

Decision Report - Executive Lead Member
Non-Key Decision

Forward Plan Reference: N/A

Decision Date - 29 June 2023

Key Decision - no



Council Tax Discounts for Flooded Homes (May 2023)

Executive Member(s): Cllr Liz Leyshon, Deputy Leader of the Council and Lead Member for Resources and Performance

Local Member(s) and Division: N/A

Lead Officer: Nicola Hix, Service Director - Finance & Procurement

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Summary / Background

1. On 10 May 2023 a flash flood affected several areas of Somerset. This has resulted in a small number of residents having to leave their homes because they are uninhabitable due to flood damage. To date, we have been informed of 92 properties which have been affected by this flooding.
2. This report recommends that the Council uses its powers under Section 13A 1(c) of the Local Government Finance Act 1992 to create a specific local discount of 100%. This discount will be awarded to resident Council Tax payers where their property has been rendered uninhabitable as a result of the 10 May 2023 flooding.
3. Initial awards of 100% for one month will be made where people have had to vacate their home for three consecutive days as a result of the flooding. Where they are still unable to reoccupy after the first month as a result of the flood damage, they will be able to apply for an ongoing discount of 100% for a period of up to twelve months.
4. A specific policy is recommended in order to provide a process to quickly receive and process applications.
5. Full details of the proposed policy are set out in Appendix A to this report.

Recommendations

6. The Deputy Leader and Lead Member for Resources and Performance is recommended to agree to the local Council Tax discount policy set out in Appendix A, to fund the cost of this from General Fund Reserves and that the total amount payable under the scheme be capped at £160k.

NB.

The Council currently operates a Hardship Policy under powers contained within Section 13A 1(c) of the Local Government Finance Act 1992. This policy varies the eligibility criteria to enable us to provide Council Tax support for up to twelve months to people whose properties have been rendered uninhabitable by the flooding on 10 May 2023.

For clarity, this policy is intended to solely apply to properties flooded as a result of the flash flooding on 10 May 2023 and is not intended to create a wider or general policy in relation to flood damaged properties, as ad hoc instances can be dealt with under the existing Section 13A 1(c) Hardship Policy. For larger incidents of flooding the Council will need to take a view on a case-by-case basis and taking into account the availability of central Government financial support, as to the level of additional Council Tax support that is affordable.

Reasons for recommendations

7. The purpose of the recommendation and the attached policy is to allow us to provide support to residents whose homes have been rendered uninhabitable as a result of damage sustained in the flash flooding on 10 May 2023. The proposed policy provides a 100% discount from Council Tax in respect of the property they have had to vacate and for a period of up to twelve months.
8. Previously, the Structural Alterations and Major Repairs Exemption would have been utilised as the mechanism to enable us to quickly award discounts for up to twelve months in these sorts of instances. However, as the Council no longer awards discounts for this category, using the Section 13A 1(c) powers is the only other option open to us if we wish to provide financial assistance via Council Tax legislation.

Other options considered

9. The Council operates a general Section 13A 1(c) Hardship Policy and could consider applications under that policy. However, the general policy is tailored towards overall financial hardship, potentially requires a lot more information and claims can be time consuming. The proposed policy provides a bespoke approach to this flooding incident and is intended to provide a smoother and quicker claims process.

Links to Council Plan and Medium-Term Financial Plan

10. The overriding key objective of the Council is to support its residents and Council Tax payers. The proposed policy does this by providing direct financial support to a small number of our residents in a time of need. Specifically, this policy aligns with and supports our key priorities around being a healthy, caring and fair organisation.

Financial and Risk Implications

11. The cost of awarding discounts under the Section 13A 1(c) provisions have to be entirely borne by the billing authority (i.e. Somerset Council). However, the number of flood affected properties that we have been notified of is low (92 properties) and it is reasonable to assume that not all of the affected properties have been rendered uninhabitable. In the worst case scenario i.e. where all of these 92 properties remain uninhabitable for the maximum award period of twelve months, the total cost would be circa £160k. In practice it is likely to be far lower.
12. There is a risk that there are other affected properties that we are not aware of. However, there are only likely to be small numbers of these. To help mitigate this risk it is recommended that we cap the total that can be awarded under this scheme to £160k.
13. The other key risk here is in relation to the reputational damage of the new Council doing nothing and not offering to help. There is a clear expectation on the part of the public that government in some form will assist with crises such as this and we are already receiving enquiries from affected residents.
14. Obviously, the counterpoint to the reputational damage risk is the risk of establishing a precedent. Given the increasing impacts of climate change, flood events are anticipated to become a more regular occurrence. Large scale future flood events are likely to attract government funding for this type of discount. However, the risk for the Council lies more with the small to medium scale events,

which do not register with central government and which we would potentially have to fund locally.

