

CABINET

24 May 2022

COUNCIL TAX ENERGY REBATE SCHEME AND HOUSEHOLD SUPPORT FUND

Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

Strategic Aim:	All	
Key Decision: Yes	Forward Plan Reference: N/A	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation	
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Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Cabinet delegates authority to the Strategic Director for Resources in consultation with the Portfolio Holder with responsibility for finance to finalise the Council's policy in relation to the discretionary element of the Council Tax energy rebate scheme and Household Support Fund and to make any further changes should funding still be available.

1 PURPOSE OF THE REPORT

- 1.1 To seek approval from Cabinet for the Director for Resources in consultation with the Portfolio Holder with responsibility for finance to finalise the Council's policy in relation to the discretionary element of the Council Tax energy rebate scheme and Household Support Fund.
- 1.2 The provision of delegated authority will allow the Council to finalise its policy and make any further amendments as required and to proceed to make targeted payments and invite applications from those in need. In the context of the cost of living crisis, the Council is eager to let residents know that support is available and to make awards as soon as possible.

2 HOUSEHOLD SUPPORT FUND

2.1 Background

2.1.1 The Household Support Fund (HSF), first introduced in 2021/22, is being extended through 2022/23. The grant is being made available to County Councils and Unitary Authorities in England to support those most in need and struggling with the cost of living. The Council operated the HSF in 21/22 and made payments of £130k to families in need.

2.1.2 The Council has been allocated £157k for the six months from April until September 2022. All funding must be spent or committed by the end of September. No indication has been provided about any further funding beyond then.

2.1.3 The purpose of the grant is to provide support to households, particularly those including children and pensioners, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency) to help them with significantly rising living costs.

2.1.4 The conditions have changed since the 2021/22 allocation to now include at least 33.3% to be allocated to households with someone over state pension age. The revised grant conditions set out that:

- At least 33.33% of the grant is allocated to support households that include:
 - i) a person who will be under the age of 19 as at 30th September 2022, or
 - ii) a person aged 19 or over in respect of whom a child-related benefit is paid or free school meals are provided during the Grant Period.
- At least 33.33% of the grant is allocated to support households that include a person who has reached state pension age by 30th September 2022.
- Up to 33.33% of the grant is used to assist other households.
- Authorities are to ensure that the grant is primarily allocated to support with the costs of food, energy (for heating, lighting and cooking), water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance.
- In exceptional circumstances of genuine emergency, the Authority may allocate grant funds to support with housing costs as set out in the Scheme guidance.
- Eligible spend does not include advice services including debt advice or mortgage costs but does include energy, food, water, household items etc

2.2 Our experience and learning

2.2.1 The Council has gained considerable experience in delivering support to the most vulnerable households during the COVID pandemic, building on existing crisis support provision. It has used a combination of targeted support alongside an open application process.

- 2.2.2 The provision of food vouchers to children eligible for free school meals to cover school holidays, provides directly targeted support to low-income households with children. This has been achieved through working in partnership with schools who have issued the vouchers. Supporting children is a key priority and this support has been well received. One change the Council did make was around putting in place reciprocal arrangements whereby children who live in Rutland and attend schools out of our county receive vouchers from their school if they are in receipt of free school meals in accordance with the Household Support Fund Policy for the relevant Local Authority.
- 2.2.3 The Council recognises that it holds data on those with low incomes. Using the fact that individuals already qualify for other support that indicates they are on low incomes has avoided the need to re-assess them again and has proved to be an effective means of delivering support to people in need quickly and efficiently thereby reducing the burden on those involved. The Council achieved this by inviting those on council tax support to sign up for additional funding through signing a simple declaration form thus allowing us to gather information regarding how awards may be spent.
- 2.2.4 However, the Council also understands that not all need can be met through using existing data and that there has to be other means for individuals to access support. The Council set up an application process and encouraged internal teams and external organisations to refer those who may be in need to apply. This approach had some success but further investment is required to publicise what is available and engage wider support in referring individuals to what is available.
- 2.2.5 A very good example of partnership working was with Anglian Water. We were able to give AW a small fund (£<£2,000) to support those with a Rutland postcode and in arrears. The feedback from residents on this support was very positive.

