

Government Energy Bills Rebate Scheme: Discretionary Fund

June 2022



Background

1. In February 2022, Government announced that households would receive financial support in view of rising energy costs, through the Energy Bills Rebate scheme. Local authorities have been asked to administer two elements of this support, as follows:
 - a) a £150 non-repayable rebate for households in England in Council Tax bands A to D and those in Band E who are entitled to the Disabled Band Reduction, known as the Council Tax Rebate
 - b) support for households who are most in need, known as the Discretionary Fund.
2. This document summarises the **Discretionary Fund**. West Suffolk Council has been allocated £270,300 to allocate under this scheme. Further detail is available in the [Government's guidance](#). A similar summary document covering the Council Tax rebate is available on the West Suffolk Council website.

Scheme overview

3. The Government has asked councils to determine how best to use their Discretionary Fund "to support those suffering financial hardship as a result of the rising cost of living". Where councils consider it the best means of supporting those in financial difficulty, they can use the discretionary fund to offer carefully targeted 'top-up' payments to the most vulnerable households in bands A - D (for example, those on means tested benefits), to offer support for vulnerable households in bands E to H, or to offer support exceeding £150 per household under their discretionary scheme.
4. Funding from West Suffolk's Discretionary Scheme will be used in two ways:
 - Part 1:** to give category-based support as detailed in the table below either as a £150 payment or as a 'top up' of £20, or both.
 - Part 2:** to give application-based support to other vulnerable individuals or those whose particular circumstances cause them to be ineligible. This element of the scheme is described in more detail at paragraph 11 below.

Part 1: Category-based support - recipients

		£150 payment	£20 'top up'
Bands A-D (or E in disabled band reduction scheme)	Recipients of Local Council Tax Support	(already received under Council Tax Rebate Scheme)	✓
Bands E-H	Recipients of Local Council Tax Support	✓	✓
	Properties exempt from Council Tax under class U	✓	

	(severely mentally impaired)		
Bands F-H	Those liable Council Taxpayers in Band F-H who qualify for the Disabled Band Reduction	√	

Part 1: Eligibility criteria

5. A Discretionary Fund payment will be paid to each household of a liable Council Taxpayer (or an occupant where the property is exempt from Council Tax) where they occupy a property which meets all of the eligibility criteria in paragraphs 4-10 on 1 April 2022. Only one payment will be made under Part 1 of the Discretionary Scheme for each household, regardless of the number of occupants or liable Council Taxpayers, however, some households will receive payments under both the Council Tax Rebate and the Discretionary Fund.
6. For the purpose of the Discretionary Fund, a household is a person or group of persons occupying a single dwelling, as defined in section 3 of the Local Government Finance Act 1992.
7. In line with Government guidance, in situations where the liable Council Taxpayer is a landlord who is liable as a company (corporate body) or other body such as a local authority, housing association or the Government, rather than as an individual, no payment will be made. If tenants pay energy bills directly, they may be able to access support from part 2 of this Fund (see paragraph 11b) below).
8. In order to be eligible:
 - a) applicants need to have been usually resident in a West Suffolk property, and the liable party for Council Tax at the end of the day on 1 April 2022. Where the council has reason to believe that the information held about the valuation list, liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 is inaccurate, it will withhold the payment and take reasonable steps to determine the correct information
 - b) applicants need to be eligible for Local Council Tax Support, an exemption for severe mental impairment, or a disabled band reduction on or after 1 April 2022.
9. Where records relating to the liable taxpayer(s) or residents' circumstances in respect of 1 April 2022 are retrospectively updated, the council will take reasonable steps to pay or clawback payments.
10. 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 (VOA) that concluded after this date, the council is 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 will be determined based on the official band subsequently allocated by the VOA, where this has an effective date before or on 1 April 2022.

Part 2: Application-based support - recipients

11. Applications to the Discretionary Fund may be successful where applicants can demonstrate that they fall into one of the following categories:

Type of eligibility	Detailed description of applicants' circumstances	Payment amount
a) Movers from temporary accommodation or a care placement after 1 April 2022	The applicant: <ul style="list-style-type: none"> • moved into a new tenancy after 1 April 2022 that was allocated by the West Suffolk Council Housing Options and Homelessness Team, from either a local authority care placement or a temporary accommodation placement arranged by a local authority; • became responsible for Council Tax (even if exempt or liable for a £0 bill) and energy bills at a property. 	£150 plus £20 top up (Total of £170)
	The applicant: <ul style="list-style-type: none"> • moved into a new tenancy in a House in Multiple Occupation in any Council Tax band after 1 April 2022 that was allocated by the West Suffolk Council Housing Options and Homelessness Team, from either a local authority care placement or a temporary accommodation placement arranged by a local authority; • became responsible for energy bills but not Council Tax bills (because Council Tax is paid by the landlord). 	Up to £100
b) Residents of Houses in Multiple Occupation (HMO) where the landlord pays Council Tax but the applicant pays for energy	The applicant lives in a House in Multiple Occupation (HMO) or the Council Tax for your home is paid by the landlord, in any Council Tax band that was not eligible for the council tax rebate so no rebate has been paid; but you are responsible for payment of the energy costs (properties in classes N, P, S, U or W as per the eligibility criteria at the top of the web page are not eligible and cannot apply)	Up to £100
c) Residents of band E-H properties who do not meet any of the above categories but are experiencing exceptional	The applicant is experiencing exceptional financial hardship and can demonstrate this. This may include customers who: <ul style="list-style-type: none"> • have a pre-payment electricity or gas meter • have a current Individual Voluntary Arrangement 	Up to £150

financial hardship	<ul style="list-style-type: none"> are on a low income and struggling to pay their energy bills for another reason 	
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Part 2: Eligibility criteria and evidence requirements