Legal Implications

15. Section 13A 1(c) of the Local Government Finance Act 1992, as amended, provides the Council, as a billing authority, with the power to reduce the amount of Council Tax payable as it thinks fit.

16. The cost of awards made under the Section 13A 1(c) provisions have to be wholly met by Somerset Council, as the billing authority.

17. The Section 13A 1(c) powers can be used to reduce the liability of:

- Individual Council Taxpayers;
- Groups of Council Taxpayers defined by a common set of circumstances;
- Council Taxpayers within a defined area; or
- All Council Taxpayers within the Council's area.

18. We currently exercise these powers to grant discounts to Care Leavers and Somerset Foster Carers. In addition, we operate a general Section 13A 1(c) Hardship Policy to allow for specific applications in ad hoc cases.

HR Implications

14. There are no HR implications resulting from the proposed scheme.

Other Implications:

Equalities Implications

19. An Equalities Impact Assessment has been undertaken and is attached to this report.

20. The policy proposes providing additional financial support to any residents who have been required to leave their homes as a result of the flooding on 10 May 2023. Consequently, this should have a positive impact for all including any qualifying residents who are in protected groups. No negative impacts have been identified.

21. Residents in some of the protected groups e.g. age, race & ethnicity may need additional assistance to access and apply for the discount. Actions are included below to provide any additional support required.

Community Safety Implications

22. The proposed scheme provides financial support to people who have been required to vacate their homes as a result of flooding rendering their homes uninhabitable.

Climate Change and Sustainability Implications

23. Increased incidences of flooding are one of the anticipated impacts of climate change. Arguably, therefore, the proposed scheme is helping to mitigate the financial impact of climate change.

Health and Safety Implications

24. There are clear health and safety risks associated with flooding and people residing in flood damaged properties. This scheme provides financial support to people who need to vacate flood damaged properties and consequently helps to mitigate health and safety risks.

Health and Wellbeing Implications

25. The proposed scheme provides positive financial support to residents who have been required to vacate properties rendered uninhabitable by flooding.

Social Value

26. There are no direct social value implications resulting from this proposal.

Scrutiny comments / recommendations:

27. Not applicable

Background

28. On 10 May 2023, a flash flood affected several areas in Somerset. This included but was not limited to parts of Queen Camel, Milverton, Galhampton, North Cadbury, Yarlinton, Bridgehampton and West Camel.

29. Prior to April 2023 each of the former district councils would have been able to invite applications for a discount in these circumstances on the basis of the flood damaged properties requiring structural repair or major renovation to render them habitable. For qualifying applications a discount of 100% would have been awarded for a period of up to twelve months.

30. From April 2023, members have resolved to remove the discount awarded for such properties and consequently we cannot use this provision.

31. To date we have been contacted by 92 residents to inform us that their property has been flood damaged to some degree. We do not hold information regarding how many of these 92 residents have actually had to vacate their property.

32. None of the existing statutory or local discounts specifically cover this circumstance and consequently no discounts have yet been awarded. We do operate a general Hardship Policy under the Section 13A 1(c) provisions, but this is very much tailored towards financial hardship in the round, requires detailed financial information and can be time consuming.

33. Consequently, the proposed policy exercises our general powers under Section 13A 1(c) to create a specific flood damage discount of 100% for up to twelve months. The intention is for us to provide an easy to access mechanism to enable us to effectively exempt people from paying Council Tax in respect of a home they have had to vacate. Discount will be awarded for the period that they are unable to occupy their home and for a maximum period of up to twelve months.

