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EMERGENCY DELEGATED EXECUTIVE DECISION

In accordance with the Leaders decision and noted by Cabinet on 25/03/2020 to delegate to the Chief Executive any executive decision in this COVID 19 Global pandemic emergency or that is urgent or that would be necessary or expedient, or which would otherwise protect the Council's interests, including key decisions.

South Lakeland District Council Emergency Delegated Executive Decision Council Tax Energy Rebate Scheme

Date: 04/05/2022

Reference: 019

Reason for emergency

The Chief Executive received emergency delegated executive decision making powers on the 25th March 2020. It is considered that this decision is urgent necessary and expedient and is needed to protect the Council's and that of its community's interests.

The Government has announced a package of support to help households with the rising costs of energy bills. This includes a £150 non repayable rebate for households in England in Council Tax bands A – D, known as the Council Tax Energy Rebate (Main Scheme); and discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Energy Rebate (Main Scheme), known as the Discretionary Scheme.

These payments are essential to provide additional support with rising energy costs and alleviate the impact of this for residents who may be experiencing fuel poverty.

The Government's expectation is that local authorities will administer the support as soon as possible after 01 April 2022 and before 30 September 2022 for Main Scheme payments and as soon as possible after 01 April 2022 but before 30 November 2022 for Discretionary Scheme payments. The expected timeline by the Government for the delivery of the support does not allow for a decision to be delayed until the next Cabinet meeting on 09 June 2022, and it is therefore considered necessary in these circumstances that an emergency executive decision is needed to enable delivery in May 2022.

This is a Key Decision: **Yes**

Portfolio: Finance and Resources Portfolio Holder

Decision Maker: Chief Executive

Report Author: Vicky McDonald – Operational Lead Case Management

Wards: (All Wards);

Forward Plan: Key Decision included in the Forward Plan as published on 08th March 2022

Links to Council Plan Priorities:

A fairer South Lakeland

1.0 Expected Outcome

1.1 The decision will allow the Council to administer the Council Tax Energy Rebate payments and discretionary payments in line with Government expectations of the scheme to go live as soon as possible from 01 April 2022.

1.2 These payments are essential to provide additional support with rising energy costs and alleviate the impact of this for residents who may be experiencing fuel poverty.

2.0 Proposed Decision

2.1 It is recommended that Chief Executive:-

- (1) Approves the Council Tax Energy Rebate Main Scheme attached in Appendix 1 for implementation by the Council;**
- (2) Approves the Council Tax Energy Rebate Discretionary Scheme attached at Appendix 2 for implementation by the Council;**
- (3) Delegates to the Operational Lead for People, Welfare and Income Maximisation the authority to make the final decision on the award of the Council Tax Energy Rebate Main and Discretionary Scheme payments in line with the allocated funding from Government;**
- (4) Delegates to the Director of Customer and Commercial Services any requests for reviews of decisions taken under the Council Tax Energy Rebate Main Scheme or the Council Tax Energy Rebate Discretionary Payments Scheme; and**
- (5) Delegates any changes required to the schemes to the Operational Lead for People, Welfare and Income Maximisation in consultation with the Lead Specialist for Finance and Section 151 Officer**

3.0 Background and Proposals

- 3.1 On 03 February 2022, the Government announced a package of support to help households with the rising costs of energy bills. This included a £150 non repayable rebate for households in England in Council Tax bands A – D, known as the Council Tax Energy Rebate (Main Scheme). In addition, on 23 February 2022, discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Energy Rebate (Main Scheme), known as the Discretionary Scheme were published.
- 3.2 Band A-D properties includes properties that are valued in band E but have an alternative valuation of band D as a result the application of a disabled relief discount.
- 3.3 The Government's expectation is that local authorities will administer the support as soon as possible after 01 April 2022 and before 30 September 2022 for main scheme payments and as soon as possible after 01 April 2022 but before 30 November 2022 for discretionary scheme payments. The expected timeline by the Government for the delivery of the support does not allow the Council to delay a decision until the next Cabinet meeting on 09 June 2022, and it is therefore necessary in these circumstances that an emergency executive decision is needed to enable delivery in May 2022.
- 3.4 South Lakeland District Council has been allocated £5,193,450 (34,623 awards of £150) for the Main Scheme payments which aligns to the approximate numbers of eligible properties in Bands A-D.
- 3.5 The discretionary allocation awarded is £191,250. This is a cash limited allocation which will not be topped up. Any unspent funds must be returned to the Government at the end of the scheme in November 2022, following a reconciliation process.
- 3.6 The criteria for eligibility and determination of Main scheme awards is set nationally and detailed in Appendix 1.
- 3.7 Local authorities must determine their own local discretionary scheme, and discretionary awards should not be made to households who have received an award under the Main scheme, hence, discretionary awards can only be made to those properties who fall within Council Tax valuation bands E-H.

