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| To: | Councillor Nigel Chapman, Citizen Focussed Services |
| Date: | 20th May 2022 |
| Report of: | Head of Financial Services |
| Title of Report: | Council Tax Rebate Discretionary Scheme |

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| Summary and recommendations | | |
| Purpose of report: | | This report seeks approval for the Council Tax Rebate Discretionary Scheme |
| Key decision: | | Yes |
| Executive Board Members: | | Councillor Nigel Chapman, Citizen Focussed Services. |
| Corporate Priority: | | All |
| Policy Framework: | | None |
| Recommendation(s):That Members resolve to: | | |
| 1. | Approve the Council Tax Rebate Discretionary Scheme | |
| 2. | Delegate authority to the Head of Financial Services to implement the Energy Payment Discretionary Scheme in accordance with paragraph 5 of this report | |

**Purpose of Report**

1. This report seeks approval for the Council Tax Rebate Discretionary Scheme announced recently by the Government.

**Summary**

2. Following the Chancellor’s announcement on 3rd February 2022, most households in England which are in Council Tax bands A to D will receive a £150 rebate from April 2022, as will any property in Band E that qualifies for a Disabled Band Reduction.

3. There are certain exceptions such as exempt empty properties. In addition, a Local Authority can develop a Council Tax Rebate Discretionary Scheme for households not entitled to the £150 energy bills rebate which is the main subject of this report.

**Introduction and background.**

4. As part of the Government’s ongoing support to rising fuel costs the Government on the 3rd February 2022 announced the £150 Council Tax Rebate Payment for most occupied households in Council Tax Bands A to D.

5. The council has been awarded £6,777,000 for an estimated 45,180 properties. Initial modelling based in current data would suggest that around 45,654 will be eligible based on current numbers of banded properties at an estimated cost of around £6,848,100, with any difference settled with government. The effective date for eligibility is 1st April 2022 and covers council tax bands A-D. This includes property that is valued in Band E but has an alternative valuation band of D because of the Disabled Band Reduction scheme of which there are currently 24 in Oxford. Any re-banding by the Valuation Office is to be disregarded.

6. No award can be made to a local authority, a corporate body or other body such as a housing association, the government or governmental body.

7 Approximately 36,550 customers currently pay their Council Tax by direct debit and this number is rising daily as a result of an active campaign by the City Council and welfare and citizen support groups. Not all direct debit payers will qualify for the rebate and some checking will have to take place before payment can commence. It is our intention to pay the £150 pounds directly into the bank accounts of direct debit payers once these checks have been completed, with payments expected to commence on or around the 1st of May. The remaining eligible householders will need to apply to the Council for the rebate providing bank details for the Council to facilitate payment. It is expected that all payments are made by the end of July 2022.

8 The Government also announced there would be a Council Tax Rebate Discretionary Scheme. The Council was awarded an amount of £327,300. It is for each Local Authority to decide who to award a discretionary payment to, and the amount of award. A council can use the discretionary fund to offer carefully targeted “top up” payments to the most vulnerable households in band A to D. It is expected that these discretionary payments are made by 30th November 2022 with any residual amount returned to the Government.

9 The Government guidelines for the Council Tax Rebate Discretionary Scheme can be found at: <https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance/support-for-energy-bills-the-council-tax-rebate-2022-23-billing-authority-guidance>

10 The Council Tax Rebate will be administered by the local authority using the Council Tax database to either make direct payment to those that pay by direct debit or contact to encourage applications for those that do not pay Council Tax or who pay by other means.

11 The principles of the Council Tax Rebate Discretionary Scheme for the Council are:-

* All qualifying occupied households must normally be liable for Council Tax at the 1st April 2022, with certain exemptions as outlined in these guidelines;
* £15 top up payment to Householders in Band A to D property in receipt of Council Tax Reduction and in receipt of the £150 main energy rebate;
* Properties that are occupied on 1st April 2022 but not on Valuation List at the 1st April 2022 and whose property is subsequently placed in Band A-D before the 30th September 2022 will receive a £150 payment from the main scheme. In the event that that the householders are in receipt of Council Tax Reduction a top up payment of £15 will be applied;
* Properties that are occupied on 1st April 2022 but not on Valuation List at the 1st April 2022 and whose property is subsequently placed in Band E-H before the 30th September 2022 will receive a £165 payment In the event that that the householders are in receipt of Council Tax Reduction;
* Those whose Council Tax Band is reduced to band D by the Valuation Office Agency (VOA) before the 30th September 2022 will receive a £150 payment, in the event that that the householders are in receipt of Council Tax Reduction or other benefit administered by the City Council, a top up payment of £15 will be applied;
* All households in receipt of Council Tax Reduction on the 1st April and in Council Tax Bands E to H will receive a payment of £165.00;
* All households in Council Tax Bands A to D qualifying for the disabled band reduction will receive a top up payment of £15.00;
* All households in Council Tax Bands, F to H qualifying for the disabled band reduction will receive a payment of £165.00 (People who live in a band E property will be pulled into the main scheme as they are being treated as being in occupation of a band D property);
* All households in Council Tax Bands E to H qualifying for Severe Mental Impairment Exemption will receive a payment of £165.00 ;
* All households in Council Tax Bands E to H that qualify for a Carers Discount will receive a payment of £165.00;
* All households in Council Tax Band E to H getting a student exemption will receive a payment of £150.00; and
* Any other case that does not meet the above principles will be considered on its merits and will receive a payment of up to £165.