Type of eligibility	Criteria and evidence requirements
a) Movers from temporary accommodation or a care placement after 1 April 2022	<p>Where an applicant has moved from another property, evidence will be required to prove that they were not a liable person in a previous eligible property and therefore eligible for the Council Tax rebate elsewhere in England.</p> <p>Where applicants are living in a House in Multiple Occupation, they must be able to provide proof of occupancy, for example a lease, tenancy agreement or licence and proof that they are responsible for energy costs, for example a recent bill.</p>
b) Residents of Houses in Multiple Occupation (HMO) where the landlord pays Council Tax but the applicant pays for energy	<p>These applicants must be able to provide proof of occupancy, for example a lease, tenancy agreement or licence and proof that they are responsible for energy costs, for example a recent bill.</p>
c) Residents of band E-H properties who do not meet any of the above categories but are experiencing exceptional financial hardship	<p>Proof of income and evidence of financial difficulties. This might also include Individual Voluntary Agreement, prepayment meter or low income.</p>

- All applicants for Part 2 of the Discretionary Scheme will be required to complete an online application form, available on the [Anglia Revenues Partnership website](#). The form will gather information to demonstrate eligibility and to minimise the risk of fraud. Assistance will be available to support those who are unable to complete an online application form.
- Payments of up to £170 will be made as applications are received, until no further funding is available. Government rules require that no payments can be made after 30 November 2022.

Payments

- Payments will be administered by Anglia Revenues Partnership, on behalf of West Suffolk Council. The arrangements for payments differ depending on whether the liable Council Taxpayer or occupant has a Direct Debit arrangement for payment of Council Tax.

15. Irrespective of the payment method, individuals who provide false information or make false representation in order to benefit from the Discretionary Fund may be guilty of fraud under the Fraud Act 2006.

Part 1: Category-based payments

Payments where a live Direct Debit arrangement is in place

16. Where the name of at least one of the people liable for Council Tax at a property matches one of the names on the bank account from which at least one payment of Council Tax has been made by Direct Debit, the payment will be made into that bank account.
17. Where a new Direct Debit has been set up since the announcement of the Energy Bills Rebate, and no payments have yet been made from it, the £150 payment will be made direct into the relevant bank account, once a first Council Tax payment has successfully been made. This is a safeguard to ensure the bank details are correct and the £150 will arrive in the correct bank account. Where a Direct Debit is not successful, then the process set out at paragraph 20 below will be followed, as for non-Direct Debit payers.
18. Where there is no match between the names of the people liable for council tax and the bank account from which Direct Debit payments come, the arrangements for accounts with no live Direct Debit in place will be followed (see paragraphs 20-22). This is in order to ensure that the person who is living in the property and is responsible for energy bills receives the £150 and not a third party who lives elsewhere. This does not mean that the third party cannot be paid the £150 if they are also responsible for energy bills, but further checks are necessary to obtain consent from the eligible liable person or occupier. These provisions may be relevant to examples such as rented properties where a landlord pays Council Tax; or situations where a family member or carer administers bills on behalf of an individual who is unable to do so for reasons of frailty or disability.
19. Recipients of automatic payments will be invited to check their eligibility against this document, through messages on the council website and social media, and notified that they are required to pay back the £150 if they do not meet the eligibility criteria.

Payments where no live Direct Debit arrangement is in place

20. Where no live Direct Debit arrangement is in place, a letter will be sent to the person(s) liable for Council Tax (or person(s) who would be liable if the property were not exempt), including in it a link to an online application form. This will be supported by a social media campaign. Applicants will be asked to confirm their eligibility and provide their bank details within 28 days in order for a direct payment to be made into the bank account of their choice. Pre-payment checks will be undertaken prior to payment of any grant which is not awarded to a live Direct Debit holder.
21. The letter will also include information for people who are unable to use the online form facility, but who would like a direct payment. These customers will be able to call a dedicated phone line for support in completing the form or having it completed on their behalf over the phone.
22. If no response to the letter is received in 28 days, the £150 will be applied to the

Council Tax account relating to the property, and a new bill issued. If following payment of the rebate the Council Tax account shows a credit balance, a follow-up process will then be initiated whereby the liable person is contacted by post and phone to help them claim a refund (a range of methods will be offered). No time limit has been set by Government for this process.

Part 2: Application-based payments

23. Payments made in response to successful applications will be paid into the bank account nominated by the applicant on the application form. Where the applicant does not have a bank account, there will be an opportunity for alternative payment methods to be used, for example, payment into a Post Office account.

Relationship to other taxes and benefits

24. Payments made under the Discretionary Scheme are disregarded for the purposes of calculating income-related support such as Local Council Tax Support and Universal Credit.
25. The payments are not taxable. Recipients do not need to inform HMRC of the amounts received and those who are self-employed do not need to report the amounts on their self-assessment tax returns. As these payments are non-taxable they do not impact tax credits. Tax credits claimants do not need to report these payments as income to HMRC.

Questions over eligibility

26. Anglia Revenues Partnership (ARP) will administer the scheme on behalf of West Suffolk Council and any decisions over eligibility for the Discretionary Scheme are a matter for ARP in conjunction with West Suffolk Council with reference to the [Government's guidance](#). The Government does not have a role in the case of disputes, which should be resolved through a billing authority's usual complaints processes. Any disputes about Council Tax banding should be resolved through the Valuation Office Agency's usual process for reviews, proposals and appeals [Challenge your Council Tax band: Overview](#).