



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member for Finance and Governance
LEAD OFFICERS:	Director of Finance
DATE:	Thursday, 8 September 2022

PORTFOLIO/S AFFECTED:	Finance and Governance
WARD/S AFFECTED:	(All Wards);
KEY DECISION:	Y

SUBJECT: Discretionary Council Tax Energy rebate scheme

1. EXECUTIVE SUMMARY

The government has over the past year announced various measures to support communities who are struggling financially due to the cost of living crisis. Included in the measures has been the provision of funding for a Discretionary Council Tax Energy Rebate scheme, and the announcement of a third round of Household Support Scheme Funding.

This report seeks to gain the authority to combine the Discretionary Scheme with some of the Household Support Scheme funding to provide for a £150 credit payment to all Council Tax Support households with dependent children. This credit will free up income for struggling families in the borough to provide assistance with the financial pressures from increasing energy and general living costs.

2. RECOMMENDATIONS

That the Executive Board:

2.1 Agree to use the Discretionary Council Tax Energy Rebate funding and a proportion of the Household Support round 3 funding as set out in the report below.

3. BACKGROUND

In addressing the surge in energy costs and the general cost of living increases, the government has introduced a number of funded schemes, these include £427,650 for the establishment of a Discretionary Council Tax Energy Rebate scheme and a third allocation of the Household Support Scheme funding, expected to be £1.619m as in the first two rounds.

The Discretionary Council Tax Energy Rebate scheme was announced alongside the main scheme which provided a £150 payment, or credit to the Council Tax account, for those properties in bands A-D. There was limited government guidance on how to design a Discretionary Council Tax energy rebate scheme other than the general objective of supporting the most vulnerable. The limited funding by government has made it extremely challenging to design a scheme that would provide a reasonable level of financial support for any vulnerable group in the borough.

An Executive Board report in August outlined the intended use of the third round of Household Support funding, once it is confirmed, and the continued support to families by the Voluntary Community Faith Sector. This report outlines the further development of the Household Support Scheme and the proposal to combine some of this fund with the Discretionary Council Tax Energy Rebate scheme to support families on low income with dependent children with the financial challenges they face.

4. KEY ISSUES & RISKS

4.1 The initial discussions on the design of a Discretionary Council Tax Energy Rebate scheme looked at allocating the funding to vulnerable households in isolation of any other scheme. However, the low level of funding and the high numbers of vulnerable individuals in the borough would result in any scheme providing minimal amounts of support. The current number of households on low income determined through entitlement of Housing Benefit or Council Tax Support is approximately 16,300. Distributing the funding across all households would result in support payments of £26.20. It was concluded that such low levels of support would do very little to assist vulnerable groups in the borough.

4.2 As the scheme guidance for both the Household Support Fund and the Discretionary Council Tax Energy Rebate scheme is to support the most vulnerable households in the borough, further options were considered where the two schemes could be combined to administer a simple scheme to assist households.

4.3 After considering a number of options, the proposal is to support working age households on low income with dependent children through a combined Discretionary Council Tax Energy Rebate scheme and Household Support Scheme model. By using both funds, the support provided would amount to a payment of £150 which would be credited directly to the Council Tax account. This solution allows for a higher value of support to be provided to households, with minimal administrative burdens placed on the council.

4.4 The determination of low income will be the entitlement to Council Tax Support at 1st October 2022.

4.5 The Household Support Scheme round 3 funding will then be able to focus more resources and support for pensioners and working age individuals with no dependents.

4.6 The scheme will also credit £150 to those households on Council Tax Support who reside in bands E-H. These households were excluded from the original government scheme. Based on the current data, this element of the scheme will benefit 128 households.

5. POLICY IMPLICATIONS

There are no policy implications arising from this report.

6. FINANCIAL IMPLICATIONS

The current number of households who fall within the criteria outlined above is 6,197. Whilst the figure does change on a daily basis, the adjustments do tend to be minimal. A final calculation will be made in October prior to the credit being applied.

The cost of crediting £150 to the qualifying households will be met by:

Discretionary Council Tax Energy Rebate scheme funding of £427,650
A contribution of £501,900 from the Household Support Scheme funding

Total cost of the support £929,550

7. LEGAL IMPLICATIONS

There are legal implications arising directly from this report.

8. RESOURCE IMPLICATIONS

None. All activities required to credit accounts with £150 will be undertaken using existing resources.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

There are no consultation implications arising directly from this report.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION: 1

CONTACT OFFICER: Andy Ormerod

DATE: 19th August 2022

BACKGROUND PAPER:	
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