34. Full details of the proposed policy are set out in Appendix A.

Background Papers

35. None

Appendices

- **Appendix A - Council Tax Discounts for Flooded Homes (May 2023) Policy**




Report Sign-Off

Officer Name	Date Completed
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Legal & Governance Implications	David Clark	26 Jun 2023
Communications	Chris Palmer	23 Jun 2023
Finance & Procurement	Nicola Hix	27 Jun 2023
Workforce	Chris Squire	21 Jun 2023
Asset Management	Oliver Woodhams	20 Jun 2023
Executive Director / Senior Manager		
Strategy & Performance	Alyn Jones	26 Jun 2023
Executive Lead Member	Cllr Liz Leyshon	29 Jun 2023
Consulted:	Councillor Name	
Local Division Members	N/A	
Opposition Spokesperson	Cllr Chilcott	20 Jun 2023
Scrutiny Chair	Cllr Filmer	20 Jun 2023

Somerset Equality Impact Assessment

Before completing this EIA please ensure you have read the EIA guidance notes – available from your Equality Officer or
www.somerset.gov.uk/impactassessment

Organisation prepared for (mark as appropriate)	 Somerset Council	x	 NHS Somerset	 NHS Somerset NHS Foundation Trust	
Version			Date Completed		
Description of what is being impact assessed					
The proposed local Council Tax Discount Policy to enable the award of Council Tax reductions to residents who have had to leave their homes as a result of the flash flooding on 10 May 2023.					
Evidence					
What data/information have you used to assess how this policy/service might impact on protected groups? Sources such as the Office of National Statistics , Somerset Intelligence Partnership , Somerset's Joint Strategic Needs Analysis (JSNA) , Staff and/ or area profiles ,, should be detailed here					
Whilst it has not been possible to identify the specific impact on protected groups, it is reasonable to assume that the policy will have a positive impact on all of the affected groups, if any are affected by the flooding, as it will provide additional financial support.					

Who have you consulted with to assess possible impact on protected groups and what have they told you? If you have not consulted other people, please explain why?

There has not been time to implement a consultation exercise. However, it is reasonable to assume, given that the policy will provide additional financial support, that it will have a positive impact on all the affected groups if they are impacted by the flooding.

Analysis of impact on protected groups

The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. Consider how this policy/service will achieve these aims. In the table below, using the evidence outlined above and your own understanding, detail what considerations and potential impacts against each of the three aims of the Public Sector Equality Duty. Based on this information, make an assessment of the likely outcome, before you have implemented any mitigation.

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Age	<ul style="list-style-type: none"> Some age groups may not feel confident finding information or completing an application online. 	□	□	☒
Disability	<ul style="list-style-type: none"> Due to some disabilities, such as a learning disability or sensory loss, someone might not be able to complete an application themselves. 	□	□	☒

	<ul style="list-style-type: none"> For disabled people the impact of flooding may be greater. This could be their ability to continue to live in their flooded property, be able to move back in as quickly or get the required, potentially specialist, work completed swifty. 			
Gender reassignment	<ul style="list-style-type: none"> 	☐	☐	☒
Marriage and civil partnership	<ul style="list-style-type: none"> 	☐	☐	☒
Pregnancy and maternity	<ul style="list-style-type: none"> 	☐	☐	☒
Race and ethnicity	<ul style="list-style-type: none"> Due to someone having learned English as a second language they may not have the skills or feel confident to complete an application form. 	☐	☐	☒
Religion or belief	<ul style="list-style-type: none"> 	☐	☐	☒

Sex	•	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sexual orientation	•	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Armed Forces (including serving personnel, families and veterans)	•	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, e.g. carers, low income, rurality/isolation, etc.	• Additional measures will be put in place to ensure that anyone in this category is able to access & apply for the discount.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Negative outcomes action plan

Where you have ascertained that there will potentially be negative outcomes, you are required to mitigate the impact of these. Please detail below the actions that you intend to take.

Action taken/to be taken	Date	Person responsible	How will it be monitored?	Action complete
Specific communications will be undertaken in the areas affected by the flooding to publicise the discount. We will work with tactical group managing the flooding and the village agents to identify any cases where we need to take	31/07/2023	Jenny Collins & Alison Hann	Periodic progress check-ins with the team	<input type="checkbox"/>

extra steps to ensure that people are aware of and can apply for the reduction.				
We will write to all of the 92 residents who have contacted us to invite applications for the relief. This will include guidance on where to obtain help in submitting an application.	31/07/2023	Jenny Collins & Alison Hann	Periodic progress check-ins with the team	<input type="checkbox"/>
	Select date			<input type="checkbox"/>
	Select date			<input type="checkbox"/>
	Select date			<input type="checkbox"/>
	Select date			<input type="checkbox"/>
	Select date			<input type="checkbox"/>
	Select date			<input type="checkbox"/>
If negative impacts remain, please provide an explanation below.				
There should be no negative impacts.				
Completed by:	Jenny Collins			
Date	15 Jun 2023			

