

COUNCIL TAX ENERGY REBATE POLICY

April 2022

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Introduction and Background

The government has provided for a £150 non-repayable rebate for households in England in council tax bands A - D, known as the Council Tax Energy Rebate (though different variations of the name are also used). The scheme intentions are to provide funding quickly to householders who will face increases in their energy bills. This £150 rebate is not a loan and does not have to be repaid.

£144 million of discretionary funding has also been made available for billing authorities to support households who are in need but are not eligible for the Council Tax Rebate, known as the Discretionary Fund.

It is intended to be made directly to the householder, usually into their bank account though they can elect to have it credited to the Council Tax account

- Mandatory Rebates must be paid by 30 September 2022
- Payments under the Discretionary scheme must be made by 30 November 2022

Grants are only payable to individuals, not companies or organisations. The payments are not taxable and not treated as income for the purpose of any means tested benefits. Recipients do not therefore need to report receipt of these payments to HMRC or DWP.

Funding and Payments

The following table shows the estimated number of payments that we expect to make.

Discretionary Fund (£)	Mandatory Fund (£)	Total Fund (£)	Estimated Number (Mand.)	Estimated Number (Disc.)
429,000	11,757,900	12,186,900	c. 77,000	c.8,000

Mandatory Scheme

The Rebate payment is payable to a liable council tax payer (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 at the end of 1 April 2022:

- It is valued in council tax bands A - D or is valued in Band E but subject to an alternative banding of D, due to a disabled person's reduction
- Is someone's sole or main residence
- Is a chargeable dwelling, or in exemption classes
 - N - Student only dwelling

- S - Occupied by residents all of whom are aged under 18 years
- U - Occupied by residents all of whom are severely mentally impaired
- W – Annexes to property, occupied by elderly or disabled relatives

Residents in receipt of 100% Local Council Tax Reduction will be eligible for the grant.

The grant is only payable to individuals and not to a local authority, a corporate body or other body such as a housing association, the government or governmental body.

Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, the Council will take steps to pay or clawback payments, as appropriate.

Where the property band recorded on a valuation list is amended retrospectively to 1 April 2022, for example as a result of a successful appeal made to the Valuation Office Agency ('VOA') that concluded after this date, councils are not required to make or clawback payments of the mandatory grant.

The exception is where a property is a new build and awaiting an official banding from the VOA. In these cases, eligibility should be determined based on the official band subsequently allocated by the VOA, where this has an effective date before or on 1 April 2022.

Direct Debit Payers - Automatic Payments

Where the Council holds a live direct debit instruction for the Council Tax payer and payments have been made from that account in the period 1st April to 15th May, these details will be considered verified for the purposes of making the payment, subject to there being no other reason for the Council to believe the liable person is not eligible for the rebate. The Council will therefore make payment of the £150, directly into the bank account without undertaking further verification of that account.

Where multiple residents of an eligible household are jointly and severally liable for council tax, and the Council holds live direct debit instructions for that household, the full £150 payment will be made to the direct debit account.

Direct Debit Payers Not Paid Automatically

A small number of direct debit payers will not be automatically paid for a variety of reasons, including:

- Our records show the property is a House in Multiple Occupation (HMO) or empty
- The liable 'person' is not an individual - i.e. the council tax is in the name of a company
- The direct debit appears to be paid by a third party
- The direct debit account is being used to pay council tax on multiple properties, suggesting some are HMOs or third party payment details
- The direct debit was set up or changed recently and no payments have been taken a payment since the change or the latest instalment was returned unpaid. This will mean that the bank account is unverified.

- The Council holds outstanding documents suggesting a recent move may have taken place and this has yet to be processed

In these situations, the applicant will need to apply in accordance with the process for non-Direct Debit payers.

Non-Direct Debit Cases - Application Process

The Council will manage an application process which must be followed by all households other than the direct debit payers whose council tax and bank account details match.

The application process will be on-line, however assisted applications will be undertaken by telephone where there is no alternative.

The applicant will be required to self-certify that they meet the qualifying criteria and are the correct person to receive the rebate on behalf of the household.

The Council will offer two ways in which payments can be made.

- Payment into a nominated bank account.
- Payment transferred to the Council Tax account. This method will be used if requested by the council tax payer or as a backstop where no application is received.

