# Background to the Council Tax Rebate

* 1. On 3 February 2022, the Government announced a package of support known as the Energy Bills Rebate to help households with rising energy bills, and including 2 elements to be administered by Oadby and Wigston Borough Council (OWBC).
* A £150 non-repayable rebate for households in England in council tax bands A – D, known as the Council Tax Rebate; and
* £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 Discretionary Fund

* 1. On 23 February 2022, the Government published guidance for local authorities for the Council Tax Rebate which has now been updated 16 March 2022 which can be found here:

<https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance>

* 1. The Council Tax Rebate for the Borough of Oadby and Wigston is being managed by OWBC, which is responsible for delivering payments to eligible households. The Council must follow the guidance set by the Government. The Council has authority to make these payments under Section 1 of the Localism Act 2011.
	2. The Council has decided to set out the details of the Discretionary Fund scheme on their website, providing clear guidance for residents on who will qualify for a payment, as well as the rationale for the level of payment to be provided.

https://www.oadby‑wigston.gov.uk/pages/council\_tax\_rebate\_to\_help\_with\_energy\_bills\_from\_april\_1\_2022

* 1. Local authorities are asked to make payments as quickly as possible to support struggling households. Once eligible households have been identified, OWBC will progress these payments as a matter of urgency but recognise the need to undertake appropriate due diligence before payments are made.

Due to the very compressed timescales to meet the expectations of the Government and residents, OWBC has not been able to consult on the development of this policy but has liaised with neighbouring local authorities to inform it. OWBC has taken full account of the requirements of Government (as set out in the guidance received on the 23 February and 16 March 2022) and the issues and questions that have arisen locally and nationally through discussion with the Institute or Revenues, Rating and Valuation (IRRV) and the Chartered Institute of Public Finance and Accountancy (CIPFA).

**3. Total Funding Available**

3.1 The Government has allocated £72,450 to OWBC for the Discretionary Fund.

3.2 As per paragraph 37 of the guidance, Local Authorities can use this funding to support residents that do not qualify for the core scheme. As per question15 of The Council Tax Rebate Frequently Asked Questions, Local Authorities can use this funding to provide additional support to residents that qualified for the main scheme.

**4. Application Process and Timescale**

4.1 Due to the scale of the Council Tax Rebate and the limited resources available to the Local Authority, there will be no direct application process for the Discretionary Fund.

4.2 Payments will be made to the following groups of residents likely to be in financial difficulty as identified from Council records. Estimated volumes are in brackets.

 Group 1

* CTRS recipients in bands E to H. (14).
* Severely Mentally Impaired (SMI) residents in bands E to H; (5)
* Residents in receipt of a disabled band reduction in bands E to H. (70)

Group 2

* Residents identified as being in financial difficulty by the Financial Inclusion Officer. £7,500 will be available to this group, enough for 50 payments. This figure was agreed in discussion with the Financial Inclusion Officer.

Group 3

* CTRS recipients in bands A to H. (1400).

4.3 The Council will individually contact eiligible residents and will confirm the documents required for verification before payments are made.

4.4 There will be no automatic right of appeal against a decision not to award a payment under the Discretionary Fund, or against the value of any award. However, OWBC may, at its discretion, reconsider any refusal or award value if there is clear evidence that a significant andplainly wrong decision may have been made and assuming there is enough funding left to enable a new decision to be made. The only further recourse available to applicants is a judicial review, which is the means by which the decisions of OWBC under discretionary powers may be challenged.

# 5. How will the value of award be calculated?

5.1 Eligible residents will receive a payment from the Discretionary Fund as follows:

* Group 1: £150
* Group 2: £150
* Group 3: A share of the remaining discretionary fund, to be distributed equally across all CTRS recipients.

5.2 Top up payments for residents from Group 2 in exceptional circumstances may be authorised by OWBC’s Section 151 Officer following consultation with the Chair and Vice Chair of the Policy, Finance and Development Committee.

**6. Managing the Risk of Fraud**

6.1 The Council and the Government will not accept deliberate manipulation and fraud. Any person caught falsifying their records to gain a payment may face prosecution and any funding issued will be subject to clawback, by civil and/or criminal proceedings as necessary, as may any awards paid in error.

6.2 As per Question 16 of The Council Tax Rebate Frequently Asked Questions, the Council will put in place measures to detect and prevent fraud. These will include verifying the identity of recipients and delaying payment until direct debits have cleared where appropriate. There will also be joint working across councils and government departments in preventing fraud.

6.3 The Council also reserves the right to check against national records and databases to highlight any potential fraudulent activity.

**7. Policy Review**

7.1 This policy has been written in line with Government guidance. It will be subject to dynamic review as circumstances dictate and in line with future clarifications and changes that may be announced by the Government.

7.2 OWBC’s Section 151 Officer is authorised to make any necessary modifications to the document following consultation with the Chair and Vice Chair of the Policy, Finance and Development Committee.