

Council name	WEST OXFORDSHIRE DISTRICT COUNCIL
Name and date of Committee	PORTFOLIO HOLDER DECISION MAKING MEETING
Report Number	
Subject	FLOOD SUPPORT FOR COUNCIL TAX RESIDENTS AND BUSINESSES
Wards affected	ALL
Accountable member	Cllr Toby Mills – Deputy Leader and Cabinet Member for Finance
Accountable officer	Jon Dearing – Group Manager for Resident Services Tel: 01993 861221 Email: jon.dearing@publicagroup.uk
Author	Mandy Fathers – Business Manager for Operational Support and Enabling Tel: 01993 861232 Email: mandy.fathers@pubicagroup.uk
Summary/Purpose	To consider additional support for households and businesses affected by flooding in the winter of 2020/2021
Annexes	None
Recommendation/s	That the Deputy Leader and Cabinet Member for Finance approves: <ul style="list-style-type: none"> a) <i>The use of the Council's discretionary powers, in relation to Council Tax, as detailed within paragraph 2.4 of this report for those residential properties severely impacted by flooding;</i> b) <i>The award of additional discretionary council tax discounts as detailed in paragraph 2.3 of this report;</i> c) <i>The use of the Council's discretionary powers, in relation to Business Rates, as detailed within paragraph 2.7 of this report for those business properties severely impacted by flooding;</i> d) <i>That delegated authority be given to the Group Manager for Resident Services to review and approve such discounts in respect of Council Tax and Business Rates in consultation with the Deputy Leader and Cabinet Member for Finance</i>
Corporate priorities	Supporting and building prosperous and inclusive local communities. Delivering excellent modern services whilst ensuring the financial sustainability of the Council.
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Deputy Leader and Cabinet Member for Finance. S151 Chief Finance Officer, Chief Executive, Finance Business Partner, Monitoring Officer

I. BACKGROUND

- I.1.** The Council will be aware that the winter of 2020/2021 has been another of the wettest winters for the UK. Since 24 December 2020, there has been widespread flooding across the county with some homeowners and businesses in the West Oxfordshire District having been impacted by flooding.
- I.2.** Unlike the adverse weather conditions during 2013 where government made available a package of schemes to support those affected by flooding; this time round, no support packages have been announced.

2. MAIN POINTS

- 2.1.** The Council is now receiving enquiries from residents and businesses as to what support is available to them in reducing their Council Tax and Business Rate liabilities.
- 2.2.** The Council is able to award discounts and/or reliefs under the current legislation as follows:
 - Council Tax (Class A discount): 50% discount for up to 12 months
- 2.3.** For those residents who have had to leave their homes and either rent alternative properties or stay with family and/or friends the 50% discount has been applied to their council tax accounts; however, those residents are asking for more financial support from the Council in meeting their council tax liabilities.
- 2.4.** Section 76 of the Local Government Act 2003 (as amended) introduced a new power, S13A of the Local Government Finance Act 1992 whereby a billing authority may reduce the liability of a council tax payment to such extent as it thinks fit. It is therefore being proposed that an additional 50% discount be awarded to those council tax effected for a 3 month period; starting on the day the resident(s) had to vacate their main home.
- 2.5.** If the Council were to use its powers under S13A and award additional discounts to those residents who have been severely impacted by flooding and had to leave their homes, any cost of any reduction would be borne by the Council.
- 2.6.** There is currently no similar discount and/or exemption for business premises; however, most businesses have qualified for 100% relief during 2020/2021 due to the Covid-19 pandemic.
- 2.7.** Should any businesses that have not qualified for the full relief and have been forced out of their business premise due to flooding the council would be able to consider using its discretionary powers under S47 of the Local Government Finance Act 1988, as amended by S69 of the Localism Act 2011.
- 2.8.** If the Council were to use its powers under this legislation any cost would be shared between Central Government and the County Council as follows:
 - Central Government 50%
 - County Council 10%
 - District Council 40%

3. FINANCIAL IMPLICATIONS

- 3.1.** To date the Council has awarded Class A discounts of 50% to six residential properties due to their properties being flooded and the residents having to seek alternative accommodation. This may increase during the following weeks if rain continues and river levels rise.

3.2. Based on the average Band D council tax property (£1936.84) this would cost the Council £477.57 per property if the full 50% discretionary discount was applied for the three month period.. This would increase slightly when the new council tax charge is set for 2021/2022 if the three month period started towards the end of the financial year 2020/2021.

3.3. No businesses as yet have contacted the Revenues Team in respect of flooding implications on their business premises. Due to the rating system and different reliefs already awarded to some business, such as Small Business Rate Relief, Rural Rate Relief and the majority of businesses receiving 100% relief during 2020/2021 it would be difficult to ascertain the costs, if any to the Council. Any discretion considered in these circumstances should be considered on a case by case basis and referred to the Deputy Leader and Cabinet Member for Finance to approve.

4. LEGAL IMPLICATIONS

4.1. None. The Council has discretionary powers under the legislation as detailed above.

5. RISK ASSESSMENT

5.1. There is a reputational risk to the Council if it is not seen to support those residents and/or businesses severely impacted by the recent flooding

6. EQUALITIES IMPACT

6.1. None

7. ALTERNATIVE OPTIONS

7.1. There are various options available to the Council as follows:

1. Award the 50% Class A only; leaving the resident with a 50% charge for up to 12 months
2. Award a 50% discretionary discount for a shorter period of time
3. Reduce the amount of discretionary after 3 months to 25%
4. Award 25% for up to 12 months in line with the period of a Class A discount