

## **Discretionary Council Tax Energy Rebate – support for those on low income – information for SOUTH councillors and parishes**

Households on low income in South Oxfordshire will soon receive a one-off payment to help with the rising cost of energy bills.

Those living in properties which are in council tax bands **E to H and in receipt of council tax support** will receive a single one-off payment of up to £178.

Households in council tax bands **A to D in receipt of council tax support**, who should have already received the £150 Mandatory Council Tax Energy Rebate, will receive a single 'top up' payment of up to £28.

**To be eligible for this payment, households must have been resident in the property on 1 April 2022.**

The payments are being provided via the government funded Discretionary Council Tax Energy Rebate and the money does not have to be repaid. Please note, this scheme is different to the mandatory £150 Council Tax Energy Rebate.

We are putting arrangements in place to make the payment to households eligible for the discretionary scheme as soon as possible, following the same process we used for the mandatory Council Tax Energy Rebate. Here's how we will make the payments:

- **Stage 1 - if a household pays their council tax by direct debit and passes the verification checks** – we should be able pay the money directly into their bank account and we'll then send them a notification letter to let them know. We expect to start making these payments to all qualifying direct debit households by 15 August.
- **Stage 2 – if a household is not on direct debit, or if we are not able to verify their bank account details** – it will take longer to make these payments as we will need to write to the household to confirm their bank details. We expect to send these letters out once we have completed the payments to those on direct debit. Please note, when we issue this letter, due to an issue with the mail-merge system, we can only address it the first name listed on a household's council tax bill. Under normal circumstances we would address letters to all those named on the account.
- **Stage 3 – if we ask a household to confirm their bank and they fail to respond, or we are not able to verify their account details** - we will instead pay the money to their council tax account and we will then re-issue their council tax bill. We will do this for all remaining eligible households by 28 September.

For more information, people should visit [southoxon.gov.uk/counciltaxrebate](https://southoxon.gov.uk/counciltaxrebate).

## **Some answers to questions you may be asked:**

**How is this different to the council tax rebate?**

The council tax energy rebate is mandatory scheme which provided £150 to all homes in properties in council tax bands A-D, regardless of the household's financial status.

The Government has now made a further £144 million available nationally for a discretionary scheme to support those not covered by the first rebate and also for carefully targeted 'top-up' payments to the most vulnerable households. Councils can decide how to make best use of this money.

### **How much money has been provided for this scheme?**

South Oxfordshire District Council has been given £214,050. This money will support 324 households in E-H banded properties on low income, alongside paying top-up payments for around 4,800 households in A-D properties.

### **Why is this money only being provided to those on council tax support and not others who are also struggling with energy bills?**

The Government has provided a limited amount of funding for this scheme to be used for households in each district in receipt of Council Tax Support. It does not cover other households who do not pay council tax directly to the Council.

Council Tax Support is available to people on low income and by targeting the limited funds to provide extra support we hope to provide relief to those who need it the most.

We know that there will be many others who are also being seriously impacted by the cost-of-living crisis but who are unfortunately not eligible for this money. For details about other support available, people should visit [our webpage on Cost of Living help](#).

### **Why can't we just take the money off people's council tax bills?**

As with the Mandatory Council Tax Energy Rebate scheme, the guidance provided by the government says that we should, where possible, pay this money into people's bank accounts. This money is to assist households with their increased energy bills and was not intended to be a council tax payment. We will only take the amount off council tax bills if we are not able to pay the money into their bank account, either because they fail the validation checks or they do not submit an application.

### **Why will it take several weeks to pay people?**

The government is providing the money to help people with energy bills, but has passed the administration of the support on to councils responsible for the collection of council tax.

This has meant local authorities across the country have had to set up new payment systems and carry out time consuming validation checks.

We should be able to pay households on direct debit quickly. It will then take a few weeks to confirm and validate the bank details of remaining eligible households before we can pay them the money.

However, the numbers eligible for this scheme are significantly lower than for the mandatory council tax energy rebate and we should already have the details for most households who will receive a top-up payment, so we expect to be able to pay people quicker this time around.

### **Questions relating to stage one payments**

#### **A resident is on direct debit but hasn't received the money, why not?**

Before we pay the money directly to those on direct debit, we are required to carry out validation checks to ensure the money will only be paid to the person responsible for paying the Council Tax at each household. As with the mandatory Council Tax Energy Rebate payments, there may be a small number of households at this stage whose details do not match, for instance because they had changed surname or added an additional account holder, and so they will have now received a letter asking them to confirm their bank details.

When we carry out the direct debit payments we pay these all in one go and so we need to allow a few days to upload and check everyone's payment details on the system. If someone signs up to pay their council tax by direct debit after our cut-off period then we won't be able to include them in the payment run and so they will have to provide their bank details at stage two instead, if they wish to have the money paid into their account.

### **Questions relating to stage two payments**

#### **A resident receives a letter at stage two and confirms their bank details online – why haven't they received confirmation email?**

Everyone who correctly submits their form at stage two and provides their email address should receive an email confirmation. If it doesn't arrive, they should check their junk/spam folders first. If it's not in there they may need to re-submit their form or contact our customer service team.

#### **A resident has tried to submit the form at stage two but it times out or goes to an error page?**

A lot of people may be trying to submit their details at the same time, so it may be worth trying again later. People will need to have their council tax details with them when they complete the form – we advise everyone to get this ready first before they start the application, otherwise it may time out while they are looking for it. People are advised to check the details they have entered for errors.

#### **Why can't we pay people as soon as they apply, why could they have to wait several weeks?**

We need to carry out validation checks for all applications. This will take some time and will commence as soon as the application window has closed. There are specific reasons for this, mainly surrounding the automated vetting process, administration and reconciliations necessary. All eligible households that have applied should

receive their money by 28 September 2022. Any remaining eligible homes will have the money paid to their council tax account instead.