this is estimated to be significantly cheaper than having to use staff (including paying overtime or employing additional staff) to undertake the tasks described in paragraph 4.3.
- 5.2 The greatest costs will be staff time in the set up and ongoing administration of this scheme which is of a significant scale. New software needs to be procured, letters need to be produced to all households and the Post Office Payout scheme needs to be set up. The estimated actual costs to date are in the region of £50,000. This does not include staff time.

- 5.3 In addition to the administration of the initial scheme, prepayment assurance plans need to be created, regular monitoring and reporting of expenditure needs to take place and the funds will be subject to reconciliation once the scheme has ended in November 2022 and any difference will be paid or recovered accordingly.
- 5.3 The total allocation for Wyre Forest District Council for the mandatory and discretionary grant payments is £6,152,550. The design of the discretionary scheme aligns with the resources available and aims to use all of or a very high proportion of the grant. Any unused element of the grant in respect of the mandatory scheme will have to be returned to Government (or any additional expenditure claimed from Government).

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 A package of measures known as the Energy Bills Rebate has been introduced to support households with rising energy bills, worth £9.1 billion in 2022-23.
- 6.2 The Council Tax (Demand Notices and Reduction Schemes) (England) (Amendment) Regulations 2022 came into force on 12 February 2022. The regulations required the following explanatory sentence to be included in council tax demand notices (bills) issued to households in respect of 1 April 2022: "The Government is providing a £150 one-off Energy Bills Rebate for most households in council tax bands A-D". This was included in all bills sent in March 2022.
- 6.3 The Regulations require that from 1 April 2022 all local council tax support schemes (including those for persons of working and pension age) must disregard the energy bills rebate in determining a person's eligibility for a council tax reduction and the amount of any such reduction.
- 6.4 The scheme meets the definition of 'local welfare provision' in the Housing Benefit regulations and can be disregarded.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 An equality impact assessment has been carried out. There are no detrimental impacts and therefore a full assessment is not required.

8. RISK MANAGEMENT

- 8.1 There is a risk of fraudulent claims being made to access the £150 payment. Payments will only be made to direct debit payers where the bank account name matches the liable council tax person's name. Automatic payments will only be made once the April direct debit payments have been cleared. Households where the direct debit payment in April is not successful will be deemed to be a non direct debit payer.
- 8.2 Inviting non direct debit payers to claim would represent a higher fraud risk as additional work is required to check and verify thousands of bank account details.

Using the Post Office Payout service greatly reduces this risk as the revenues section will be sending letters to known households and the Post Office will carry out identity checks as specified by the Council.

- 8.3 The other risk is presentational. There may be households that do not meet the eligibility criteria of the discretionary scheme and who are unhappy as a consequence. However the limited funds have been targeted at known low income households who qualify for Council Tax Reduction Scheme. There is additional help available for energy bill payers who may not be liable for council tax. Our local welfare scheme is also available for eligible households facing severe financial difficulties, and officers will continue to provide support and assistance to those who may not be eligible for the council tax energy rebate.

9. CONCLUSION

- 9.1 The Leader is invited to approve the discretionary criteria for the Council Tax Energy Rebate scheme as set out in Appendix One.

10. CONSULTEES

10.1 Head of Resources

10.2 Solicitor to the Council

11. BACKGROUND PAPERS

- 11.1 Guidance from DHLUC (February 2022) –

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

- 11.2 Council Tax Information Letter 16 March 2022 –

[7/2022: Council Tax information letter - 16 March 2022 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/111111/7/2022-Council-Tax-information-letter-16-March-2022)



Wyre Forest District Council
Discretionary Council Tax Energy Rebate Scheme 2022-23

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Definitions

The following definitions are used within this document:

'Chargeable Dwelling' means any dwelling that appears on the Council's Council Tax Valuation List on 1 April 2022

'Council Tax Exemption or Exempt Dwelling' means any chargeable dwelling which is determined by the Council as exempt from council tax as prescribed by the Council Tax (Exempt Dwellings) Order 1992 as amended

'Council Tax Rebate Scheme or Mandatory Scheme' means the scheme announced by the Secretary of State for Levelling Up, Housing and Communities on 3 February 2022 as part of a package of support for rising energy costs

'Council Tax Payer or Liable Person' means the liable person determined by the Council as being responsible for Council Tax under section 6 of the Local Government Finance Act 1992

'Council Tax Reduction' means any entitlement awarded under Section 13A(1)(a) of the Local Government Finance Act 1992

'Discretionary Scheme or Fund' means the scheme determined by the Council in line with the guidance issued by the Department for Levelling Up, Housing and Communities announced on 3 February 2022

'Effective Date' means the effective date of this scheme. The effective date shall be the situation as at the end of the day on 1 April 2022

'Empty Dwelling (or premises)' means any dwelling that is not deemed to be the sole or main residence of a person and are substantially unfurnished

'Liability for Owner' means any dwelling determined to fall within the Council Tax (Liability for Owners) Regulations 1992 for example House in Multiple Occupation or Residential Care homes

'Mandatory Scheme' means the scheme determined by Government in line with the guidance issued by the Department for Levelling Up, Housing and Communities announced on 3 February 2022

'Second Home' means any dwelling not deemed to be the sole or main residence of the liable person and which is furnished as defined by the Council Tax (Prescribed Class of Dwellings) (England) Regulations 2003 as amended and

'Sole or main residence' means the dwelling determined by the Council to be the sole or main residence of a person.