**Breakdown of Award**

12 The table below shows the indicative use of the discretionary funding using the principles outlined in paragraph 11 above for properties in Bands A-H and other vulnerable applications. Any remaining balance will be rolled into the Reserve and allocated to other unidentified cases of Hardship or alternatively used to top up the amounts that customers have previously paid.

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| Award Groups | Potential Applications | Award Amount | Total award Amount |
| Students Exemption Class N Properties E to H | 525 | £150.00 | £78,750.00 |
| Disabled Reduction Cases in bands A to D with no Council Tax Reduction in Payment. | 102 | £15.00 | £1,530.00 |
| Disabled Reduction Cases in bands E to H with no Council Tax Reduction in Payment. | 9 | £165.00 | £1,485.00 |
| Severe Mental Impairment cases in bands A to D with no Council Tax Reduction in Payment. | 100 | £15.00 | £1,500.00 |
| Severe Mental Impairment cases in bands E to H with no Council Tax Reduction in Payment. | 14 | £165.00 | £2,310.00 |
| In Receipt of Carers Allowance bands E to H | 28 | £165.00 | £4,620.00 |
| Council Tax Reduction Cases in Band E Property | 298 | £165.00 | £49,170.00 |
| Council Tax Reduction Cases in Band F Property | 39 | £165.00 | £6,435.00 |
| Council Tax Reduction Cases in Band G Property | 12 | £165.00 | £1,980.00 |
| Bands A-D Council Tax reduction Top Up | 7068 | £15.00 | £106,020.00 |
| Estimate of the number of unbanded occupied properties in Bands A to D on the 01/04/2022 to receive Council Tax reduction top up | 30 | £15.00 | £450.00 |
| Estimate of the number of unbanded occupied properties on the 01/04/2022 in Bands E to H to receive Council Tax reduction. | 8 | £165.00 | £1,320.00 |
| Estimated number of band reductions from Bands E or higher, to band D or lower | 25 | £150.00 | £3,750.00 |
| The Reserve, 412 potential claims of £165 | 412 | £165.00 | £67,980.00 |
| Total | 8504 |  | £327,300.00 |
| Discretionary Award Amount |  |  | £327,300.00 |

13 Consistent with the main scheme, no award will be made to a local authority, a corporate body or other body such as a housing association, the government or governmental body.

14 Only one discretionary payment will be made to a household.

15 Householders will need to apply for a discretionary payment using an online claim form for the discretionary payment via the ‘Ascendant’ Grant Approval portal. Help will be available for residents who do not have access to the online portal. No payment will be made without an application.

16 Payment will normally be made to the bank account of the householder. In certain circumstances a credit can be allocated to a Council Tax account in place of a payment but this will only occur once all other avenues of awarding to the householder are exhausted.

17 The portal will record all payments and provide reporting for monitoring, assurance and reconciliation purposes. Payments will be made through the Council’s payment system.

18 The discretionary scheme will be open until the 30th November 2022 or when the funding from the Government is exhausted, whichever is sooner. Any remaining funding will be required to be repaid to government.

19 As this is a discretionary scheme there is no formal appeal but the Council will have an independent review process where all requests for a review will be heard by the Revenues Manager who is not involved in the normal administration and payment process.

20 Although there are no appeal rights against the scheme a judicial review can be requested if the process agreed is not applied correctly.

**Financial Implications**

21 Oxford City Council has been given £327,300 for the discretionary scheme, in addition to the £6,777,000 for the main Council Tax rebate scheme. The discretionary scheme allocation is fixed and will not be increased, any funding unspent will need to go back to the Government.

22 The Council will be reimbursed by the Government through New Burdens Funding for the administration of the scheme.

23 The Council will not use any of its own finances either paying out or for administering this scheme.

**Legal Implications**

24 The scheme is discretionary however, guidance on core qualifying criteria has been specified by Government and detailed in the report. This is within our legal powers provided the necessary elected member approval is given. Although there are no appeal rights against the scheme a judicial review can be requested if the process agreed is not applied correctly.

**Risk Management Implications**

25 The scheme is managed by the drafting of robust guidelines for the Council that will provide clear guidance to staff making such decisions on a case by case basis.

26 Prepayment checks will be carried out prior to paying awards to reduce fraudulent payments being made. Where Fraud is identified funding will be clawed back and the incident reported through formal channels.

**Equality and Customer Service Implications**

27 The scheme has to be within the guidance set out by government, this discretionary energy payment scheme has no negative effect on any group and has been developed to help support those people most disadvantaged by the increasing fuel costs (e.g. those receiving Council Tax Reduction) that have not already received or unlikely to receive the main £150 energy rebate

28 There are no wider specific equality implications for those with protected characteristics within the meaning of the Equality Act 2010.

29Once determined the scheme will be published setting out the eligibility criteria for the discretionary fund.

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| Background Papers: None |