

## **Report to Leader of the Council**

**Subject:** Energy Bills Support Scheme Alternative Fund

**Date:** 24<sup>th</sup> February 2022

**Author:** Revenues Manager

### **Wards Affected**

All

### **Purpose**

The purpose of this report is:

- 1) To seek approval to implement, in accordance with the latest Government guidance, the Energy Bills Support Scheme Alternative Fund.
- 2) To adopt the Government's guidance (and any future iterations of the same guidance), at Appendix 1 to this report, for determining eligibility to the Energy Bills Support Scheme Alternative Fund payments.
- 3) To delegate, to the Director of Corporate Resources, the authority to determine eligibility, in accordance with the Government's guidance.

### **Key Decision**

This is a key decision because it is possible it will result in the Council incurring expenditure which is in excess of £500,000 and is likely to be significant in terms of its effect on communities living or working in an area comprising two or more wards of the Borough.

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## **Recommendation(s)**

### **THAT:**

- 1) the Energy Bills Support Scheme Alternative Fund detailed at Appendix 1 to this report is implemented in accordance with the latest Government guidance;**
- 2) the Government's Energy Bills Support Scheme Alternative Fund guidance (and future iterations of the same guidance), detailed in Appendix 1 to this report, is adopted;**
- 3) a delegation is provided to the Director of Corporate Resources, for the determination of eligibility to the Energy Bills Support Scheme Alternative Fund, in accordance with the Government's guidance.**

## **1 Background**

- 1.1 On 2<sup>nd</sup> December 2022, the Minister of State for Energy and Climate, Graham Stuart, wrote to Local Government Chief Executives informing of the Government's intention to create an alternative funding scheme for the energy bills support scheme.
- 1.2 On 2<sup>nd</sup> December 2022, the Government issued draft guidance providing detail on how the scheme would operate and who might be eligible for payment under the scheme. The draft guidance was made formal by the Government on 21<sup>st</sup> February 2023.
- 1.3 The Energy Bills Support Scheme Alternative Fund makes available a payment of £400 to households that have not received the main Energy Bills Support Scheme payment directly from their energy bill supplier as they do not have a direct relationship with that supplier; rather, these households pay for their electricity in a different way such as through a commercial intermediary.
- 1.4 The Government expects households to make an application for this fund through a central website and then for Local Government to verify certain details provided and make the payment direct to the claimant.
- 1.5 The fund allocation for Gedling Borough Council is £580,800.

## **2 Proposal**

- 2.1 It is proposed that the Council adopts the Government's guidance held at Appendix 1 and allows the adoption of that guidance to continue as and when the Government changes the guidance to expand the scope of the scheme, whilst keeping broadly to the original principles set out in its initial guidance published on 21<sup>st</sup> February 2023.
- 2.2 It is proposed that a delegation is provided to the Director of Corporate Resources, for the determination of eligibility to the Energy Bills Support Scheme Alternative Fund, in accordance with the Government's guidance.

## **3 Alternative Options**

- 3.1 There are no alternatives to the administration of the Energy Bills Support Scheme Alternative Fund as the Government's guidance is explicit in the eligibility criteria and administration methods which must be adopted by the Council.

## **4 Financial Implications**

- 4.1 The Energy Bills Support Scheme Alternative Fund is a mandatory scheme where, in line with eligibility criteria, the Council is obliged to make payments to eligible households. The Government specifies all of the scheme criteria and will provide funding that equates to the actual scheme cost in a final scheme end reconciliation process.
- 4.2 For this scheme the Council will be acting as an agent for Government in the distribution of grant monies over which it has no control of either the amount of the payment, or the eligibility criteria to determine its award.
- 4.3 In accordance with the Code of Practice on Local Authority Accounting, where a local authority acts as an agent, the transactions do not need to be reflected in authority's financial statements and therefore in this circumstance, a budget does not need to be established.

## **5 Legal Implications**

- 5.1 The Secretary of State for Energy Security and Net Zero has issued guidance to billing authorities in England setting out how the Energy Bills Support Scheme Alternative Fund should be administered (attached at Appendix 1 to this report). The Council must administer the scheme in accordance with this statutory guidance.

- 5.2 Eligibility for the scheme is set out in the guidance and cannot be determined by individual billing authorities. The Council therefore cannot determine or change the eligibility criteria for the payment for eligible households.

## **6 Equalities Implications**

- 6.1 The Government issued guidance for the scheme provides the transparent basis for the assessment of eligibility to the Energy Bills Support Scheme Alternative Fund which will be applied equally to all recipients.

## **7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 There are no carbon reduction/sustainability implications arising from this report.

## **8 Appendices**

- 8.1 Appendix 1 - Energy Bills Support Scheme Alternative Fund Government Guidance – 21.02.23

## **9 Background Papers**

- 9.1 Code of Practice on Local Authority Accounting

## **10 Reasons for Recommendations**

- 10.1 In relation to the Government's scheme, the Council is expected by Government to make payments in line with the guidance it has published.
- 10.2 The adoption of guidance (and future iterations of guidance) is recommended in order to ensure proper scheme administration in line with the Government's intention and to prevent further requests for adoption being required where minor amendments are made to existing guidance.
- 10.3 The delegation is requested to ensure the timely award of payments, efficient decision making and to avoid the Executive from becoming overwhelmed by applications. It is appropriate that this function is delegated to Officers for determination in line with established guidance.

**Statutory Officer approval**

**Approved by:**  
**Date:**

**Chief Financial Officer**

**Approved by:**  
**Date:**

**Monitoring Officer**