1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine eligibility for a payment under the Council's Discretionary Council Tax Rebate scheme (the 'Discretionary Scheme').
- 1.2 The scheme has been designed based on general guidance issued by the Secretary of State for Levelling Up, Housing and Communities on 3 February 2022. However, it is separate from the mandatory Council Tax Rebate scheme which is largely determined by Government.
- 1.3 The Council's Discretionary Scheme is part of a package of support for households in respect of rising energy costs.
- 1.4 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 by the mandatory Council Tax Rebate. However, Government has stated that occupants of class M (student halls) are unlikely to be eligible for discretionary support unless they are exposed to rising energy prices. This in a similar way to other households and 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.

2.0 Funding

- 2.1 Government has provided funding to the Council but all payments will have to be made by 30 November 2022 which is the deadline for this scheme.

3.0 Eligibility criteria and awards

Basic eligibility

- 3.1 The Council has decided that the payments will be made provided:
 - a) the household has their sole or main residence in a dwelling; and
 - b) the Council Tax liable person is not a local authority, a corporate body or other body such as a housing association, the government or governmental body.

Awards

- 3.2 Where the criteria in 3.1 (a) and (b) are met the following awards will be made:
 - a) A single one off payment of £150 will be awarded to any household who resides in a dwelling with a council tax band E – H **and** who are in receipt of Council Tax Reduction;
 - b) A single top up payment of up to £35 where any household who resides in a dwelling (in any of Bands A to H) **also** receives maximum Council Tax Reduction (for working age applicants 80% Council Tax Reduction and for pension age applicants 100% Council Tax Reduction); and

- c) A single one-off payment of £150 will be awarded to any household who is not liable for council tax but who can provide evidence to the council that they are responsible for energy bills (gas, electricity etc). Where there are multiple households in a single dwelling, the payment will be apportioned equally between the number of households.
- 3.3 In the case of (c) above it should be noted that for houses in multiple occupation (HMO) the £150 payment will be divided by the number of available bedrooms and no payment will be made for any rooms that are unoccupied.
- 3.4 The Council will work with partners in the advice sector to ensure that any household who is not eligible for a discretionary (or mandatory) payment receives relevant advice.
- 3.5 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 any unoccupied premises or second homes.

Effective date

- 3.6 The effective date for this scheme is 1 April 2022. The Council will determine eligibility based on the position at the end of that day.

Alterations to liability or the council tax band

- 3.7 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.
- 3.8 Where 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 either to pay the discretionary award or potentially to reclaim any payment made.
- 3.9 In any case, where the council tax band of the chargeable dwelling is amended retrospectively after 1 April 2022, for example where a successful appeal is made to the Valuation Office Agency (VOA) that concluded after this date, the Council is not required to pay any discretionary award or to reclaim any payment made.

Eligibility Disputes

- 3.10 The decision of the Council on any eligibility matter will be final. Should any taxpayer feel aggrieved by any decision then matters will be dealt with through the Council's 'Let Us Know' complaints procedure. Full details are available on the Council's website.

4.0 How the Council Tax Rebate will be paid

- 4.1 Where the Council determines that all of the eligibility criteria are met in full, payment will be made to the household as defined within section 3 above. It should be noted that with the exception of the 'top up payment' **only one discretionary payment** will be made per household regardless of the number of occupants or liable council taxpayers.

Direct debit payers

- 4.2 Where the Council holds a current direct debit instruction for a liable council taxpayer of an eligible household, payment will be made using the bank account details held. Payments will be made as soon as possible.
- 4.3 The Council is required to verify that the bank details held are those of the eligible household and where multiple residents of an eligible household are jointly and severally liable for council tax, the full payment will be made to the account for which the direct debit is held only. Payment of the award however is for the benefit of the household as a whole.
- 4.4 No payment will be made where the name of the bank details does not match a liable party. Should the Council require additional information to establish the correct person to receive the payment, it is expected that the household provides all necessary details as soon as possible. Further information of how this request will be made and responsibilities to supply such information are detailed below.
- 4.5 It should be noted that the award will be paid on the assumption that the person receiving the payment is the liable council taxpayer (or would have been if the property were not exempt) and that the property meets the criteria on 1 April 2022 as defined in section 3 above.

Where the Council does not hold a direct debit instruction for an eligible household (non-direct debit payers)

- 4.6 Where the Council does not hold a current direct debit instruction for an eligible household, it will issue a voucher for the amount which can be redeemed at any Post Office. Full details are available on the Council's website.

5.0 Provision of information to the Council

- 5.1 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 information to determine the correct liable person for council tax purposes. Government has stated that these powers may also be used for Council Tax Energy Rebate purposes.
- 5.2 Failure to respond to such a request, without a 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.

6.0 Scheme of Delegation

- 6.1 The Council has approved this scheme. The Council's Head of Revenues, Benefits and Customer Services is authorised to make technical policy amendments to ensure the scheme meets the criteria set by the Government and the Council.

7.0 Notification of Decisions

- 7.1 All Council Tax Energy Rebate payments shall be made by the Revenues, Benefits and Customer Service section.
- 7.2 All decisions made shall be notified to the liable person either in writing or by email.

8.0 Reviews of Decisions

- 8.1 The Council will operate an internal review process and will accept a taxpayer's request for a review of its decision.
- 8.2 All such requests must be made in writing 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.
- 8.3 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 will be final.

9.0 Taxation and the provision of information to HMRC

- 9.1 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.

10.0 Managing the risk of fraud

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

11.0 Recovery of amounts incorrectly paid

- 11.1 If it is established that **any** payment has been made incorrectly due to an 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.

12.0 Data Protection and use of data

- 12.0 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 the Council's website.