

Benefits Bulletin

Council Tax Energy Rebate...

21st April 2022

Issue **2** [2022]

1. Energy Rebate

The Council Tax Energy Rebate scheme is designed to help households with rising energy costs. This Benefit Bulletin explains who in Wolverhampton will be eligible for a payment under the Council Tax Energy Rebate scheme and how payment will be made. See this [LINK](#) for further information.

2. Who is Eligible

To be eligible for the £150 Council Tax Energy Rebate a person must:

- live in a property which fall within Council Tax Band A to D; and
- have been resident in the property as of 1st April 2022; and
- have been the liable person for Council Tax for that property.

If someone is liable for Council Tax for a Band E property, then they will also be eligible for a payment providing they were eligible to a Disablement Banding Reduction as of 1st April 2022.

If a person is unsure of what Council Tax Band their property falls under then they can check by simply going to this [LINK](#). All they will need to do this is their postcode.

If someone owns a second home or an unoccupied empty property, then they will not be eligible for the £150 Council Tax Energy Rebate on that property. This is because it is not their main place of residence. If someone lives in a House in Multiple Occupation (HMO) property, then they will not be the person who is who is liable for the Council Tax. Therefore, they will also not be eligible.



If someone is not eligible for the £150 Council Tax Energy Rebate because, for example, they live in a Band E property (and do not qualify for the Disablement Banding Reduction) or they live in a Band F, G or H property then they may still be eligible for some financial assistance. Please see 7. The Discretionary Scheme for more information. See also 9. Help Available to Reduce the Council Tax Bill.

The Council Tax Energy Rebate is separate to but part of the wider Energy Bills Rebate scheme under which households will also receive a £200 upfront discount loan on their electricity bills. The intention then is that this amount will be recovered by way of £40 per annum repayment instalments over the next five years starting in 2023, when global wholesale gas prices are expected to come down. Please see this [LINK](#) for further information.



Only one £150 Council Tax Energy Rebate payment will be made even in the case of couples where there may be joint liability for the Council Tax.

3. How Will Payment be Made?

If an eligible person is paying their Council Tax by Direct Debit, then they will receive their £150 Council Tax Energy Rebate automatically. This is possible because their bank account details will be held on record.

The City of Wolverhampton Council will be seeking to make payments from April 2022 and it is hoped that all payments will be made by September 2022, which is the required deadline for local authorities.

If a person is not presently paying their Council Tax by Direct Debit, then please see 4 No Direct debit opposite.

4. No Direct Debit

If an eligible person is not paying their Council Tax by way of Direct Debit then they can go to this [LINK](#) and notify the City of Wolverhampton Council of their bank details by completing the online form. To do this the person will need a valid email address.

Alternatively, an eligible person can go to this [LINK](#) and elect to have their £150 Council Tax Energy Rebate paid by way of a direct reduction in their overall Council Tax liability for the Council Tax year 2022-2023.

The City of Wolverhampton Council will be writing to those people who do not already pay their Council Tax by Direct Debit who it is considered may be eligible for the £150 Council Tax Energy Rebate and those who have not already made an application for the £150 Council Tax Energy Rebate, to advise them of their possible eligibility whilst explaining the options of potential payment.

It is estimated that 104,000 households in Wolverhampton will qualify for the £150 Council Tax Energy Rebate payment.

5. Will the Payment Affect Welfare Benefits

The £150 Council Tax Energy Rebate will not impact on a person's entitlement to any Social Security benefits. Moreover, receipt of the payment is not something that they are expected to report.

Therefore, should the eligible person (or a member of their family) be receiving any Social Security benefits (e.g. Universal Credit or tax credits) then their entitlement and payments will not be affected.

6. Is the Payment Taxable?

The £150 Council Tax Energy Rebate payment is non-taxable. Therefore, there is no need to be advising HMRC of the receipt of the payment.

7. The Discretionary Scheme...

The City of Wolverhampton Council, like other local authorities, has received some additional funding to establish a discretionary scheme to help the low-income households who are not eligible for £150 Council Tax Energy Rebate. This includes households:

- which fall within Band E (and do not qualify for the Disablement Banding Reduction - see 8. for more information); and
- which fall within Band F, G or H of the Council Tax system.

It will enable the Council to offer financial support to those who have responsibility for energy costs but have no Council Tax liability because, for example, they live in student accommodation or a bedsit or HMO.



To be eligible for a payment from the discretionary scheme the household income must be less than £577.00 per week and the assessed amount of savings / capital should be no more than £6,000.

Please go to this [LINK](#) for more information and to make an application. The closing date for applications is 30th September 2022.

Payments from the discretionary scheme will be discretionary and subject to the circumstances of the individual case.

8. Disablement Banding Reduction...

Under the Disablement Banding Reduction (sometimes also known as Disability Reduction) a person can get a reduction in their overall Council Tax bill. To be eligible there must be a person (this could be an adult or child and it does not have to be the person who is liable for the Council Tax) living at the property in question who has a 'substantial and permanent disability' - this could be by reason of a physical or mental condition or cognitive impairment. Moreover, to be eligible the property must then have either:

- a room (but not a bathroom, kitchen or toilet) which is predominantly used by the disabled person; or
- an additional bathroom or kitchen which is necessary to meet the needs of the disabled person.

