

29 January 2020

Report of	Assistant Director of Customer	Author	Sam Preston ☎ 282707
Title	Business Rates Relief Policy 2020		
Wards affected	All wards		

1. Executive Summary

- 1.1 The Council's Business Rates Relief Policy sets out how legislative powers will be used to award mandatory and discretionary business rate relief. A new policy has been drafted for 2020 which sets out the criteria for the various reliefs available.
- 1.2 The proposed changes from the previous policy are minimal, with more focus on improving the accessibility for businesses to understand their eligibility and ease of application.

2. Recommended Decision

- 2.1 To adopt the Business Rates Relief Policy 2020-25.
- 2.2 To conduct an annual review of the Business Rates Relief Policy.

3. Reason for Recommended Decision

- 3.1 The policy has been designed to maximise the benefit of any government funded reliefs locally, this will enable the Business Rates Team to proactively award relief if a business meets the minimum criteria as set by government.
- 3.2 The policy provides discretionary relief whilst balancing the cost of relief locally against funding needed to support local services. In addition a new criteria for discretionary relief seeks to support the Councils strategic objectives by incentivising businesses to become carbon neutral.

4. Alternative Options

- 4.1 To reject or amend the proposed policy.

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5. Background Information

- 5.1 The Council has various powers to award relief to local businesses which can be split into the following categories:

Mandatory Relief: Fully funded by government with specified criteria for award. The Council has limited discretion and must follow the relevant legislation.

Discretionary Relief: Mixed funded by government, local authorities and local precepts. The Council has local discretion but is sometimes given guidance on overarching criteria or how applications should be assessed.

Temporary Relief: Fully funded by government with specified criteria but with some local discretion. The government normally announce these reliefs during the Autumn and Spring Statements with specific aims to support businesses.

- 5.2 The Council's existing Discretionary Relief Policy was adopted in 2015 for a 5 year period. The table below sets out the value of reliefs awarded in 2019/20 under the current policy:

	Type of Relief	Number of Properties	Value
Mandatory Relief	Charitable Relief	332	£6,815,172
	Rural Relief	7	£11,429
	Small Business Relief	2,826	£6,045,654
	Empty Property Relief	562	£1,306,215
	Part Occupation Relief	1	£5,705
Discretionary Relief	Charitable Top up	172	£258,028
	Hardship	1	£3,544
Temporary Relief	Retail Discount	499	£1,257,912
	Newspaper Relief	1	£1,500

- 5.3 We should assume that value of awards under the new policy would be very similar to the figures above, although this does depend on any changes to the business economy within the borough.
- 5.4 The new proposed policy has been designed to make the individual criteria for each relief clear for local businesses. Although the basic criteria is set out within the policy, the overarching principle is that we will always follow any relevant legislative criteria or that set out within government guidance.
- 5.5 Businesses will be required to reapply for Discretionary Relief for 2020/21. Temporary and mandatory reliefs will be automatically applied where possible. In order to ensure compliance for relief awards, the Business Rates Team will conduct regular reviews to ensure eligibility or identify changes to circumstances.

6. Equality, Diversity and Human Rights implications

- 6.1 The policy does not specifically impact on individuals, however it does set out support provided for charitable organisations, which may in turn support local people with protected characteristics.
- 6.2 An Equality Impact Assessment has been completed and will be available on the Councils website.

7. Standard References

- 7.1 There are no particular references to; consultation or; community safety; health and safety or risk management implications.

8. Strategic Plan References

- 8.1 The policy supports the Council's Strategic Priorities for Growth and Opportunity.

9. Publicity Considerations

- 9.1 Businesses affected will be contacted directly and where necessary will be asked to submit a new application form for relief. Information on all reliefs available will be available through the Council's website.
- 9.2 In order to make it as simple as possible for businesses, the Council is developing a chat bot which will help customers to understand if they are eligible for any type of relief. It is planned that this will launch prior to businesses being invited to reapply for relief.

10. Financial implications

- 10.1 The funding for different types of relief is set out within the policy. Some types of relief have a direct impact on income to the Council. Although it is not possible to calculate the exact cost of the proposed relief, we should assume that there will be very little change to the costs in 2019/20.
- 10.2 The introduction of discretionary relief for carbon neutral businesses will have a direct impact on Council finances, however it is expected that this will be minimal. The annual review of the policy will ensure that the Council can closely manage any impact on collection, amending the relief amount if necessary.

11. Environmental and Sustainability Implications

- 11.1 In order to encourage and support businesses to improve their environmental impact, the new policy offers a 20% relief for businesses which are certified carbon neutral and have a Rateable Value of under £50,000.

Appendices

Business Rates Relief Policy 2020 – 2025.