2.3 Outline policy

- 2.3.1 The DWP have issued guidance called 'Household Support Fund: -guidance for County Councils and Unitary Authorities in England'. Local authorities have discretion on exactly how this funding is used within the scope set out in the guidance.
- 2.3.2 The Council intends to stick closely to its original scheme whilst making some small changes to meet the latest guidance. We are drafting the full policy but the outline plan is to target support as follows:
- 2.3.3 Firstly, families and individuals of school age children who attend a school or college in Rutland, will be provided with a food voucher, if they are currently eligible for free school meals. The vouchers will be issued via the child's school and will cover the following terms breaks:

Term	days	Amount per break per child
Summer Half-Term 2022	5 days	£15.00
Summer Term 2022	25 days	£75.00
October Half Term*	10 days	£30.00

- 2.3.4 We are awaiting confirmation that we use funds for October half term. The voucher

will be for a set amount per child, per break and will be paid as a voucher before the start of each term break. Reciprocal arrangements as set out in 2.2.2 will continue to operate.

2.3.5 Secondly, the Council will provide a household support payment by bank transfer to households who have been identified as meeting the following criteria:

- Be a household living in Rutland on 1/4/22;
- The applicant or their partner is in receipt of Local Council Tax Support on the 1/4/22;
- The household has saving of less than £5,000;
- Be of working age or pension age with children aged 0-18; or
- Be of working age (under 65) without children.

2.4 Lastly, the Council will run an application process to invite households to apply for a payment if they were not identified as being eligible for a payment in categories 1 and 2 can demonstrate that they meet the following eligibility criteria:

- Be a household living in Rutland on 1/4/22: and
- The applicant or their partner is liable to pay the Council Tax for the property they are living in on 1/4/22; and
- The applicant or their partner is liable to pay the utility bills e.g., electricity, gas, water for the property they are living in on 1/4/22; and
- The household has saving of less than £5,000 on 1/4/22; and
- The applicant or their partner is in receipt of any of the following benefits on 1/4/22:
 - a) Universal Credit with housing costs; or
 - b) Universal Credit without housing costs and your household income is less than £7,400 a year (not including any benefits you get); or
 - c) Employment Support Allowance; or
 - d) Job Seekers Allowance; or
 - e) Income Support; or
 - f) Child Tax Credit and your annual household income is less than £16,190; or
 - g) The guaranteed part of Pension Credit

2.5 In running the scheme we will seek maximum publicity and engage with internal teams and external organisations (Citizens Advice Rutland, Voluntary Action Rutland, Shaw Trust, Parish Councils etc) to achieve maximum referrals. A small flyer is being produced to facilitate this.

2.6 Award payments will be around £100 per person but this will depend on the numbers involved.

3 COUNCIL TAX ENERGY REBATE SCHEME

3.1 Background

3.1.1 In response to rising energy bills, the Government announced that there would be financial help for households as follows:

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

3.1.2 Rutland County Council has been allocated £43,050 funding for the Discretionary Fund. Local authorities have discretion on exactly how this funding is used within the scope set out in the guidance.

3.2 Main scheme

3.2.1 The Council has received funding on account from Government of £1,688,850. It believes there are c12,000 households that qualify for the main scheme. As at May 12th we had made over 8,429 awards.

3.2.2 Those not on direct debit have been sent a letter giving them a bar code that allows them to claim their £150 rebate at a Post Office on production of photo ID. As of Monday morning over 2,688 letters had been issued and 1,420 payments already cashed.

3.2.3 There are a small number of residents who are unable to get to a Post Office and alternative arrangements have been made to provide payments (there are 10 cases so far).

3.3 Discretionary scheme

3.3.1 Discretionary Fund payments funds must be defrayed by 30th November 2022. Direction from the Government is that the Discretionary Fund payment is made on the basis that it will be used for energy bills although there is no onus on Councils to verify how funds are spent.