Signed off by:	Richard Sealy
Date	15 Jun 2023
Equality Lead sign off name:	Tom Rutland
Equality Lead sign off date:	15 Jun 2023
To be reviewed by: (officer name)	Jenny Collins & Alison Hann
Review date:	30 Sep 2023

APPENDIX A

Somerset Councils

Council Tax Discounts for Flooded Homes (May 2023) Policy

Introduction & purpose of the policy

1. The purpose of this policy is to provide support to Council Tax payers where their home has been rendered uninhabitable as a result of the flash flooding on 10 May 2023 and, as a consequence, they have had to leave their home for a period of more than three days.
2. A discount of 100% will be provided in respect of the flood damaged property for the period during which it remains uninhabitable and unoccupied. This discount will be awarded for up to a maximum period of twelve months for qualifying properties.
3. The detailed qualifying criteria and claims process are detailed below.

Legislation

4. This discount is a local discount set by Somerset Council in accordance with the provisions of Section 13A 1(c) of the Local Government Finance Act 1992, as amended.

Qualifying conditions & exclusions

5. Discounts will only be awarded in respect of properties:
 - a) Which were occupied as a primary residence (i.e. as a sole or main residence) on the date of the flooding (10 May 2023);
 - b) Which have been vacated on or after 10 May 2023 for a consecutive period of three days or more because the property has been rendered uninhabitable as a result of the 10 May 2023 flooding event; and
 - c) For applications in excess of 1 month, where a written application is submitted which meets the qualifying criteria set out in section 9 below.
6. This scheme will not apply to and no discount will be awarded to flood damaged properties where:
 - a) The resident has remained in occupation of the property;

- b) The property was empty (i.e. unoccupied and substantially unfurnished) on the date of the flooding event (10 May 2023); or
 - c) The property was classed as being a 'second home' (i.e. properties which are furnished but unoccupied) for Council Tax purposes on the date of the flooding event.
7. Any determination as to whether properties are occupied, unoccupied, substantially unfurnished etc. will be made in accordance with the definitions and case law used in relation to the wider Council Tax legislation.

Initial awards – the triage stage

8. Initial awards of 100% will be made for a period of one month upon receipt of confirmation from affected Council Tax payers via a verbal or written application that they meet the criteria set out in section 5 a) and b) above.

Longer term applications & awards

9. Applications for awards in excess of one month must be made in writing and must:
- a) Confirm that the applicant(s) meet the primary residence criteria set out in section 5 a) above;
 - b) Confirm that the property remains uninhabitable as a result of the flooding on 10 May 2023; and
 - c) Provide information and evidence to explain why the property is uninhabitable. This may include factors such as:
 - i) Access to the property being severely restricted;
 - ii) Key services such as sewerage, drainage and electricity being unavailable or severely affected;
 - iii) Severe damage to the property rendering it unsafe to reside in; or
 - iv) Any other factor resulting from the flooding event which renders the property uninhabitable.
10. Applicants who qualify for a longer term award will receive a 100% discount for the period that the property remains uninhabitable as a result of flood damage and up to a maximum of twelve months.

11. The applicant must inform the council if and when they reoccupy the property prior to the expiry of the twelve month discount period. Entitlement to a discount will end upon either the date of reoccupation or after twelve months depending on which is the earlier date.

Appeals

12. Appeals can be made in respect of any decision taken regarding the award or non-award of a discount under this policy.
13. The initial 'first stage appeal' should be made in writing to the Revenues and Benefits Service and should explain why the appellant believes the decision is incorrect. Supporting evidence should be provided where relevant. First stage appeals will be considered and responded to by a case officer or specialist.
14. Where the appellant is not satisfied following the completion and response to the first stage appeal, they may request a further 'second stage appeal'. This request must be made in writing to Somerset Council and should provide any additional relevant information. Second stage appeals will be considered and responded to by a senior officer within the Revenues and Benefits Service.
15. The Council will aim to respond to all appeals within 14 days. However, where the appeal is complex and / or more information is required, more time may be required.
16. Where, following the completion of the second stage appeal, the appellant remains unsatisfied with the response, they may submit an appeal to the Valuation Tribunal Service at:

Address: 2nd Floor, 120 Leaman Street, London, E1 8EU

E-mail: appeals@valuationtribunal.gov.uk

Telephone: 0303 445 8100

Appellants are advised to contact the Valuation Tribunal Service before submitting any appeal.