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WEST DEVON HUB COMMITTEE - TUESDAY, 18TH FEBRUARY, 2014

Agenda, Reports and Minutes for the meeting

Agenda No Item

1. **Agenda Letter** (Pages 1 - 4)

2. **Reports**

Reports to Resources:

a) Item 4 - Business Rates Retail Relief (Pages 5 - 24)

3. **Minutes** (Pages 25 - 26)

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Agenda Item 1

A G E N D A – SPECIAL RESOURCES COMMITTEE – 18th FEBRUARY 2014

PART ONE – OPEN COMMITTEE

1. **Apologies for absence**

2. **Declarations of Interest**

Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting.

If Councillors have any questions relating to predetermination, bias or interests in items on this Agenda, then please contact the Monitoring Officer in advance of the meeting.

3. **Items Requiring Urgent Attention**

To consider those items which, in the opinion of the Chairman, should be considered by the Meeting as matters of urgency (if any).

Page

4. **Business Rates Retail Relief**

Report of the Head of ICT and Customer Services

1

PART TWO ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PUBLIC AND PRESS ON THE GROUNDS THAT EXEMPT INFORMATION IS LIKELY TO BE DISCLOSED (if any).

If any, the Committee is recommended to pass the following resolution:

“**RESOLVED** that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the Meeting on the grounds that exempt information may be disclosed as defined in the paragraphs given in Part I of Schedule 12A to the Act”.

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STRATEGIC RISK ASSESSMENT

Reports to Members

Members will be aware of the requirement to take account of strategic risk in decision making. This note is designed to support Members consider strategic risks as part of the assessment of reports from officers.

There are an increasing number of issues that we have a statutory requirement to take into account which affect all aspects of the Council's policies and service delivery (e.g. Human Rights Act). There are also discretionary issues we choose to highlight in our reports (e.g. Financial Implications, and Impact on Council Priorities and Targets). Common Law duty requires Local Authorities to take into account all things they need to take into account! The Courts hearing Judicial Review applications make this their starting point in deciding whether any decision is reasonable.

Officers have a responsibility to assess the implications of recommendations to Members. Members should ensure that before making a decision they have undertaken a similar consideration relating to the risks associated with the report.

Examples of risk to be considered:-

Statutory Requirement :

- Equalities and Discrimination, particularly Race Equality. (Consider the impact on each of the following equality areas: Race, Religion and Belief, Gender, Sexual Orientation, Disability, Age)
- Human Rights
- Crime and Disorder
- Health and Safety
- Employment Legislation
- Data Protection
- Freedom of Information
- Corporate activity with an impact on Areas of Outstanding Natural Beauty, National Parks, Sites of Special Scientific Interest, and biodiversity

Corporate Requirement :

- Impact on Council's Reputation
- Impact on Priorities, Cross-Cutting themes, Targets and / or Commitments
- Impact on Standing Orders / Financial Regulations
- Impact on Council's Assets
- Financial Risks
- Compliance with National Policies and Guidance
- Impact on Sustainability

Members' attention is drawn to the Risk Assessment section within each report. Members are encouraged to consider whether the report has satisfactorily identified all likely negative impacts and mitigating action that will be taken. Members also need to consider the opportunities presented by actions, noting that any change entails an element of risk. The challenge is to effectively manage that risk.

RISK SCORING MATRIX

Impact/Severity		Target impact	Stakeholder impact	Finance impact
1	Insignificant	Low impact on outcome & target achievement & service delivery	Low stakeholder concern	Low financial risk
2	Minor	Minor impact on outcome & target achievement & service delivery	Minor stakeholder concern	Minor financial risk
3	Moderate	Moderate outcome & target achievement & service delivery	Moderate stakeholder concern	Moderate financial risk
4	Serious	High impact on outcome & target achievement & service delivery	High stakeholder concern	High financial risk
5	Very serious	Very high impact on outcome & target achievement & service delivery	Very high stakeholder concern	Very high financial risk
Likelihood/Probability		Risk	Opportunity	
1	Very low	Negligible chance of occurrence; has not occurred	Possible opportunity yet to be investigated with low likelihood of success	
2	Low	Low chance of occurrence; has occurred infrequently but within internal control	Opportunity being investigated with low likelihood of success	
3	Medium	Equal chance of occurrence or non occurrence; could occur more than once and be difficult to control due to external influences	Opportunity may be achievable with careful management	
4	High	More likely to occur than not occur; has occurred more than once and difficult to control due to external influences	Good opportunity which may be realised	
5	Very high	Very high chance of occurrence but not a certainty; has occurred recently	Clear reliable opportunity with reasonable certainty of achievement	

Risk score = Impact/Severity x Likelihood/Probability

Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
	0	1	2	3	4	5
Impact						

AGENDA
ITEM

4

WEST DEVON BOROUGH COUNCIL

AGENDA
ITEM

4

NAME OF COMMITTEE	Resources Committee
DATE	18 February 2014
REPORT TITLE	Business Rates Retail Relief
Report of	Darren Cole, Head of ICT & Customer Services
WARDS AFFECTED	All

Summary of report:

This report provides details of the Retail Relief scheme announced in the Autumn Statement based on the guidance received in February 2014.

Financial implications:

Central Government will reimburse billing authorities 100% of the Retail Relief awarded within the definitions outlined appendix A of this report. There is no financial provision for the administration of the new arrangements and therefore it is suggested that a 'light touch' process is introduced that achieves the objective of supporting local businesses within the constraints of the national guidance.

