

Somerset West and Taunton Council

Annual Council – 24 May 2022

Decision taken under the urgency rules regarding the Discretionary Council Tax Energy Payment Scheme

This matter is the responsibility of Executive Councillor Member Ross Henley

Report Author: Paul Harding, Strategy Specialist

1 Executive Summary

- 1.1 This report details the decision taken on 5 May 2022 by the Chief Executive under the urgency rules contained within paragraph 5 of the Budget and Policy Framework within the Council's Constitution. The Decision is attached as Appendix A.
- 1.2 In summary, the decision was to agree the rules around how we will use £292k that we have received from Government, to operate a discretionary Energy Rebate Scheme.
- 1.3 Whilst the hardstop date for final payment under the discretionary scheme is not until 30 November 2022, the Government's expectation, and that of our customers in need of this help, is that payment would commence very much sooner. The Government's announcement in February 2022 as well as the leaflet about the Energy Rebate schemes, which the Government required all Council's to enclose with their 2022/23 Council Tax bills in March, added to the sense of expectation.
- 1.4 The Government took until 16 March to provide written clarity around the scope of discretion that we and other Billing Authorities had in relation to the design of our discretionary scheme. On receipt of this we promptly crystallised our thinking, undertook modelling and developed what we believe is an equitable scheme which was administratively efficient and targets support where it is most needed.
- 1.5 We worked collaboratively with the other Somerset Districts to design schemes that had common principles (although there is some variance in the level of awards to be made across districts, as a direct result of differing caseloads and funding amounts from Government).
- 1.6 A prompt decision approving the scheme was a prerequisite to designing the systems and processes that will enable payment to be made to our customers

as soon as possible.

- 1.7 The proposed rules and process for the discretionary scheme were therefore agreed under the urgency provisions by the Chief Executive with the support of the Chair of Corporate Scrutiny. The relevant Portfolio Holder, Cllr Henley, was also consulted.
- 1.8 The Constitution provides that, where urgent decisions are taken, a full report is made to the next available Council meeting to explain the decision, the reasons for it and why it had to be treated as a matter of urgency.
- 1.9 There are no direct climate implications arising from these decisions.

2 Recommendations

- 2.1 Council is asked to note the decision made by the Chief Executive on 5 May 2022 under paragraph 5 of the Budget and Policy Framework within the Council's Constitution in relation to the use of the £292k funding received from Government.

3 Risk Assessment

- 3.1 There is a reputational risk to the Council if we were to be slow in designing and publishing our discretionary scheme.
- 3.2 There is a risk to households that they could be put in debt or cannot afford to keep themselves warm, if they do not receive this support quickly, at a time of highest energy use and high prices.
- 3.3 There was a financial risk to the Council if our discretionary scheme did not limit total spending to the value of the grant awarded, as SWT would have to fully fund any overspend.

4 Background and Full Details of the Report

- 4.1 On 3 February 2022, the Government announced measures to help protect millions of households from rising energy costs.
- 4.2 As part of these measures SWT were, in early April 2022, provided with £292k with which to develop a discretionary energy rebate scheme.
- 4.3 This discretionary pot is in addition to the £8m which the Government has made available to SWT to operate the mandatory Energy Rebate Scheme. That scheme is focused on Households within Council Tax bands A to D who, with few exceptions, have, or will receive a flat rate £150 one-off payment.

Details of our discretionary scheme

- 4.4 In designing our discretionary scheme we have focused on five objectives:

- Delivers on the Government and public's expectation of quickly mobilising and delivering support to hard pressed households.
- Uses the means-tested Council Tax Support scheme as a consistent basis of identifying low income/low capital households, and consequently those most likely to be impacted the most from rising energy bills.
- Manages expenditure within the funding provided.
- Is straightforward to administer.
- Also provides support for households in difficult circumstances which cannot be captured within a rigid rules framework.

4.5 We designed our discretionary scheme with three parts, each targeting support on different groups:

1. A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E to H and who are in receipt of Council Tax Support (CTS).

2. A single "top up" payment of £24 to all households within Council Tax Bands A to H who receive a £150 Council Tax Energy Rebate from either the main or discretionary scheme, and who are in receipt of CTS

3. A General Energy Support Fund of £5k, plus the balance after making payment of 1. and 2. above.

This part will be available only to those households not qualifying for an energy rebate payment under 1. or 2 above or the main scheme, is directly responsible for household energy bills; and are experiencing financial hardship and struggling to meet their energy costs

The payment under this part will be £150 and will be made upon referral by a partner agency (such as the CAB for example) rather than by direct application to the Council. This part of the scheme will end once all available funds have been exhausted, or 30 November 2022, whichever is the sooner.

5 Links to Corporate Strategy

5.1 The effective and quick distribution of grant funding supports the community objectives in our strategy.

6 Finance / Resource Implications

6.1 The grant funding is provided by Government and they have also provided new burdens funding to help towards administration costs. The discretionary scheme has been designed in such a way so as not to exceed the funding that has been provided.

7 Legal Implications

7.1 The decision-making process for agreeing the allocation of the funding for the stated purpose is in alignment with the Constitution.

8 Climate and Sustainability Implications

8.1 There are no specific climate or sustainability implications relating to this decision.

9 Safeguarding and/or Community Safety Implications

9.1 There are no direct safeguarding or community safety implications relating to this decision.

10 Equality and Diversity Implications

10.1 An equality impact assessment has been undertaken. No disproportionate impacts have been identified to affect any of the protected groups.

11 Social Value Implications

11.1 There are no specific social value implications relating to this decision.

12 Partnership Implications

12.1 We have worked closely with other Somerset Local Authorities to broadly align schemes.

12.2 Our discretionary scheme includes a General Energy Support Fund that can be accessed on referral from partner agencies (such as, but not limited to, the CAB, multi-agency teams, village agents) where, in their opinion the household is, or is likely to, face significant challenges in meeting their home energy bills

13 Health and Wellbeing Implications

13.1 The grant funding is specifically intended to support households meet their home energy costs. By targeting our scheme on households with low incomes and capital we hope that this will help mitigate fuel poverty and enable households to keep warm and be able to prepare hot meals etc.

14 Asset Management Implications

14.1 There are no asset management implications relating to this decision.

15 Data Protection Implications

15.1 There are no specific data protection implications relating to this decision.

16 Consultation Implications

16.1 The proposed scheme was discussed with the relevant Portfolio Holder and the Chair of Corporate Scrutiny as well as relevant partner agencies.

17 Scrutiny Comments / Recommendation(s)

17.1 This decision was taken under the urgency rules within the Constitution and, as such, were not formally considered by Scrutiny. In accordance with the Constitution, the Chair of Corporate Scrutiny was consulted regarding the requirement for urgent decisions and consented to the decision being made by the Chief Executive.

Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – No**
- **Executive – No**
- **Full Council – Yes**

Reporting Frequency: **Once only**

List of Appendices

Appendix A	Record of Decision taken by the Chief Executive on 5 May 2022
Appendix B	SWT Discretionary Energy Rebate Scheme
Appendix C	Equality Impact Assessment

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