

REPORT OF **Customer Support Manager**
To: **Community & Resources**
Subject: **Business Rates Retail Discount Policy**
Date: **14th January 2019**

Reference:

<p>1. PURPOSE OF REPORT: To request Members approval of a Policy for Business Rate Retail Discount</p>

1. INTRODUCTION

In the Budget on 29 October 2018 the government announced a business rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 for the financial years 2019-20 and 2020-21.

The value of discount will be one third of the bill, and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. Where an authority applies a locally funded relief, for instance a hardship fund, under section 47 this must be applied after the Retail Discount.

As this relief is for 2019-20 and 2020-21 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. This report sets out Torridge District Council's proposed policy for approval. It should be noted this policy is in line with government guidance.

The government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects the Council to apply and grant relief to qualifying ratepayers from the 1 April 2019.

2. REPORT

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as retail establishments.

The list set out in the attached policy is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide as to the types of uses that Government considers for this purpose to be retail. Business Rates Officers would use this list to determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed would not be eligible for the relief.

The Business Rate Team has undertaken a preliminary analysis of hereditaments they believe fulfil the criteria set out by Government. Of those retail hereditaments that pay Business Rates, we have identified 194 businesses that may benefit from this relief which based on the 2018/19 data is equivalent to circa £500,000. These businesses will receive the relief on their 2019/20 and 20/21 Annual Bills and will be asked to complete a declaration to confirm they are eligible under State Aid Regulations.



3. IMPLICATIONS

Legal Implications

The Council is required to have an approved local policy to administer retail relief.

Financial Implications

The council will be reimbursed for this relief.

Human Resources Implications

None

Sustainability/Biodiversity Implications

None

Equality/Diversity

The government has issued guidance and specified the type of businesses that may benefit from this relief.

Risk Management

None.

Compliance with Policies and Strategies

The proposals within this report comply with the guidance issued by central government.

Data Protection (GDPR) implications

Only data that is required to provide the service is collected, processed and retained in accordance with our data processing and retention schedules.

Ward Member and Leader Member Views

Cllr David Hurley (Lead Member Customer Support & Resources) 18 December 2018

I believe that any assistance that can be given to beleaguered businesses in today's harsh financial climate should be welcomed. The financial support in this instance not only helps local business but is cost neutral as the Government will reimburse this Council for any awards that are made. I therefore fully support this report and the recommendations contained within it.

4. CONCLUSIONS

The retail relief referred to in this report is designed to support those businesses that have been impacted by changing consumer behaviours. The attached policy will ensure that relief is issued in accordance with government guidance.

5. RECOMMENDATIONS

It is recommended that Members approve the attached policy in order that we comply with government advice and are able to award the relief to those businesses identified for the financial years 2019/20 & 2020/21.



SUPPORTING INFORMATION

Consultations:

Contact Officer: Karina Baird – NNDR & Income Team Leader

Background Papers: None