- 3.8 Unlike the Main Scheme, for eligible residents of band A-D properties who will receive £150 based on occupancy on 01 April 2022, the Discretionary Scheme can be more flexible in respect of the date and an amount of, 'Up to' £150 per household can be awarded.
- 3.9 The discretionary funding allocated would permit 1275 grants of £150. There may however be an opportunity to top up the discretionary allocation with approximately £50,000 from surplus Covid 19 funding that the council currently holds, as confirmed by the S151 Officer, which would allow a further 333 awards of £150.
- 3.10 There are currently approximately 15,500 properties within bands E-H within the district.
- 3.11 The proposed approach aims to target the limited funds to the most vulnerable residents in the district, and is detailed in Appendix 2.

4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Council Tax Energy Rebate Main Scheme Eligibility
2	Council Tax Energy Rebate Discretionary Scheme Eligibility

5.0 Consultation

- 5.1 Given the limited timescales for delivery, there has been limited capacity to consult more widely that detailed below.
- 5.2 The Leader of the Council, the Portfolio Holder for Finance and Resources, Cabinet members, and Section 151 Officer have been consulted on the draft policies.

6.0 Alternative Options

- 6.1 An alternative option is not to administer the Main and Discretionary Schemes. The Schemes are a government requirement and as such, this option is not recommended. A further alternative option would be to await the next Cabinet meeting, this is not recommended because the payments are essential to provide additional support with rising energy costs and alleviate the impact of this for residents who may be experiencing fuel poverty. Furthermore, the Government's expectation is that local authorities will administer the support as soon as possible after 01 April 2022 and before 30 September 2022 for Main Scheme payments and as soon as possible after 01 April 2022 but before 30 November 2022 for Discretionary Scheme payments.

7.0 Implications

Financial, Resources and Procurement

- 7.1.1 The scheme is fully funded by the government and an initial new burdens funding allocation of £53,180 has been awarded to support with associated implementation and administrative costs.
- 7.1.2 The scheme is designed to use all, but not exceed the available funding.
- 7.1.3 There are no requirements at this stage to procure any additional services other than some temporary resource to assist with the administration of the scheme, the costs of which will be met from the new burdens allocation. An exemption from financial procedure rules will be sought on the basis that the contract is for the execution of work, the supply of goods or services certified by the relevant director as being required so urgently as not to permit the invitation of quotations or tenders in line with Part 4, 3.1 (h) of the council's constitution.

Human Resources

- 7.2.1 It is anticipated that some additional temporary resources will be required to facilitate delivery of the main and discretionary schemes within the specified timescales, in particular to assist with the collection of information from approximately 11,500 household's bank details and verification, and to determine eligibility for the discretionary scheme payments.
- 7.2.2 Appropriate measures will be put in place, including VAF authorisation and IR35 compliance for any temporary resource required in consultation with HR colleagues.

Legal

- 7.3 This report seeks authority for an Emergency Executive Decision in accordance with the Constitution Part 3, Paragraph 5A, 1.2 on the grounds that the executive decision is urgent necessary and expedient. As set out above the Leader of the Council and Portfolio Holder have been consulted in accordance with the requirements of 5A, 1.2.
- 7.4 The Main Scheme qualifying criteria detailed in Appendix 1 has been set nationally by the Government. The Discretionary Scheme detailed in Appendix 2 is set at a local level, but guidance on core qualifying criteria has been specified by the Government.

