

# **Discretionary Energy Rebate Scheme 2022/23**

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## 1. INTRODUCTION

On 3 February 2022 the government announced a package of support known as the Energy Bills Rebate to help households with rising energy bills, worth £9.1 billion in 2022-23. This includes the following rebates to be administered by local authorities:

- A £150 non-repayable rebate for households in England in council tax bands A to D, known as the Council Tax Rebate Mandatory Scheme.
- £144 million of discretionary funding for billing authorities to support households who are in need but may not be eligible for the Council Tax Energy Rebate, known as the Discretionary Fund.

This policy covers the administration of the Council Tax Energy Rebate [Discretionary Fund](#) at Fareham Borough Council. The definitions used in this policy are available at [Appendix B](#).

## 2. OVERARCHING PRINCIPLES

The Council has been allocated **£122,400** from the Discretionary Fund which is the maximum total of funds that will be distributed to households under this scheme.

The Government has determined that Councils can decide locally how to best make use of the discretionary funding to provide support to households suffering financial hardship as a result of the rising cost of living or where they are not eligible for the main energy rebate scheme.

Allocations from the discretionary fund are required to be spent by **30 November 2022**. Any remaining funding will be required to be repaid to the Government.

In May 2022 the Fareham Borough Council Executive Committee approved a set of principles for the design of the discretionary scheme which adhere to the general guidance issued by the Department for Levelling Up, Housing and Communities. These are given in [Appendix A](#).

This policy builds on these principles and sets the eligibility criteria that will be used for the administration of the scheme.

## 3. GENERAL ELIGIBILITY CRITERIA

To be eligible for any payment under this scheme the following eligibility criteria must be met:

- ✓ The household must have been occupying the property as their main residence on the effective date of **1 April 2022**.
- ✓ The qualifying dwelling must be based in the Borough of Fareham.
- ✓ The party receiving funding must still reside somewhere in the Borough at the time the payment is made.
- ✓ The party receiving funding must not have also received a payment under the mandatory scheme, unless the payment relates to a top-up.
- ✓ Only one rebate payment (other than top-ups) will have been paid per household regardless of the number of occupants or liable council taxpayers, or the number of eligibility criteria met under any parts of this scheme.
- ✓ The dwelling or liable party is not on the list of excluded dwellings and liable parties below.

#### Excluded dwellings and liable parties:

- \* Exemption class O (Armed forces accommodation) and class M (student halls).
- \* Dwellings with no permanent resident living there as their main residence on 1 April 2022 and/or is someone's second home.
- \* Empty dwellings. This includes dwellings attracting class C and class D empty property discounts, and long-term empty properties where a premium is charged.
- \* The liable party for council tax is a local authority or corporate body.

## 4. ADDITIONAL CRITERIA FOR PRIORITY GROUP 1

The Council has determined that a rebate of £150 will be made **first** to households meeting the general criteria and also one of the criteria in the table below:

Council Tax Band of Property Occupied on 01/04/22	Eligibility Criterium	Estimated Numbers*
Band E to H	Liable party for Council Tax was in receipt of <a href="#">Council Tax Reduction</a> on 01/04/22	114
Band E to H	Liable party for Council Tax was in receipt of <a href="#">Housing Benefit</a> on 01/04/22	3
Band E to H	Liable party for Council Tax was in receipt of a <a href="#">Class U Council Tax Exemption – Severe Mental Impairment</a> (SMI) on 01/04/22	48

Council Tax Band of Property Occupied on 01/04/22	Eligibility Criterium	Estimated Numbers*
Band E to H	Liabe party for Council Tax was in receipt of a Council Tax <a href="#">Disregard for Severe Mental Impairment</a> (SMI) on 01/04/22	216
Band E to H	Liabe party for Council Tax was in receipt of a <a href="#">Carers</a> Council Tax <a href="#">Disregard</a> on 01/04/22	24
Band E to H	Liabe party for Council Tax was in receipt of a <a href="#">Class N Council Tax Exemption – occupied solely by full time students as a single household</a> (excluding halls of residence) on 01/04/22	1
Band F to H	Liabe party for Council Tax was in receipt of a <a href="#">Disabled</a> Council Tax <a href="#">Discount</a> on 01/04/22	70
Band E to H then A-D	<p><a href="#">Valuation Office appeal decision</a> after 01/04/22 received by FBC before <b>01/11/22</b> requiring a property originally in band E-H to be rebanded to an A-D property, and that banding is back dated to include 01/04/22.</p> <p><u>Excluded properties</u> New properties originally given a temporary band for council tax purposes which have been decided before <b>30/09/22</b> are excluded from this scheme as they can be paid under the mandatory scheme.</p>	TBA

\* There will be some households meeting more than one criteria. However, as stated in the general criteria they will only receive one rebate.