3.3.2 The Department for Levelling Up, Housing and Communities have encouraged Council's to adopt the following principles which has formed the basis of our approach:

- To provide support to households who are not eligible for the main scheme;
- To provide carefully targeted 'top-up' payments to the most vulnerable households in Bands A-D;
- Councils can use discretion to determine how to identify and support those most in need: this could include households living in properties valued in Band E-H that are on income related benefits or those where the energy bill payer is not liable for council tax.

3.3.3 The Council has considered various options and provisionally has identified the following approach that balances the need to make payments quickly and ensuring all those in need are captured.

Group	Description	No in category	Amount
1	Households in receipt of Local Council Tax Support on 1 st April 2022 living in properties valued in Band E-H of £150	50	£7,500
2	Households with a Severely Mentally Impaired resident on 1 st April 2022 living in properties valued in Band E-H of £150	8	£1,200
3	Households with a Disabled Band Reduction on 1 st April 2022 living in properties valued in Band E-H of £150	29	£4,350
4	A top-up payment to households in receipt of Local Council Tax Support on 1 st April 2022 living in properties valued in Band A-D £20	1,260	£25,200
5	Households suffering from severe financial hardship or extenuating circumstances that do not fall within any of the above groups. (c32 households supported with £150)	32	£4,800
	TOTAL	1,379*	£43,050

3.3.4 Category 5 support will be derived through referrals as per the HSF as set out in 3.5. Depending upon the demand for category 5 support, the top up payment may be varied.

4 CONSULTATION

4.1 Formal consultation is not required for any decisions being sought in this report. Internal consultation has been undertaken with officers and the schemes were discussed at a Director briefing with elected members (there were around 10 present) where different options were discussed.

4.2 Those present were keen that the Council avoided a bureaucratic application process and encouraged the use of existing information to make targeted awards. For the energy rebate scheme the issue of those who were housebound was discussed and this was influential in shaping the energy rebate scheme.

4.3 Members also offered to play their role in advertising and promoting available support and this is an area where increased effort will be made.

5 ALTERNATIVE OPTIONS

5.1 Cabinet is requested to give delegated authority. It could refuse this and ask for the full policy. This is not advised as the key part of the policy (target groups) are covered above.

5.2 Cabinet could also seek to direct awards to groups or individuals not identified in the

outline proposals above. For example some Councils have set funds aside specifically for care leavers or armed forces veterans. The Council has made provision in its scheme to allow applications from these groups rather than target them directly.

- 5.3 Another option would be to go down an application route for all awards as some Councils are doing. This is not recommended. It places a significant burden on those applying (full disclosure of all income, expenditure and assets would be required), it would be difficult to administer and would take longer to make awards.

6 FINANCIAL IMPLICATIONS

- 6.1 The Council is receiving funds to meet scheme payments and administration so there is no General Fund impact. c£38k is being received towards administration costs which will go towards software costs and costs of using the Post Office. Additional staff resource may be brought in but this is unlikely.

7 LEGAL AND GOVERNANCE CONSIDERATIONS

- 7.1 The matters in this report are for the Executive to consider in line with the Constitution and the Executive can choose to delegate to an Officer and/or Portfolio Holder as required.
- 7.2 This report has brought forward under the Special Urgency provisions of Procedure Rule 139 as an item of urgent business not previously marked on the Forward Plan or included on the published agenda.
- 7.3 In accordance with Procedure Rule the Chair of the Strategic Overview and Scrutiny Committee has been consulted and has agreed that the item cannot be reasonably deferred due to the need to process payments for residents as quickly as possible, and the report may therefore be considered by Cabinet.
- 7.4 A report will be submitted to Council in due course to inform Members that the Special Urgency provisions have been used.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 An Equality Impact Assessment (EqIA) screening has been completed and there are no issues arising.

9 COMMUNITY SAFETY IMPLICATIONS

- 9.1 There are no community safety implications.

10 HEALTH AND WELLBEING IMPLICATIONS

- 10.1 There are no direct health and wellbeing implications but indirectly there may be implications for those on low incomes who are struggling to either buy food or pay bills etc. The Council's approach seeks to support individuals as much as we can.

11 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 11.1 The report updates Cabinet and all members on the funds available and how the Council intends to use them.

12 BACKGROUND PAPERS

12.1 None

13 APPENDICES

13.1 None