Health, Social, Economic and Environmental

- 7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment?
No
- 7.5 A Health, Social, Economic and Environmental Impact Assessment is not required in this circumstance.
- 7.6 Summary of Health and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
Environment and Health	Greenhouse gases emissions		x		
	Air Quality		x		
	Biodiversity		x		
	Impacts of Climate Change		x		
	Reduced or zero requirement for energy, building space, materials or travel		x		
	Active Travel		x		
Economy and Culture	Inclusive and sustainable development		x		
	Jobs and levels of pay		x		
	Healthier high streets		x		
	Culture, creativity and heritage		x		
Housing and Communities	Standard of housing		x		
	Access to housing		x		
	Crime		x		
	Social connectedness		x		

Equality and Diversity

- 7.7 Have you completed an Equality Impact Analysis? No
- 7.8 If you have not completed an Impact Assessment, please explain your reasons: it is not required in these circumstances

7.9 Summary of Equality and Diversity impacts

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"					
Age	P		0		N
Disability	P	X	0		N
Gender reassignment (transgender)	P		0		N
Marriage & civil partnership	P		0		N
Pregnancy & maternity	P		0		N
Race/ethnicity	P		0		N
Religion or belief	P		0		N
Sex/gender	P		0		N
Sexual orientation	P		0		N
Armed forces families	P		0		N
Rurality	P		0		N
Socio-economic disadvantage	P	X	0		N

8.0 Risk

Risk	Consequence	Controls required
Grants are not given in accordance with Government guidance	Government will not reimburse the Council for payments made outside the Government schemes specified	Discretionary scheme applications will be verified to be compliant with Government guidance and eligibility criteria
Discretionary grants are given to fraudulent claimants	Grants are given to individuals that are not eligible, or made to incorrect bank accounts	Series of verification checks within grant process including supporting evidence and using Government tools to avoid fraudulent claims, in conjunction with access to Council Tax software detailing rate payer details
Process not applied, or applied incorrectly	Judicial review, financial loss, reputational damage	Administer the scheme and deliver the support in line with government mandate with pace
Grants are not issued promptly	Residents will not receive financial assistance as set out by Government	Online portal functionality developed for efficient application of grants, staff trained and in place to verify and approve applications. Software to be installed and rigorously tested.
Online application and verification processes to manage a multi-million pound scheme in order to get grants paid to households with minimal	Reputational impact to the Council and delays to the processing of payments	Robust process in place to expedite payment of grants whilst being compliant with Government guidance and

Risk	Consequence	Controls required
delay		internal
The processing of grants requires some redirection of staff resources from other activity	Other work may be paused or take longer to enable focus on processing Council Tax Energy Rebate schemes	Continuous management of competing demands on staff time. Additional temporary resource to be employed. Leadership team to be updated on resource needed and progress, delays etc.

9.0 Contact Officers

Vicky McDonald, Operational Lead People, Welfare and Income Maximisation

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10.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Council Tax Energy Rebate Main Scheme Eligibility
2	Council Tax Energy Rebate Discretionary Scheme Eligibility

11.0 Background Documents Available

Name of Background document	Where it is available
Council Tax Energy Rebate billing authority guidance	The council tax rebate 2022-23 – billing authority guidance - GOV.UK (www.gov.uk)

12.0 Approval Dates

Approved by:	Signature and Date (or email confirmation)
Chief Executive	04/05/2022
Or such person as delegated by the Chief Executive in writing	N/A
In consultation with:	
The Leader of the Council	04/05/2022
And Relevant Portfolio Holder	16/05/2022
CMT Directors	04/05/2022
The following interests were declared – disclosable pecuniary interest or other or none	N/A

<i>In accordance with Part 4 of the Constitution – Rules of Procedure – Overview and Scrutiny Procedure Rules - paragraph 16(j), the Chairman of the Council (Cllr McSweeney) agrees that this decision is reasonable in all the circumstances and that it is treated as urgent for the reasons outlined above and, therefore, the decision is exempt from call-in.</i>	03.05.22
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Council Tax Rebate Energy Scheme (Main) Eligibility Criteria

