



Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Council Tax Discretionary Energy Fund Policy

1. Background

The government has announced a package of support known as the Energy Bills Rebate to help households with rising energy bills, worth £9.1 billion in 2022-23. This includes:

- A £150 non-repayable rebate for households in England in council tax bands A to D or Band E households eligible for disabled band reduction, known as the Council Tax Rebate.
- £144 million of discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Rebate, known as the Discretionary Fund, the allocation for Cherwell is £235,800.

This policy sets out the eligibility criteria for the discretionary funding to support households who are in need but are not eligible for the Council Tax Rebate as they occupy properties in council tax bands E to H and are on Council Tax Reduction, and those customers that fall into council tax bands A to D and in receipt of Council Tax Reduction.

2. Eligibility Criteria

Group 1

- Households who are not eligible for the Council Tax Rebate as they occupy properties in council tax bands E to H and are in receipt of Council Tax Support on 1 April 2022 will receive £180.00

Group 2

- Households who occupy properties that fall into council tax bands A to D that have received a £150.00 through the mandatory scheme and are in receipt of Council Tax Reduction will receive a top up payment of £30.00

3. Exclusions

- With the exception of group 2 mentioned above, no discretionary payment will be made to a household that has already received a payment under the Council Tax Rebate scheme.
- Students living in halls of residence are ineligible for an award under this scheme.

4. How much funding will be available?

- Households who are not eligible for the Council Tax Rebate as they occupy properties in council tax bands E to H and are in receipt of Council Tax Support will receive £180.00
- Households in who occupy properties that fall into council tax bands A to D that have received a £150.00 through the mandatory scheme and are in receipt of Council Tax Reduction will receive a top up payment of £30.00

5. How the payment will be made

- A one-off payment will be made to the liable council tax payer limited to only one payment per household.
- Payments will be made direct to the liable council tax payer using the live direct debit information held against the eligible household.
- If the payment is a top up to those customers in A to D bands and in receipt Council Tax Reduction the payment will be credited to the bank details that have previously credited with the £150.00.
- Should an eligible household not have a live direct debit the funds will credited to the household's council tax account.
- Financial modelling demonstrates that once the eligible customers in groups 1 and 2 have been paid a residual balance of approximately £16,000 will remain this will be provided to the Cherwell and South Northants Citizen Advice Bureau to support the districts most vulnerable residents.

6. Impact of the payment

- All payments made under the Council Tax Rebate or Discretionary Fund are to be treated as local welfare provision and therefore will not be taken into account in the calculation of income related benefits council tax reduction. For Universal Credit, the Department of Work and Pensions will legislate to ensure payments are disregarded.

- All payments made under the Council Tax Rebate or Discretionary Fund are non-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.

7. Application process

Group 1 – No application is required where we hold direct debit details on record no application will be required the payment will be credited to the bank details held. If no bank details are held the payment will be credited against the council tax account.

Group 2 – No application is required where we hold direct debit details or bank details from a previous £150.00 mandatory payment no application will be required the payment will be credited to the bank details provided. If no bank details are held the payment will be credited against the council tax account.

8. Appeals

Discretionary Energy Rebate awards and refusals are not made or limited by legislation. The Council's decision is final and does not carry any right of review or appeal to the authority or any Tribunal or Court.