

# CABINET MINUTES

## 22 NOVEMBER 2012

**Chairman:** \* Councillor Thaya Idaikkadar

**Councillors:**

|                   |                   |
|-------------------|-------------------|
| * Bob Currie      | * Phillip O'Dell  |
| * Margaret Davine | * David Perry     |
| * Keith Ferry     | * Sachin Shah     |
| * Mitzi Green     | * Bill Stephenson |
| † Graham Henson   |                   |

**In attendance:  
(Councillors)**

|                         |            |
|-------------------------|------------|
| Husain Akhtar           | Minute 529 |
| Marilyn Ashton          | Minute 529 |
| Susan Hall              | Minute 529 |
| Barry Macleod-Cullinane | Minute 529 |
| Paul Osborn             | Minute 529 |

\* Denotes Member present  
† Denotes apologies received

### RECOMMENDED ITEMS

**532. Key Decision: Technical Reforms of Council Tax Discounts and Exemptions**

Cabinet received a report of the Corporate Director of resources, setting out proposals for Harrow to change its policy with regard to discounts and exemptions currently available to Council Tax payers following legislative changes set in the Local Government Finance Act 2012.

The Portfolio Holder for Finance outlined the proposals that would help raise revenue from 1 April 2013, as follows:

- second home discount of 10% to be amended to 0%;

- changing responsibility of liability for Council Tax on homes that had been re-possessed. This would allow the Council to charge the mortgagee in possession rather than allow a Council Tax exemption;
- abolish exemptions for unoccupied dwellings;
- charging 50% premium on top of the Council Tax on long term empty properties.

The Portfolio Holder for Finance added that the revenue raised would be used to provide services for the needy. He was also of the view that some of the proposals would help reduce crime and disorder.

The Portfolio Holder for Business Transformation and Communications welcomed the legislative changes and was briefed on the number of properties in Harrow that the measures would apply to, which he considered to be considerable. He supported the proposals.

**Resolved to RECOMMEND:** (to Council)

That the discounts and exemptions, as set out in the detailed proposals and summarised in table A, be changed with effect from 1 April 2013.

**Reason for Decision:** Agreeing the proposed changes to Council Tax discounts/exemptions would result in Harrow generating an extra £1.1m in Council Tax revenue through the application of removal of discounts or exemptions, or the application of a premium on empty homes. The proposals would mean that Harrow, and the major preceptors, would benefit from an increase in Council Tax revenue without Council Tax being increased. This would maximise tax take and support the Council's financial priorities. Harrow's share would be 80% with 20% going to the preceptors (GLA, Fire and Police Authorities).

**Alternative Options considered and rejected:** As set out in the officer's report.

**Conflict of Interest relating to the matter declared by Cabinet Member / Dispensation granted:** None.

*[Call-in does not apply as the decision is reserved to Council.]*

(Note: The meeting, having commenced at 7.31 pm, closed at 9.15 pm).

(Signed) COUNCILLOR THAYA IDAIKKADAR  
Chairman