In respect of each of the two bullet points above the feature must be essential or of major importance to the specific needs and well-being of the disabled person given the nature of their condition / disablement.



Here, one should examine whether the lack of the relevant feature would make it impossible or extremely difficult for the disabled person to continue to live in the property or to live there independently or in some way adversely impact on their condition.

If neither of the above bullet points apply, then a person may still be eligible for the Disablement Banding Reduction providing the disabled person uses a wheelchair or wheeled frame to help them with their mobility and the property concerned has sufficient floor space to enable use of such equipment.

Should someone qualify for the Disablement Banding Reduction then they will be entitled to a reduction in their Council Tax equal to the difference between the Banded charge for the property they live in and the next lower Banded charge. If the property in question was in Band A (so there were no lower Band) then they would get the difference between the Banded charge of Band A and Band B.

Entitlement to a Disablement Banding Reduction is not means-tested. That is to say that a person may still be eligible even though they have a reasonable income and/or savings.

A person must make an application for Disablement Banding Reduction. Moreover, please be aware that the reduction can be backdate for up to six years from the date a person first qualified.

Please go to this [LINK](#) for more information and to make an application.



9. Help Available to Reduce the Council Tax Bill...

There are a number of ways people can qualify for a reduction in their Council Tax bill. This includes:

- **Status Discount:** Available to those who may live on their own or who may be considered to be living on their own
- **Care Home or Hospital:** Available where a person has been taken into a care home or hospital and the property they were living in has no one else living there who could be deemed responsible for the Council Tax
- **Carers:** Available where a person is the carer of a disabled adult who receives, for example, Disability Living Allowance (care component at the middle or higher rate), Personal Independence Payment (daily living component) or Attendance Allowance and who lives with them but who is not their partner
- **Severely Mentally Impaired:** Available where a person has a permanent impairment of intelligence and social functioning and they are in receipt of, for example, Universal Credit (with an assessment of 'limited capability for work' and 'limited capability for work-related activity'), Disability Living Allowance (care component at the middle or higher rate), Personal Independence Payment (daily living component) or Attendance Allowance. To be eligible, the person concerned must be the only person living in the property or that they may be deemed to be living with no more than one other person aged 18 or over
- **Students and Young People:** Available where the only people living in the property are students and/or people under the age of 18.

Entitlement to any of the above provisions is not means-tested. That is to say that a person may still be eligible even though they have a reasonable income and/or savings. Please see this [LINK](#) more information and to make an application.

If a person is of **working age** (aged 18 or over but under 66) and they receive Universal Credit or otherwise have a limited income, then they may be eligible to some Council Tax Support. Under this scheme a person could qualify for up to 88% of their Council Tax to be paid. See this [LINK](#) for more information and to make an application.

If a person is of **pension age** (aged 66 or over) and they receive Pension Credit or otherwise have a limited income, then they may also be eligible to some Council Tax Support. Under this scheme a person could qualify for up to 100% of their Council Tax to be paid. See this [LINK](#) for more information and to make an application.

Indeed, in the case of pensioner households a person may be eligible to money off (a 'Second Adult Rebate') even if they enjoy a reasonable income but the income of other people (e.g. grown-up children) is from benefits or otherwise low then they may still be eligible to a reduction in the overall amount of Council Tax they need to pay. See this [LINK](#) for more information and to make an application.

People who are liable for the Council Tax but have nothing to pay because, for example, they qualify for 100% Council Tax Support, or a Severely Mentally Impaired exemption will still be eligible for the £150 Council Tax Energy Rebate payment. They may also seek help through the Discretionary Scheme. See 7. The Discretionary Scheme for more information.



10. Council Tax Arrears...

If a person is in arrears or behind with their Council Tax payments this will not stop them from being eligible to the £150 Council Tax Energy Rebate or any of the other schemes which are available to help reduce their Council Tax liability / payments.

If a person would prefer to receive their £150 Council Tax Energy Rebate and/or Discretionary Scheme payment (see 7. The Discretionary Scheme) as a reduction on their Council Tax bill rather than by way of a payment into their bank account then they should ask for this.

11. Arrears of the Council Tax...

We would encourage anyone who is behind with their Council Tax or who envisage that they will find it extremely difficult to pay their Council Tax bills this year, to visit this [LINK](#) to the City of Wolverhampton Council's 'Difficulty paying my council tax' page. This provides information on the range of support and advice that is available to help people to make their council tax payments.

The overriding message is that people be encouraged to get in touch. There is a dedicated team ready to help people and discuss their Council Tax payments.

People may get in touch by phone or email:

01902 551166 - Monday to Thursday 9am to 5pm or Friday 9am to 4.30pm

counciltaxrebate@wolverhampton.gov.uk

Alternatively, people can contact the Council Tax team via this [LINK](#).



Welfare Rights Service
Specialist Support Team
City of Wolverhampton Council
WRS@wolverhampton.gov.uk