

Appendix A

Council tax Energy Rebate Mandatory Scheme

1. Eligibility

- a) The government expects billing authorities to provide a £150 one-off payment to a liable council tax payer (or a person who would otherwise be liable where the property is exempt) for every household that occupies a property which meets all of the following criteria on 1 April 2022.
- b) It is valued in council tax bands A – D. This includes property that is valued in band E, but has an alternative valuation band of band D, as a result of the disabled band reduction scheme;
- c) It is someone's sole or main residence;
- d) It is a chargeable dwelling, or in exemption classes N (occupied only by students), class S (all the occupiers are under 18 years of age), class U (occupiers are severely mentally impaired) or class W (a granny annexe); and
- e) is not a local authority, a corporate body or other body such as a housing association, the government or governmental body.
- f) A property that meets all the criteria but has a nil council tax liability as a result of local council tax support, will be eligible.
- g) A property that has no permanent resident and is someone's second home will not be eligible.
- h) An unoccupied property (for the purposes of calculating council tax) will not be eligible.

1.1 DD Payer Numbers

- i) Where the council holds live direct debit instructions for a liable council taxpayer of an eligible household, we will make an automatic payment as early as possible in the 2022-23 financial year.
- j) The scale of the operation is huge. We estimate circa 100,000 payments (£15m of the allocated £18m) will be made automatically to direct debit payers by the end of May. This still leaves 30,000 band A-D households that we need to capture bank details or find an alternative method of payment.

1.2 DD Payer Process and Timeline

- k) The revenue and benefits software companies are developing extracts to provide councils with the necessary lists of qualifying council tax payers and their bank details where we hold them. These enhancements are expected

to be available in April. They will require testing and we expect to have the information for payment available in April.

- l) The regulations state in paragraph 22, “Councils may wish to take additional steps before payment to prevent erroneous payments and the need for clawback. These may include waiting to make payment until after the first direct debit council tax payment for 2022-23 has been taken on the given live instruction or asking taxpayers to self-certify that they meet the eligibility criteria. **To prevent fraud and erroneous payments we are proposing the first direct debit payment for 2022-23 is taken before making the energy rebate to verify the account details held are active. This will mean payment of the £150 rebate to direct debit payers will happen from mid-April once the account is verified and the majority will be paid by the middle of May.**
- m) It is proposed to make these payments of £150 via Tech1 and Paygate through the BACS system directly into householder’s bank accounts.
- n) The government will run a reconciliation exercise against actual expenditure. All payments within scope of the reconciliation process will need to have been made by 30 September 2022. Any over-funding of grant to billing authorities will be required to be paid back to Government and any under-funding will be settled with billing authorities following the reconciliation.
- o) The current timetable of activity for DD payers is depicted in the table below:

Period	Activity	Resources
15 April to 31 May 22	Direct debit payers paid via BACS	Software suppliers / Revenues and Benefits
June – September 22	Resolution of payment enquiries	Revenues and Benefits

1.3 Non-DD Payer Numbers

- p) An estimated circa 38,000 people will be eligible for the mandatory payments for A-D households where we hold no bank details currently.

1.4 Non-DD Payers Process and Timeline

- q) Where the council does not hold live direct debit instructions for an eligible household, the government expects us to make all reasonable efforts to contact the household as early as possible to make them aware of the scheme and invite them to make a claim. The website currently has holding

information on it but will link to the selected suppliers form to capture the appropriate details.

- r) For residents who do not have a bank account we are investigating alternative methods of payment such as the payment cards used already in the council by adult social care that can be used for energy payments or even to withdraw cash from the post office.
- s) Councils can offer the option of a credit to council tax accounts to eligible households (under the core and discretionary scheme) for whom they do not hold current details allowing councils to make automatic payments. However, this option should always first be provided alongside one of direct payment. Any solution will have to capture this choice.
- t) If a non-DD payer does not make an application by the 30 June we will make payment as a credit on their account where possible.**
- u) The current non-DD timetable of activity is depicted in the table below:

Period	Activity	Resources
1 March – 1 April 22	Investigation & procurement of non-direct debit payer solution	Revenues and Benefits
1 March – 30 April 22	Investigation & procurement of cash payment solution for people without bank accounts	Adult Social Care / Revenues and Benefits
1 May – 30 Sept 22	Payments of non-direct debit A-D households	Revenues and Benefits

