Local Energy Rebate policy

Date of policy: June 2022



Introduction

- Earlier this year, the Government announced a range of support to help households with rising energy bills. This includes a national energy rebate scheme, through which the City Council is making one-off, £150 energy rebate payments to eligible council tax account holders in Cambridge in bands A to D homes^a (based on almost £6.4 million of government funding). This equates to around 80% of all those registered for council tax in the city. For more details, see our <u>Energy Rebate</u> web page.
- Alongside this, the Government has made available around £245,000 for the Council to run a local energy rebate scheme^b. The Council is keen to use this to provide further targeted support for households in Cambridge that are in particular need.
 - This is about widening access to a £150 rebate to over 250 households (with disabled band reductions or certain types of council tax exemptions) that miss out on the national scheme because their home is in a higher council tax band.
 - It also enables the Council to increase the energy rebate for households in receipt of local council tax support, regardless of their council tax band. As well as over 275 households in bands E to H now receiving a £172.50 local Energy Rebate, around 6,450 households in bands A to D will receive a £22.50 top-up payment in addition to their national energy rebate.
- 3. Even though these rebates will go some way to help, we recognise that many households are facing considerable hardship. If you have a low income and struggle to pay your bills, other support is available. Our <u>home energy and water use</u> web page features advice about improving energy efficiency and reducing energy use at home, home energy efficiency grants and the Council's approach to tackling climate change.

Contents	Page
Local scheme eligibility and payments	2
Eligibility flow-chart for energy rebates in Cambridge	3
How and when local energy rebates will be processed	4
Important notes	5

Contact: energy.rebate@cambridge.go.uk

a. The national scheme covers account holders in council tax bands A to D, as at 1 April 2022, whether or not they are charged council tax. This includes those exempted from council tax under classes N, S, U and W and those in band E homes with a disabled band reduction.

b. For an overview of the national and local schemes, see the flow-chart on page 3 of this policy.

Local scheme eligibility and payments

4. To be eligible for a local energy rebate, set out in the table below, someone living in the household (as their main residence) needs to have been registered for council tax with the City Council as at 1 April 2022. Only one local energy rebate will be made per eligible household. Recipients are reminded that the energy rebate is expected to benefit all members of the household who contribute to paying energy costs.

Payment categories	Rebate payable
Households in council tax bands E-H which are exempt from paying council tax under classes N, S, U, W as at 1 April 2022	£150 per eligible household
Households in council tax bands F to H ^c which, given a Disabled Band Reduction, are charged council tax in bands E–G as at 1 April 2022	£150 per eligible household
Households in council tax bands E to H in receipt of local council tax support as at 1 April 2022	£172.50 per eligible household
Households in council tax bands A to D in receipt of local council tax support as at 1 April 2022	£22.50 top-up per eligible household for those receiving the £150 national energy rebate ^d

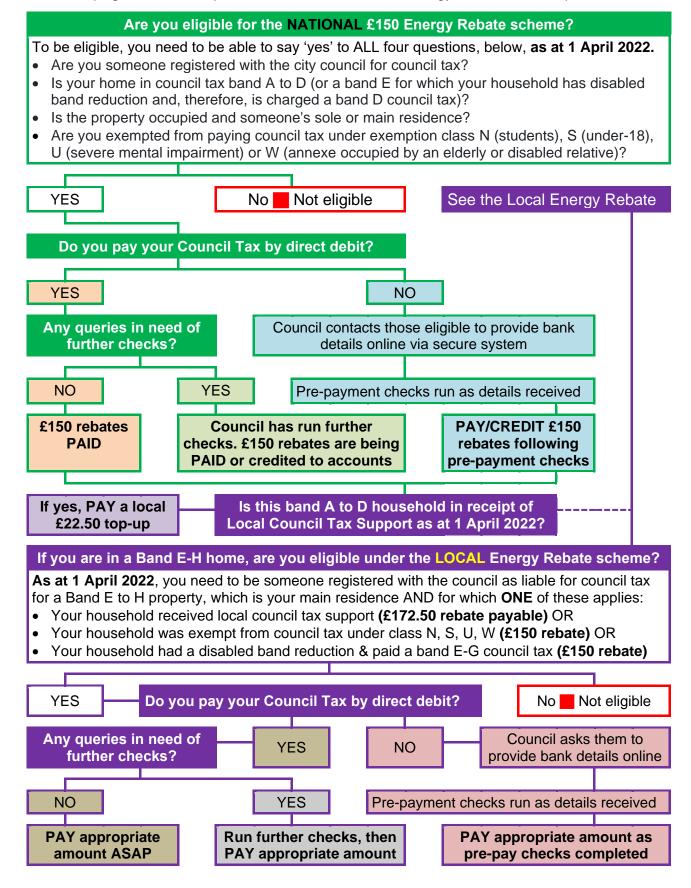
- 5. The council tax exemption classes mentioned in the table above are as follows:
 - N: All residents in the property are students
 - S: All residents in the property are aged under 18
 - U: All residents in the property are severely mentally impaired
 - W: Annexe occupied by family's elderly or disabled relative.
- 6. **Exclusions:** The following are ineligible for the Local Energy Rebate Scheme:
 - Those liable for the household's council tax that are not part of the household (for example, a landlord, a local authority, corporate body or a company or other body such as a housing association, the government or any governmental body;
 - Homes which do not have a council tax valuation band as at 1 April 2022; and
 - Houses in multiple occupation.
- 7. Eligibility is based on the position at the end of 1 April 2022. Where records relating to household circumstances as at that date are retrospectively updated and, as a result, the household no longer meets the eligibility criteria, any energy rebate paid will need to be repaid and action will be taken to recover any energy rebate already awarded.

