

RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

meeting date: 24 JANUARY 2023

title: ENERGY BILLS SUPPORT SCHEME ALTERNATIVE FUNDING AND
ALTERNATIVE FUEL PAYMENTS

submitted by: DIRECTOR OF RESOURCES

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1 PURPOSE

- 1.1 To update Committee about the alternative support for household energy bills announced by Department for Business, Energy and Industrial Strategy (BEIS) in December 2022.
- 1.2 To obtain Committee's approval of how we will assist BEIS in getting this essential support to Ribble Valley residents.

2 BACKGROUND

- 2.1 The Government committed to providing support to consumers with their energy costs this winter via the Energy Bills Support Scheme (EBSS) and the Energy Price Guarantee (EPG).
- 2.2 This support is primarily delivered directly as a credit to electricity bills and as a reduction to the unit cost of electricity and gas. However, around one million households across the UK will miss out on EBSS as they do not directly contract with an electricity supplier. They will instead qualify for £400 assistance via the Energy Bills Support Scheme Alternative Funding (EBSSAF). In addition the Government have announced the Alternative Fuel Payments (AFP) for households that use fuels other than gas to heat their homes.
- 2.3 On 6 December 2022 BEIS provided an update to Local Authorities (LA's) setting out what our role will be in getting these payments to eligible households.

3 ISSUES

Eligibility

- 3.1 BEIS set out the following criteria for eligibility:
 - The dwelling the support is being claimed for is the sole and main residence of the beneficiary.
 - The applicant is responsible for paying for energy used in the dwelling.
 - The household dwelling is not already benefitting from a EBSS payment.
 - The household dwelling is not a business premises and is used wholly or mainly for domestic purposes, except for businesses whose main business activity is to provide long term residential accommodation (landlords etc.).
- 3.2 Examples of groups in scope include:
 - Care home residents (provided they pay towards their care)
 - Park home residents
 - Households in caravans and houseboats on fixed/registered sites.

- Social and private tenants who get their energy through a commercial supplier e.g. landlords
- Heat network customers not already covered by EBSS
- Farmers in domestic farmhouses, as well as other in domestic residences with a commercial supply
- Homes off the grid

NB this is not an exhaustive list.

Applications

- 3.3 Applications will be made through a centralised form on Gov.uk.
- 3.4 A national call centre will be in place for general queries and for those who need to access assisted digital support.
- 3.5 BEIS will carry out verification checks to ensure applicants already getting EBSS are prevented from applying.
- 3.6 All payments will be made by BACS and BEIS will verify bank details before sharing data with Local Authorities.
- 3.7 Verified applications will be passed to LA's who will be asked to carry out three further checks:
 - Address verification e.g. Council Tax records
 - Payment details i.e. bank details match name of applicant
 - Check to ensure an EBSSAF payment has not already been made.
- 3.8 LA's will then be required to make the payment, issue decision letters and report the outcome to BEIS.

Funding

- 3.9 A grant determination letter will be sent to LA's by BEIS in January.
- 3.10 A majority share of the total estimated grant funding will be paid to LA's at scheme launch.
- 3.11 There will be a reconciliation and assurance process at the end of the scheme.
- 3.12 The Government is committed to providing new burdens funding to LA's for this scheme.
- 3.13 The Government is going to provide a further £200 AFP to help households in Great Britain who use alternative fuels such as biomass or heating oil to meet their energy costs this winter.
- 3.14 Most households eligible for AFP will receive payment automatically via their electricity supplier with no need to take any action.
- 3.15 Those households who will need to apply for AFP, for example because they do not have a relationship with an electricity supplier, will be able to do so in February through the same Gov.uk application for EBSSAF.
- 3.16 Further detail about the role that LA's will provide has not yet been provided by BEIS.

Citizen Access Revenues

- 3.17 As a result of the additional administrative burden placed on the Finance and Revenues teams due to the various schemes we have administered on behalf of the Government, we have purchased the Citizens Access Revenues module from NEC. This will enable residents to receive e-bills and update their records online reducing postage and administration costs. The cost of this module is £5,950 + VAT for implementation and £12,348 + VAT for the annual licence and support and maintenance.
- 3.18 Since the start of the Pandemic the Council has received significant levels of new burden funding. We propose to fund the purchase of this module from this funding.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
- Resources – Funding for making the payments is being provided by BEIS and a new burdens assessment is being done to cover administration etc.
 - Technical, Environmental and Legal – Grant determination letters are being issued by BEIS in January which will authorise us to make payments on their behalf using the format used for Section 31 LGA Grants.
 - Political – It is essential that we make these payments as efficiently and effectively as possible to ensure funding gets to those in need.
 - Reputation – Failure to deliver this scheme efficiently and effectively would have a negative reputational impact.
 - Equality and Diversity – Eligibility and the application process has been delivered by BEIS. LA's role is to verify that the applicant is resident at the dwelling notify the decision and make payments.

5 RECOMMENDATION

- 5.1 Note the additional work required to administer these payments for BEIS and delegate to the Director of Resources to instigate payments once further detail is provided by BEIS.
- 5.2 Approve the purchase of the NEC Citizens Access Revenues module to help reduce the administrative burden on the Finance and Revenues teams.
- 5.3 Note that we will have a role in delivering AFP but further detail has not yet been forthcoming.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF4-23/ME/AC
12 January 2023