

## WYRE FOREST DISTRICT COUNCIL

CABINET  
THURSDAY 30<sup>th</sup> AUGUST 2007

AGENDA ITEM NO. 6.3.

### Council Tax – Local Discount For Flooding

<b>COMMUNITY STRATEGY THEME:</b>	Internal Organisational theme
<b>CORPORATE PLAN THEME:</b>	Improving Corporacy and Performance
<b>KEY PRIORITY:</b>	Financial and Asset Management
<b>STRATEGY:</b>	Council Tax
<b>CABINET MEMBER:</b>	Councillor John-Paul Campion
<b>RESPONSIBLE OFFICER:</b>	Head of Financial Services
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<b>AN OPEN ITEM</b>	

#### **1. PURPOSE OF REPORT**

- 1.1 To advise the Cabinet of an urgent decision made by the Leader of the Council in accordance with Rule 6 of the Budget and Policy Framework Procedure Rules Part 4 of the Council's Constitution. The decision created an additional category local Council Tax discount.

#### **2 RECOMMENDATION**

The Cabinet be asked to note and endorse the following decision of the Leader of the Council made on 6<sup>th</sup> August 2007 and **RECOMMEND** to Council that it be noted in accordance with Rule 6 of the Budget and Policy Framework Procedure Rules Part 4 of the Council's Constitution

##### *Decision*

- 2.1 *A local Council Tax discount be created to be used in the event where a dwelling is damaged by severe weather floods and the occupier does not vacate but continues to reside in the unaffected parts, whilst the required major repair works are undertaken. The discount to be 100% of the Council Tax due on that property for a maximum period of three months on any one occasion.*

##### *Reason*

*The decision was considered urgent because of the need to act quickly to provide some relief from council tax to residents who decide to remain in their homes while repairs are carried out to any rooms which have been left unusable by floodwaters from the summer floods*

### **3 BACKGROUND**

- 3.1 The Local Government Finance Act 1992 created a standard range of property exemptions in Council Tax and also determined where discounts would be allowed. These provisions applied across England.
- 3.2 Section 76 of The Local Government Act 2003 gave Billing Authorities the power to set their own discounts by adding a new Section 13A to the 1992 Act;-

#### ***[13A Billing authority's power to reduce amount of tax payable]***

*[(1) Where a person is liable to pay council tax in respect of any chargeable dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.*

*(2) The power under subsection (1) above includes power to reduce an amount to nil.*

*(3) The power under subsection (1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.]*

- 3.3 This power was utilised in 2003 to create a local discount of 100% to cover the situation where a resident had left his property due to flooding but did not qualify to be exempt because the furniture remained. (Minute Number CM 403).
- 3.4 On the night of 19<sup>th</sup> June 2007, severe storms produced such extreme rainfall that there was localised flooding in the Queensway area of Bewdley. There was also exceptional rainfall between 20<sup>th</sup> and 25<sup>th</sup> July causing more flooding across the district.
- 3.5 Although a number of residents have moved out of their properties and therefore qualified for either a standard exemption or our existing local discount, there are others who have remained but can only use the upper floor until repairs are effected. As things stand these residents still have a full Council Tax liability.

### **4. KEY ISSUES**

- 4.1 The impact on the individual residents during the time that they are only able to use part of their houses and the fact that they are not calling upon the Authority to provide alternative accommodation.

### **5. FINANCIAL IMPLICATIONS**

- 5.1 The cost of any local discount is borne solely by The District and other preceptors make no contribution. The 2007/2008 Council Tax charge for a Band B dwelling in Bewdley is £1,065.48. The cost of allowing 100% discount for three months on such a property would be £266.37.

### **6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 Billing Authorities have total discretion in the local discounts that they create. They are able to give discounts on an individual basis or create a class of discount and specify the circumstances in which it is to be allowed.

**7. RISK MANAGEMENT**

7.1 There are no Risk Management implications.

**8 CONCLUSION**

8.1 The creation of a local discount as described would allow assistance to be given to Council Taxpayers at a time of extreme distress in their lives. The discount would remain available until rescinded by Council, allowing any future repetition of these circumstances to be dealt with swiftly.

**9. CONSULTEES**

9.1 CMT.

**10. BACKGROUND PAPERS**

10.1 Local Government Finance Act 1992 Section 13A.

10.2 Full Council meeting of 3<sup>rd</sup> December 2003 (Minute CM 403)