

Decision Maker: Director of Corporate Resources

Date: 11 April 2022

Wards: All

Subject: Local Restriction Support Grant (Open) Tier 2 Scheme

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Owen Pritchard, Cabinet Member for Finance and Deputy Leader

Contact officer: David Keppler, Head of Revenues and Benefits

Recommendations:

1. To agree the Council Tax Energy Rebate Discretionary Scheme, attached as appendix A, including the process for communications and individual applications.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To advise the Director of Corporate Services on the Council Tax Energy Rebate Discretionary scheme and seek agreement for the policy.

2 DETAILS

- 2.1. On the 3 February 2022 the government announced funding to support households from the rising energy costs.
- 2.2. The government announced that they would grant a council tax energy rebate of £150 to all residential properties with bands A to D. They also announced a discretionary fund for authorities to help households in bands E to H. Merton currently has just over 25,000 households in bands E to H.
- 2.3. Merton were allocated £565,350 for the discretionary fund.
- 2.4. The government guidance states:
- 2.5. Councils can determine locally how best to make use of this funding to provide payments to other households who are energy bill payers but not covered by the Council Tax Rebate
- 2.6. This could include households living in property valued in bands E to H that are on income related benefits or those where the energy bills payers are not liable for council tax
- 2.7. Occupants of class M (student halls) are unlikely to be eligible for discretionary support, unless they are exposed to rising energy prices in a similar way to other households
- 2.8. 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.

- 2.9. Support from the Discretionary Fund does not have to be provided in relation to the position on 1 April 2022, but councils should take all reasonable steps to ensure they are not providing additional support to an individual from a household that has already received a payment under the Council Tax Rebate
- 2.10. Support from the Discretionary Fund should consist of no more than £150 per household. Councils should undertake pre-payment checks before providing support from the Discretionary Fund.
- 2.11. Allocations from the discretionary fund should be spent by 30 November 2022. Any remaining funding will be required to be repaid to government
- 2.12. There are a number of categories available to provide support. The general consensus across London is to help households in receipt of council tax support living in band E to H properties.
- 2.13. Merton's criteria is detailed below:
- Households in receipt of council tax support and in bands E to H - £150 (approximately 3,500)
 - Households with new council tax support claims for the period 1 April 2022 to 30 June 2022 who have not previously received the rebate, bands A to H £150. – (estimate to be 350)
 - Households where pensioners are liable in bands E to H – based on number of applicants (it is not known how many there are in the borough).
- 2.14. The timeframe for roll out of the scheme cannot be determined until the new software is received and it's established if both the main scheme (bands A to D) and the discretionary scheme can be administered at the same time.
- 2.15. If the schemes can be administered at the same time then roll out of the scheme will commence in mid-May. It will commence with households in receipt of council tax support.
- 2.16. Households where pensioners are liable in bands E to H will have a specific application window of 3 months. It will not be possible to determine the level of rebate until all applications have been received.
- 2.17. Households where new council tax support claims have been received will go live in mid-July.
- 2.18. One of the challenges will be to get all eligible households to claim their rebate. This will apply to both the main scheme and discretionary scheme. It is expected that in excess of 30,000 applications could be made for both schemes.
- 2.19. Although a completed online application will be required alternative options are being investigated to ensure that all eligible residents will be able to apply or register and no one is digitally excluded.
- 2.20. Assisted applications will be available over the phone and face to face. External organisations are being consulted on how we can engage with all eligible residents and support applications.

- 2.21. Communication for the scheme will be key. Direct communication to qualifying households will be possible for two of the three categories above. This will be in the form of email or letter. As we do not know if households are pensioners or not more generic communication will be required.
- 2.22. It is likely that additional resource will be required to help with contacting households and assisting with completing applications.
- 2.23. The scheme will be administered by the Revenues and Benefits team on behalf of the Director of Corporate Services.

3 ALTERNATIVE OPTIONS

- 3.1. The Council could select other priorities. The discretionary funding is limited and the Council is unable to help all residents that require assistance

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. None for this scheme.

5 TIMETABLE

Task	Time frame
Director of Corporate Services decision	11 April 2022
Call in period ends	14 April 2022
Software due	8 April 2022
Testing of software and web form	8 to 29 April 2022
Communications campaign starts	17 May 2022
Targeted letters to residents	17 May 2022
Applications go live	17 May 2022
Review of applications start	17 May to 30 September 2022
Commence payments	17 May 2022

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. The council will receive £565,350 in funding for the grants
- 6.2. The council's software supplier for the council tax system will provide an enhancement to enable, integrated web form, document management system and award and payment of rebate. The cost of this suite is £7,116.
- 6.3. Staffing levels to administer the scheme will come from existing resource although additional staff will be required to assist residents where their details are not known or cannot access the web form. This will be funded from the new burdens funding, although the quantum has not been confirmed for this scheme as yet.

- 6.4. Discussions with external organisations are underway to assist residents with applications. There may be a cost to this.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Council is able to make such payments in line with Central Government Guidance.
- 7.2. In keeping with the Council's duties for transparency and to ensure that the Council is not subject to any judicial review challenge of its decisions the application criteria, application process and decision making process should transparently be available and all decisions on payments should be based solely on the criteria and clearly evidenced in any decision letter.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. The web form that has been designed will not enable the capture of equalities data.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. The Government expect pre and post payment checking and have stated they will pursue and prosecute fraudulent awards.
- 9.2. The Government have provided an online tool to help with verification.
- 9.3. The Shared Fraud Service are assisting with verifying information.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Plans must be made to ensure the service is not overwhelmed by the work involved in administering both the main and discretionary scheme. The service needs to ensure that it effectively continues to collect council tax and business rates income.
- 10.2. The Council will need to monitor and ensure that applications can be reviewed, financially checked and paid without excessive delay.
- 10.3. Additional resource should be made available if required.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1 – Council Tax Energy Rebate Discretionary Scheme Policy

12 BACKGROUND PAPERS

- 12.1. Government guidance and FAQ's