

Community Wellbeing & Housing Committee



Date of meeting – 14th June 2022

Title	Discretionary £150 Council Energy Rebate Scheme
Purpose of the report	To make a decision
Report Author	Stuart Wilkins Housing Benefit Manager
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community and Service Delivery
Recommendations	<p>Committee is asked to:</p> <p>Evaluate the following options and decide which of them Spelthorne should adopt in the administration of the discretionary energy rebate scheme. The following list is the potential categories of residents on a low income who we could approve payments for:</p> <ul style="list-style-type: none">• Council tax support claims who live in Band E to H• Targeted top up to disabled claimants of all bands (included ESA claimants and carers) who are in receipt of council tax support• Targeted top up to all council tax support claimants• Targeted top up to just pensioners on council tax support• Targeted top up to council tax support claimants in properties band A to D• Have the scheme open to individual applications for people who are not in receipt of council tax support
Reason for Recommendation	Due to the financial hardship to our residents that this scheme is intended to help with; it was felt that the Committee should make the final decision on the criteria of this scheme

1. Key issues

- 1.1 As part of the measures introduced by central government in February to help households with the increase in energy bills; the government allocated funding to local authorities to issue payments to local residents. It was mandated that every household in council tax bands A to D would receive a

one-off payment of £150 which is being processed by the Customers Services department. Spelthorne received an allocation of £3.9 million to cover this expenditure. In addition to this local authorities were instructed to administer a discretionary scheme to issue payments to qualifying residents who did not receive an automatic payment. Spelthorne was allocated funding of £309,000 for discretionary payments.

1.2 A decision needs to be made on how this funding should be distributed

2. Options analysis and proposal

2.1 As this scheme is targeted at residents who are suffering financial difficulties due to their circumstances it has been determined that we should use our existing data base records in relation to people in receipt of council tax support as the most efficient way of identifying eligible recipients. As by definition they are receiving help with their council tax liability, they are on a low income and do not have the financial ability to cope with large increases in their energy bills

Option 1 - Council Tax Support claims who live in Band E to H

We have 535 claims (Band E – 424; Band F – 95; Band G – 16)

Potential payment and cost: £150 to 535 claims = £80,250

Within the limited guidance received from central government (see appendix A - point 37) this is the one area of residents that there is an expectation to receive a discretionary payment of £150. Officers therefore recommend that this option should be part of the approved package.

Under the guidance received, authorities are also allowed to make targeted top up payments to residents who have qualified for the automatic payment. The following options 2 to 5 list potential groups of residents who we could issue extra payments too.

Option 2 - Targeted top up to council tax support claimants in property band A to D

We currently have 3,891 claims

Potential payment and cost: £55 top up to 3,891 claims = £214,005

This would be a quick and efficient method of making sure we spend the vast majority of our budget allocation within the time constraints, and it being sent to the people who are in need of it as they are already in receipt of assistance with their council tax liability

Option 3 - Targeted top up to pensioners who are in receipt of council tax support

We currently have 1,602 claims

Potential payment and cost: £50 top up to 1602 claims = £80,100

We can action this targeted top up however pensioners are scheduled to receive a higher level of help through the second phase of the Household Support Fund on the instructions of Surrey County Council working within the parameters set by central government.

Option 4 - Targeted top up to disabled claimants of all bands (included ESA claimants and carers)

We have a total of 2,067 claims who receive council tax support in this category (Pensioners – 452 claims / Working Age – 1,615 claims)

Potential payment and cost: £50 top up to all 2,067 claims = £103,350

This option would potentially help households who have higher energy costs due to their medical condition

Option 5 - Targeted top up to all claimants who receive Council Tax Support

We have 4,426 claims (pensioners – 1,602 / working age 2,824)

Potential payment and cost: £45 top up to 4,426 claims = £199,170

This option would help all claimants on our records, but we would only be able to issue a smaller payment to ensure we do not overspend our government funding allocation

Option 6 – Allow applications from any individual resident who has either not received a payment under the above approved options or wishes to make an additional claim on the fund

Although this could be an option if we accept these applications unfortunately, we do not know how many applications we will receive but we would also have to devise a set of criteria to assess each claim. For example, the claimant would have to receive any income based DWP benefit or set capital limits (e.g., limit of £6,000).

Any criteria that are set will still mean that there will be some cut off where potential claimants will not qualify for the energy payment

- 2.2 All of the above options have merits, but we do have to factor in the time constraints with this scheme and the need to try and distribute all of our funding allocation.
- 2.3 The suggested payment amounts in the targeted top up payment options can be adjusted if it is felt that the amounts should be different
- 2.4 On the basis of the guidance received we would need to complete option 1 and pay council tax support claimants in band E and above.
- 2.5 In addition to this we propose the approval of option 2 so that all the funding can be distributed promptly and successfully

3. Financial implications

- 3.1 Spelthorne's budget for this scheme is £309,000

- 3.2 Any expenditure over this budget figure would have to be met by the local authority.
- 3.3 There is no expectation from central government for the authority to spend more than its allocated budget
- 3.4 Local authorities are not receiving any administration funding for this scheme, so it is important to make the scheme as simple as possible to reduce the expense of running this scheme

4. Other considerations

- 4.1 All funding needs to be allocated to residents by the 30th November 2022, so the scheme needs to be completed promptly

5. Equality and Diversity

- 5.1 All options are solely based on the financial situation of the claimant

6. Sustainability/Climate Change Implications

- 6.1 This scheme will help residents in financial difficulty

7. Timetable for implementation

- 7.1 Once a criteria for the scheme is decided then letters will be sent to residents who we have identified as qualifying for a discretionary payment and all payments will be issued well before the 30th November 2022 which is the Government deadline

Background papers: There are none.

Appendices:

Appendix A - Central government Energy Support Guidance