c. Households in band E, which received a Disability Band Reduction as at 1 April 2022 and have been charged a band D council tax, are already covered by the national energy rebate scheme.

d. The £22.50 local top-up may be issued at the same time as the £150 national rebate or may follow later.

Eligibility flow chart for Energy Rebates in Cambridge

See also page 4, which explains how and when local energy rebates will be processed.



Page 4

How and when local energy rebates will be processed

- 8. This page explains in more detail the way that rebates are processed under the local scheme (that is, the steps set out in the purple boxes in the flow-chart on page 3). It focuses on the different (colour-coded) paths for paying the local energy rebates depending on whether the relevant council tax accounts for eligible households have a direct debit in place for paying the council tax.
 - For those eligible council tax accounts with an active direct debit arrangement, for which a direct debit instalment has already been taken in 2022/23 and where no further checks are needed (), the Council will issue the appropriate local energy rebate payment (see page 2) without delay.
 - ii. Some council tax accounts that are eligible for a local energy rebate may require further pre-payment checks before the appropriate payment can be issued (). For example, this may be because a direct debit payment for this account has not yet been collected in 2022/23, or where council tax registration and bank account holder details do not match. The Council aims to resolve such cases during June/July 2022.
 - iii. For other eligible council tax accounts that do not have a direct debit arrangement in place (___), the Council has sent the account holder a unique access code via email or letter so that the relevant individual can provide their bank details securely online. The Council will offer support to those who have difficulty in providing the necessary details online.^e The account holder will be asked to provide the details within 28 days from the date that the Council sends the access code. The Council will then carry out the required pre-payment checks and issue payment once confirmation is received. If confirmation is not received, the £150 rebate will be credited to the relevant council tax account (a new council tax bill will be issued).
 - iv. If account holders do not provide the necessary bank details within 28 days of being sent an access code, the Council will then credit those accounts with the appropriate amount of local energy rebate, unless the council tax holder notifies the Council that he/she does not wish to receive this council tax credit.^f

e. Those in need of support to provide the necessary details online are asked to email <u>energy.rebate@cambridge.go.uk</u> or to telephone 01223 457000.

f. Although these arrangements are not featured on the flow chart on page 3, the government's official energy rebate guidance does provide councils with this option.

Page 5

Important notes

- 9. Payment of local energy rebate: The Council will pay the local rebates as quickly as possible. To prevent fraud, the government requires all councils to verify the details of the bank accounts into which energy rebates are requested before making payment. For eligible council tax accounts with direct debits in place, the payment of an instalment in 2022/23 will suffice. However, where there is not a direct debit, councils must carry out pre-payment checks of the bank account details provided, using the government's digital assurance tool (Spotlight). Whilst the Council will do this as quickly as possible, we cannot give exact timescales about how long this might take (given the demand on the Spotlight system from local authorities nation-wide).
- 10. **Review process:** The Council will implement the local energy rebate scheme fairly and consistently. If the Council refuses to pay a local energy rebate (based on the eligibility criteria on page 2), the relevant council tax account holder can request a review. This needs to be made within five working days of notification of a refusal and should set out the reasons why the council tax account holder considers that she/she is eligible under the local scheme (based on the criteria in paragraphs 4 to 7). The review will be undertaken by a senior manager not involved in the previous assessment. The outcome of the review will be the Council's final decision. Once all the government funding available for the local energy rebate scheme has been paid out, no further reviews will be undertaken.
- 11. End of the local energy rebate scheme: The local scheme will run until 30 November 2022, or until the government funding has been spent, whichever is the sooner. The Council will review the payment categories and amounts within local scheme in August 2022 in the context of the funding still available, not least to explore opportunities to support any other households in particular need.
- 12. **Privacy notice:** The Council will use the information provided by council tax account holders (you) in relation to the local energy rebate scheme in accordance with the Data Protection Act 2018 and UK General Data Protection Regulations. We may pass the information to other organisations, such as the Department for Work & Pensions and HM Revenue & Customs. We may check details about you, which you or someone else has provided, with other information we hold. We may share (give or receive) information about you with certain third parties (including government departments, local authorities and private companies, such as banks and organisations that may lend you money) in order to make sure that the information you have supplied is accurate and to prevent or detect crime and protect public funds. We will not give information about you to anyone else, or use information about you for other purposes, unless the law allows this. To find out more, see <u>Data protection</u>.