

NORTH LINCOLNSHIRE COUNCIL

**POLICY AND RESOURCES CABINET
MEMBER**

COUNCIL TAX FLOOD DISCOUNT

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To determine if the duration of the local council tax discount granted to those households affected by December 2013 floods be extended.
- 1.2 The key points are:
 - 1.2.1 Taxpayers whose homes have been flooded and they have either vacated their properties or continue to occupy the habitable portion of their homes whilst repairs are undertaken are currently entitled to 50% local discount..
 - 1.2.2 The discount period ends on 4 March 2015 and those taxpayers who still qualify will become liable to pay council tax after this date.

2. BACKGROUND INFORMATION

- 2.1 On the 5 December 2013 a tidal surge event caused extensive flooding to dwellings in part of North Lincolnshire. The Council initially applied the national regulations which govern the operation of the council tax billing process but this did not provide equal support to all those affected by the flooding.
- 2.2 Council Tax discounts were created from 1 April 2013, under powers granted in section 11a of The Local Government Finance Act 1992, to replace deleted exemptions for dwellings vacated for a short period and those unoccupied and requiring major repairs. Initially, a section 11a discount, 100% for three months followed by 50% for a further nine months was awarded to taxpayers who vacated their dwelling. Also, a 50% allowance was granted under the provisions of The Local Government Act 2000, to taxpayers in partial occupancy.
- 2.3 The powers under section 13a of The Local Government Act 1992 allow the Council to introduce a local discount for particular circumstances or by category of property. The Council used this power and replaced the section 11a discounts and allowance with a 100% section13a discount for nine months. The discount was extended in September for a further six months, at 100% for the first three months and at 50% from 5 December 2014 to 4 March 2015.

2.4 Taxpayers are entitled to the discount if the following criteria is met:

- Flood water entered the property on 5 December 2013; and
- The dwelling is recorded on the council's central flood list; and
- The dwelling is unoccupied, substantially unfurnished and building works are required to make it habitable; or
- Parts of the dwelling are uninhabitable but the taxpayer has chosen to remain in residence, either in the property itself or in a caravan within the same curtilage.

2.5 The council tax discount has been awarded in respect of 198 properties. Most properties are now fully occupied but there remain 16 dwellings still entitled a discount. Of these, 11 properties remain unoccupied and 5 are partly occupied. Council tax Inspectors regularly monitor the status of each property to advise council taxpayers of their correct liability.

3. OPTIONS FOR CONSIDERATION

3.1 The Council has the discretion as to the level and duration of the locally defined section 13a discount.

3.2 Option 1 – Extend the section 13a discount for a further four months, at 50% from 5 March 2015 to 4 July 2015.

3.3 Option 2 – Do not award any discount after 4 March 2015.

4. ANALYSIS OF OPTIONS

4.1 Option 1 enables further financial support for taxpayers. It is anticipated most of the remaining eligible properties will be fully back in use within the next four months.

4.2 Option 2 will keep to the current agreed scheme. It may cause financial hardship in a few cases.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Financial

If the decision is to extend the 50% discount for a further four months it is estimated the additional amount awarded will be £3,520.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 An Integrated Impact Assessment is not required.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 No consultation is required.

7.2 There are no conflicts of interest to declare.

8. RECOMMENDATIONS

8.1 To approve the extension of the council tax discount as out outlined in 3.2 above.

DIRECTOR OF POLICY AND RESOURCES

Civic Centre
Ashby Road
SCUNTHORPE
North Lincolnshire
DN16 1AB
Author: G Twidale
Date: 6 February 2015

Background Papers used in the preparation of this report - nil