Households meeting these criteria will be determined from the records held by the Council.

## 5. ADDITIONAL CRITERIA FOR PRIORITY GROUP 2

The Council has determined that a rebate of £150 will be considered, **after priority group 1**, for households meeting the general criteria, who have completed an application form by the end of **6 November 2022**, and can demonstrate that they meet one of the criteria in the table below:

Council Tax Band of Property Occupied on 01/04/22	Eligibility Criterium in PRIORITY ORDER
Band E to H	Liabe party who are <u>directly responsible</u> for energy bills and used a <a href="#">prepayment meter</a> to pay for their energy on 01/04/22
Band A to D	Household who resided in a dwelling on 01/04/22, who are <u>not the liable party</u> for Council Tax, but are <u>directly responsible</u> for energy bills. These will usually be premises where the owner is liable under the Council Tax (Liability for Owners) Regulations 1992 such as <a href="#">Houses in</a>

Council Tax Band of Property Occupied on 01/04/22	Eligibility Criterium in PRIORITY ORDER
	<b>Multiple Occupation.</b> Other types of emergency or supported housing will also be considered. Hostels are excluded.
Band E to H	Liabe party who was in regular receipt of <b>Universal Credit or Personal Independence Payment (PIP)</b> on 01/04/22
Band E to H	Liabe party, who resided in a dwelling on 01/04/22, who is <u>directly responsible</u> for energy bills, and has presented themselves to the Council or Citizens Advice Service <b>before 06/11/22</b> and are considered to be in <b>financial hardship</b> but not in receipt of Universal Credit, Personal Independence Payment, Housing Benefits or Council Tax reduction.

Households meeting these criteria will not be readily known by the Council. The Council will therefore seek to publicise the scheme as appropriate to give households equal chance to determine if they are eligible and make an application.

## 6. USE OF RESIDUAL FUNDS (TOP-UPS)

Should there be any residual funding left after making the payments to those in Priority Groups 1 and 2, the Council will provide a “top-up” to all those in receipt of Council Tax Reduction on 1 April 2022 in all council tax bands by evenly distributing the funding available.

## 7. APPLYING FOR A REBATE

Applicants for **Priority Group 1** will be contacted directly. Completion of a secure online form may be required if the Council does not hold the bank account details for a liable Council taxpayer of an eligible household

Applicants for **Priority Group 2** must follow an application process which will be available on the Council’s website for the period that the scheme is open for applications.

The application form includes data collection information about the household required by the government for each rebate paid, and to allow the eligibility checks to be completed. It must therefore be provided before a rebate is paid.

The Council reserves the right to make further enquiries to clarify or confirm the information provided in the application.

## **8. ASSESSMENT AND PRIORITISATION OF REBATES**

The fund is limited therefore the schemes will be managed in 2 rounds as described above. Once the fund has been used there will be no additional rebates paid.

All applications will be reviewed against the eligibility criteria and checked against information provided. Eligibility will be assessed by officers using information submitted via the application process and previous information provided to the Council where relevant. Various checks will be carried out including use of the Government Spotlight tool. The applicant will need to declare, via the application process, that they meet all the eligibility criteria.

The Council reserves the right to close the scheme if it is likely to become oversubscribed, in which case rebates will be awarded on a first come basis.

The Council also reserves the right to use its discretion when assessing applications, where the principles of the scheme are being met but particular details of the scheme are preventing payments to households which the Council intended the scheme to help. However, there is no discretion over the maximum amount of the grant which can be awarded and the decision to use discretion for any application will be agreed by at least 2 authorising officers.

All applicants will be contacted to be informed if a rebate has been awarded or declined with an explanation.

## **9. PAYMENT OF REBATE**

Where the Council determines that all the eligibility criteria are met in full, payment will be made to the household in full as defined within the scheme.

### **Direct Debit Payers**

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 practicable.

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.

No payment will be made where the name of the bank details doesn't not match a liable party, unless approval is given by at least one liable party. Should the Council require additional information in order to establish the correct person to receive the payment, it is expected that the household provides all necessary details as soon as possible.

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 property meets the criteria on 1 April 2022.

### **Non-Direct Debit Payers**

Where the Council does not hold a current direct debit instruction for an eligible household it will make reasonable efforts to contact the household and obtain the necessary bank details.

Where the Council is unsuccessful in obtaining bank details, but where it is of the opinion that household meets the eligibility criteria, the rebate will be credited to the Council Tax account.

In all cases, the Council must ensure that payments are made correctly, and where appropriate, require households to verify that they are eligible for the payment. Where no such verification can be made or where a household fails to respond to the Council's request, no payment whatsoever shall be made.