A one off payment of £150 will be made to the liable council tax payer which meets all of the following criteria on 01.04.22:

A	The property is valued in Council Tax Bands A-D. This includes property that is valued in band E but has an alternative valuation band of band D as a result of the disabled band reduction scheme
B	It is someone's sole or main residence (Backdated rules apply*)
C	It is a chargeable dwelling, or in exemption classes: N – Properties occupied wholly by students S – Properties occupied only by a person under 18 years old U – Properties occupied only by a person who is severely mentally impaired W – An annexe or self-contained part of a property which is occupied by an elderly, disabled or severely mentally impaired relative of the resident(s) living in the main part of the property

Backdated liability*

- Eligibility should be determined based on the position at the end of the day on 1 April 2022. Where a council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, they should withhold the payment and take reasonable steps to determine the correct information.
- Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, councils should take reasonable steps to pay or clawback payments.
- 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 that concluded after this date, councils are not required to pay or clawback payments. 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.
- Where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate, councils may wish to provide support using their Discretionary Fund.
- Where a review, proposal or appeal was made after the announcement, a decision will not be made by the VOA before 1 April and therefore taxpayers will not be eligible

Council Tax Rebate Energy Scheme (Discretionary) Eligibility Criteria

The proposed scheme is to make a one off payment of £150 based on the following eligibility criteria as at 01.04.22:

	Eligibility Criteria
A	An initial application window is open for 6 weeks. For non-automatic awards, no grant will be paid unless an application is completed and verification checks satisfied
B	The property is valued within bands E-H
C	The property is someone's sole or main residence and be liable for rent or council tax on 01.04.22 (Backdated liability rules apply as for the main scheme*)
D	It is a chargeable dwelling, or in exemption classes: N – Properties occupied wholly by students S – Properties occupied only by a person under 18 years old U – Properties occupied only by a person who is severely mentally impaired W – An annexe or self-contained part of a property which is occupied by an elderly, disabled or severely mentally impaired relative of the resident(s) living in the main part of the property
E	It is a chargeable dwelling and the liable tax payer receives a discount or exemption as a result of leaving care
F	The property is valued within bands E-H and the liable person was in receipt of income related state benefits on 01.04.22. Income related state benefits are: <ul style="list-style-type: none"> • Jobseeker's Allowance (Income Based) • Employment and Support Allowance (Income Related) • Pension Credit – Guaranteed or Savings elements • Income Support • Housing Benefit • Child Tax Credit • Working Tax Credit • Universal Credit • Council Tax reduction
G	The property is within bands A-H and on 01.04.22 was classed as a house in multiple occupation for council tax purposes, and the tenant is named as liable to pay energy bills directly to their supplier and is in receipt of income related state benefits on that date. Income related state benefits are: <ul style="list-style-type: none"> • Jobseeker's Allowance (Income Based) • Employment and Support Allowance (Income Related) • Pension Credit – Guaranteed or Savings elements • Income Support • Housing Benefit • Child Tax Credit • Working Tax Credit • Universal Credit • Council Tax reduction
H	The property is valued in band F-H and receives a reduction in banding due to entitlement to disabled relief
I	Only 1 grant, main or discretionary will be paid per household
J	Consistent with the main scheme, no award will be made to a local authority, corporate body such as a housing association, the government or government body

Backdated liability*

- Eligibility should be determined based on the position at the end of the day on 1 April 2022. Where a council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, they should withhold the payment and take reasonable steps to determine the correct information.
- Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, councils should take reasonable steps to pay or clawback payments.
- 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 that concluded after this date, councils are not required to pay or clawback payments. 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.
- Where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate, councils may wish to provide support using their Discretionary Fund.
- Where a review, proposal or appeal was made after the announcement, a decision will not be made by the VOA before 1 April and therefore taxpayers will not be eligible.

At the end of the initial 6 week application window, an assessment will be made based upon any remaining funds to either open a further window for applications with additional eligibility criteria, or to split the remaining funds and make a further award to those properties that fall within bands A-D in consultation with S151 Officer and Portfolio Holder.

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