

Council Tax Policy 2014-15

Council Tax Relief for Flooded Premises

1 Introduction

- 1.1 The Prime Minister announced on 19th February 2014 that funding of up to £4m will be available to local authorities in support of Council Tax Discounts for homes that have been flooded, and that Local Authorities will administer this discount.
- 1.2 The legislation was amended to introduce this change under the discretionary powers which means that each Local Authority needs to develop a policy to deal with the operation and delivery of the relief.

2. How the relief will be provided?

- 2.1 The Government is not changing the legislation around the reliefs available to properties. Instead the Government will reimburse local authorities that use their discretionary relief powers, under section 13A of the Local Government Finance Act 1992, to grant council tax discounts on properties affected by flooding. It allows local billing authorities the flexibility to grant reductions or exemptions on an individual basis or for a class of council taxpayers. It is up to local authorities to decide whether to use this power. Central Government do not need to approve this.
- 2.2 It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 13A.
- 2.3 Central government will allow Local Authorities to claim support for their schemes through the Department of Communities and Local Government for Council Tax Discounts for homes that have been flooded, (using a grant under section 31 of the Local Government Act 2003)..

3. Who will be eligible for Relief

- 3.1 The Government offer support for Local Authority Schemes up to the maximum budget.
- 3.2 Properties that apply for relief must meet the following criteria

For any day between 1 December 2013 and 31 March 2014:

- The property has been flooded in whole or in part as a result of adverse weather conditions;
- and
- on that day, as a result of the flooding at the property, the occupants were unable to remain living* in the premises

*defined as unable to carry out daily activities such as eating, sleeping etc at the premises

- 3.3 In considering whether the occupant could live at the premises, Slough Borough Council will consider the impact of the flooding in the full context of all activities undertaken at the hereditament. Very small or insignificant impacts will be ignored.
- 3.4 The funding is for the impacts of flooding from the recent adverse weather conditions and not, for instance, from the failure of a water main, internal water systems or the failure of a sewerage system (unless the failure was itself caused by the adverse weather conditions). As a guide the definition of flood from Section 1 of the Flood & Water Management Act 2010 – (Appendix A)
- 3.5 The scheme applies to all types of domestic properties (other than those occupied by the Billing Authority).

4. How much relief will be available?

- 4.1 Slough Borough Council will provide funding for up to three months of relief granted starting on the day the property first met the criteria set out above.
- 4.2 Where a property has been flooded more than once and the ability to live in the property is adversely impacted, only one period of relief will be funded and should be applied from the first date on which the criteria above were met.
- 4.3 Once the occupiers move back into the property the relief will stop automatically.
- 4.4 In calculating the cost of the discount to be refunded to the local authority, the Government will assume that all other discounts have first been applied.
- 4.5 This discount should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
- 4.6 Funding for Council Tax discount will continue to be given following a change of chargepayer. In other words, the discount should run with the property rather than the ratepayer.
- 4.7 The scheme does not cover discount for any property which was empty at the time it was flooded.

5 If the property is not capable of being lived in for more than three months

- 5.1 If the property remains uninhabitable for more than three months, the charge payer is able to apply for an extension of the discount stating why the property remains uninhabitable.
- 5.2 The charge payer at this stage will need to demonstrate the work that has been carried out and that all efforts are being made to repair the property.

6 Administration

- 6.1 Slough Borough Council will administer the scheme under the guidelines set out by the Department for Communities and Local Government dated 25th February 2014.
- 6.2 The discounts awarded for the first three months will be administered by the Council Tax team who will provide monthly reports to the Section 151 officer for approval.
- 6.3 Any application for a discount in excess of three months will be approved on an individual basis by the Section 151 officer prior to the discount being awarded.

Annex A – Definition of Flood

Section 1 of the Flood & Water Management Act 2010

1(1) "Flood" includes any case where land not normally covered by water becomes covered by water.

(2) It does not matter for the purpose of subsection (1) whether a flood is caused by—

- (a) heavy rainfall,
- (b) a river overflowing or its banks being breached,
- (c) a dam overflowing or being breached,
- (d) tidal waters,
- (e) groundwater, or
- (f) anything else (including any combination of factors).

(3) But "flood" does not include—

- (a) a flood from any part of a sewerage system, unless wholly or partly caused by an increase in the volume of rainwater (including snow and other precipitation) entering or otherwise affecting the system, or
- (b) a flood caused by a burst water main (within the meaning given by section 219 of the Water Industry Act 1991).