All payments will be made by BACS only and by **30 November 2022**.

## **10. PROVISION OF INFORMATION TO THE COUNCIL**

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 such information to determine the correct liable person for Council Tax purposes. Government has stated that these powers may also be used for Council Tax Rebate purposes.

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.

## **11. TAX**

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.



## **12. MANAGING THE RISK OF FRAUD AND ERROR**

The council will not accept deliberate manipulation of this policy or fraud. Any person business caught falsifying information to gain a rebate may face prosecution and any funding issued will be recovered from them; as may any rebates paid in error.

Applicants for Priority Group 2 will need to make declarations within their application; any application received without the declarations completed will be rejected.

## **13. DISPUTES AND APPEALS**

The Council will operate an internal review process and will accept a taxpayer's request for a review of its decision.

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.

The case will be reviewed by the Core Rebate Officer Group as soon as practicable and the taxpayer informed of the decision.

The decision of the Council following a review will be final. Should any tax payer feel aggrieved by any decision, then matters will be dealt with through the Council's complaints procedure. Full details are available on the Council's website.

There are no further appeals rights for the rebate, the Council's decision is final. However, we will review our decision if it is clear that an error was made in processing an application.

## **14. DATA PROTECTION AND USE OF DATA**

All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection Policy and Privacy Notice for Council Tax which are available on the Council's website.

## **Overarching Principles agreed for the scheme**

- a) The aim of the scheme is to help as many households as possible, using a fair and consistent basis, which utilises the full amount of funding available.
- b) Households to receive funding must have been resident in the Borough on 1 April 2022 and still reside somewhere in the Borough at the time the payment is made.
- c) No payments will be made for unoccupied dwellings or where the property is not the main residence of the occupant (e.g. second homes).
- d) In accordance with Government guidance, occupants of class M (student halls) properties and class O (Ministry of Defence properties) would not be eligible for these payments.
- e) Priority is to be given to households not eligible for the mandatory scheme, who are in severe financial hardship, and/or where the occupants of the household will severely suffer as a result of inadequate heating (e.g. elderly and disabled).
- f) A mixture of targeted groups will be assisted by the fund and some will be prioritised for payment later in the scheme once the value of the remaining funds is known.
- g) The eligibility criteria to be utilised will seek to balance the need to prioritise the households in the greatest need, with the cost and time involved in assessing household circumstances and getting the payments made. It is not therefore proposed that a full means testing approach will be used.
- h) Where the targeted group involves completion of an application form, and there are more applicants meeting the criteria than funding available, then payments will be allocated on a first come, first served basis. Communication about the available application process will be designed to minimise any bias in the opportunity to make an application.
- i) The usual value of the payments will be £150 and no successful household will receive less than this amount. Any payments in excess of this amount as a top-up payment will only be used as a last resort and will also apply to residents receiving payments under the mandatory scheme.

### Definitions Used in the scheme

<b>Chargeable Dwelling</b>	Any dwelling that appears on the Council's Council Tax Valuation List on 1 April 2022
<b>Corporate Body</b>	The definition of a corporate body will include any: government body, housing associations other associations, institutions, businesses, non-profit enterprises, religious bodies and local churches.
<b>Council Tax Exemption of Exempt Dwelling'</b>	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
<b>Council Tax Rebate Scheme</b>	See Mandatory Scheme
<b>Council Tax Payer or Liable Person</b>	The liable person determined by the Council as being responsible for Council Tax under Section 6 of the Local Government Finance ACT 1992
<b>Council Tax Reduction</b>	Any entitlement awarded under section 13A 1(A) of the Local Government Finance Act 1992
<b>Discretionary Scheme or Fund</b>	The scheme determined by the Council with the guidance issued by the Department for Levelling Up, Housing and Communities announced on 3 February 2022
<b>Effective Date</b>	The effective date of this scheme which shall be the situation as at the end of the day on 1 April 2022
<b>Empty Dwelling (or premises)</b>	Any dwelling that is not deemed to be the sole or main residence of a person are substantially unfurnished
<b>Household</b>	A person or group of persons occupying a single dwelling as defined in section 3 of the Local Government Finance Act 1992
<b>Liable Party</b>	See Council tax payer or Liable Person
<b>Liability for Owner</b>	Any dwelling determined to fall within the Council Tax (Liability for Owners) Regulations 1992, for example, Housing in Multiple Occupation or Residential Care homes
<b>Mandatory Scheme</b>	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

<b>Second Home</b>	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
<b>Sole or Main Residence</b>	The dwelling determined by the Council to be the sole or main residence of a person