Pre-Payment Checks

The Council will undertake pre-payment checks prior to payment of any grant which is not awarded to a live direct debit holder or not credited to the Council Tax account. This will add some delay to the issue of those payments. The purpose of the checks is two-fold:

- To be sure that the person who is applying is entitled to payment. This will be done by cross-referencing Council Tax accounts as to the liable party, band and occupation status.
- To be sure that the payment details provided (if applicable) belong to an entitled person and relate to the relevant address. We may do this either by asking for evidence of a bank account to be submitted and/or using on-line bank verification tools.

Automatic council tax account credits

Once the application window is closed and all applications have been processed any accounts the Council believes are eligible under the scheme, but that have either not received an automated BACS payment or have not applied using the application form, will have a £150 credit applied to their council tax account.

Discretionary Fund

The government has provided a limited amount of funding to enable the Council to provide 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. The Council must approve a policy for the disbursement of its discretionary fund amongst residents

The discretionary fund is cash and time limited and so payments will no longer be made if the council utilises all of its funding, or on the closing date of 30 November, whichever is sooner.

Funding of £150 per household will be made available for the following categories in relation to domestic properties within the Peterborough City Council area:

- A) Households in bands E to H who meet at least one of the following criteria on 1st April:
 - in receipt of working age Local Council Tax Reduction.
 - in exempt class N, S, U or W
 - in receipt of a disabled person's band reduction
- B) Households in properties on 1st April that are classified as Housing in Multiple Occupation where the property owner is liable for the council tax, but the occupiers are liable for the energy bill. Only one payment will be made per property.
- C) Households on 1st April in bands E-H that can demonstrate exceptional financial hardship and in receipt of one of the following:
 - a. A means tested benefit or council tax support (eg Universal Credit, Pension Credit)
 - b. A disability benefit (Disability Living Allowance, Personal Independence Payment or Attendance Allowance)

A household that has already received a payment under the mandatory scheme cannot receive a further payment under categories A-C above.

In addition, discretionary Top Up payments will be made in the following circumstance.

- D) Households in receipt of working age Local Council Tax Reduction on 1 April 2022 who have already received a payment under the mandatory scheme or are eligible under section A above.

The amount to be paid under section D will be determined based on available funding once all eligible payments under sections A, B and C have been made.

No payment will be made in respect of empty or second homes.

Once all funding has been allocated no further awards under this scheme will be made. This means that if a household is subsequently identified (either by the Council or by the occupier) as eligible under category A-D after all funds have been allocated then no award will be possible under this scheme.

In exceptional circumstances the Council may make payments in excess of or outside of

the criteria shown above. This will be entirely at the Council's discretion.

Pre-payment checks will be made in respect of discretionary payments, in the same way as those relating to mandatory payments, to ensure that the applicant is entitled to receive it and that the bank account, where applicable, belongs to the entitled person.

Application process for Discretionary Fund

The Council will manage an application process for the discretionary fund. Those households the Council has identified as eligible under sections A and D who do not make an application for a payment will have their council tax account credited shortly after the application window closes.

Evidence requirements – discretionary scheme

In addition to the pre-payment checks, the applicant will be required to self-certify that they meet the qualifying criteria and are the correct person to receive the rebate on behalf of the household.

The following additional evidence is required for each category:

A and D

- no additional information will be required as all evidence is already held within existing council tax records.

B

- a current lease or tenancy agreement
- evidence of current rent payments
- a recent utility bill confirming liability for electricity and/or gas at the property

C

- evidence of the relevant qualifying benefit

Appeals

It is for a billing authority to determine eligibility for the fund, with reference to government guidance and (in the case of the discretionary scheme), their published eligibility criteria. The government does not have a role in the case of disputes, which should be resolved through a billing authority's usual complaints processes.

Eligibility for rebates will be determined within the Revenues and Benefits department. Anyone dissatisfied with the determination of an application can request that it be reviewed by a more senior officer.

The Council's complaints procedure can be invoked by those remaining dissatisfied, though it must be noted that the complaints process cannot diverge from the eligibility criteria for mandatory rebates or the published criteria for discretionary award.

Review of Process

The operation of the rebate schemes will be kept under review and may be amended as necessary, for example following changes to Government guidance. Any significant variations will be published.

Details of the developing schemes will be provided on the Council's website

[Council Tax Energy Rebate - Peterborough City Council](#)