RECOMMENDATIONS:

It is recommended that Council be requested to:

1. agree to provide the Retail Relief scheme for 2014/15 and 2015/16 in accordance with Central Government guidance to support local businesses;
2. authorise the Head of Service in consultation with the Chairman of Resources Committee to decide on the details of the application and determination process; and,
3. consider if registered charities should receive Retail Relief on top of the existing rate reliefs already available.

Officer contact: Darren Cole, Head of ICT & Customer Services
Darren.Cole@swdevon.gov.uk, 01803 861200, 07785 294859

1. BACKGROUND

- 1.1 Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1,000 in each of the years 2014/15 and 2015-16 to all occupied retail properties with a rateable value of £50,000 or less.
- 1.2 Details of how local authorities should administer the scheme were issued on 3 February 2014. The decision to apply the scheme is discretionary for each local authority. If adopted the relief needs to be incorporated in the business rates bills issued in early March, hence the need for this report to be discussed as a matter of urgency with a recommendation to Council.
- 1.3 The relief is to recognise that the retail sector is changing, particularly due to internet shopping and many towns and high streets are experiencing challenges as they look to adapt to changing consumer preferences in how people shop. The Government wishes to support town centres by providing particular support to retailers.
- 1.5 Many small businesses in West Devon with a rateable value of under £15,000 receive Small Business Rates Relief of up to 100%. There is no restriction placed on the use of the premises in order to receive Small Business Rates Relief.

2. ISSUES FOR CONSIDERATION

- 2.1 Properties that will benefit from the relief will be occupied premises with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.
- 2.2 The guidance does not directly define the application process but due to the very tight timescale and available resources, a light touch approach process would seem appropriate.
- 2.3 Government has issued guidance on what it considers shops, restaurants, cafes and drinking establishments to mean, details of the definitions can be found in Appendix A.
- 2.4 The list contained in Appendix A is not intended to be exhaustive and authorities have the discretion to determine whether particular properties not listed are broadly similar in nature and therefore eligible for the relief. This will need to be an evolving process with additional uses dealt with on a case by case basis, hence the recommendation for delegated powers to address such cases as they arise.
- 2.5 For West Devon there are estimated to be 400 premises that may qualify for retail relief, thereby reducing the collectable debt by up to £400,000.
- 2.6 Government has also set out types of uses that should not qualify for the relief, these being:
 - Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)

- Other services (e.g. estate agents, letting agents, employment agencies)
 - Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
 - Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
 - Post office sorting office
- 2.7 Retail Relief will be awarded after all other statutory reliefs have been awarded. In the case of registered charities, they receive 80% Mandatory Rate Relief from their business rates and can apply to West Devon for a further Discretionary Rate Relief of up to 20%.
- 2.8 The current West Devon Discretionary Rate Relief policy for Charities states:
1. If the Charity provides no local service then no discretionary relief is awarded.
 2. If the Charity has significance in the Borough with reference to the amount of local people benefiting from the Charity's activities, or if the Charity contributes towards a corporate priority or assists the Council to provide a statutory service, then full (20%) relief is to be given.
 3. If the Charity partly satisfies the attributes in 2 above, then 10% relief can be awarded.
- 2.9 Members may wish to exclude registered charities from the Retail Relief scheme due to the Mandatory and Discretionary Reliefs already in place. Members alternatively may wish to use Retail Relief as an opportunity to amend the Discretionary Rate Relief policy for 2014/15 and 2015/16 so that charities receiving Retail Relief will not qualify for any Discretionary Rate Relief.
- 2.10 Retail Relief can be applied to every qualifying premises therefore multiple premises owned by the same ratepayer will receive Retail Relief as long as the use of the premises qualifies, subject to State Aid de minimis limits.
- 2.11 State Aid can occur whenever state resources are used to provide assistance that gives organisations an advantage over others. De minimis aid is used to describe small amounts of state aid that do not require European Commission approval. The total de minimis aid which can be given to a single recipient is €200,000 over a 3-year fiscal period.
- 2.12 The implication of State Aid de minimis limit is particularly relevant to those premises that are part of a large retail chain, including charities, where the cumulative total of Retail Relief received could exceed €200,000. Further advice is being sought regarding this issue as applications for large retail chains may need to be dealt with differently to those of local businesses.
- 2.13 Retail Relief does not affect the Business Improvement District (BID) payments being made by premises within the Tavistock BID area.

3. LEGAL IMPLICATIONS

- 3.1 Local authorities can use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant Retail Relief.

4. FINANCIAL IMPLICATIONS

- 4.1 Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions provided in Appendix A.
- 4.2 Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for 2014-15 and 2015-16.
- 4.3 There is no administration funding available to compensate the billing authority for the additional work required to implement Retail Relief.
- 4.4 There may be savings from reduced demand on the Discretionary Rate Relief Scheme for 2014/15 and 2015/16, however since the introduction of the Business Rates Retention Scheme on 1 April 2013 any Discretionary Rate Relief awarded will be managed as part of the Council's Collection Fund arrangements and not subject to its own budget.

5. RISK MANAGEMENT

- 5.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

6. OTHER CONSIDERATIONS

Corporate priorities engaged:	Economy, Community Life
Statutory powers:	As detailed in the Legal Implications of this report
Considerations of equality and human rights:	Equality and human rights considerations made.
Biodiversity considerations:	There are no biodiversity considerations
Sustainability considerations:	This report shows considerations to the sustainability of our town centres and economic growth and prosperity of the district.
Crime and disorder implications:	There are no crime and disorder implications
Background papers:	Autumn Statement 5 December 2013 State Aid de minimis limits
Appendices attached:	Appendix A Business Rates Retail Relief Guidance

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Economy	Opportunity to support local business during difficult economic times	Failure to show support, risk to reputation	Low	2	↔	Recommendation to proceed with Retail Relief scheme and promote good new story through media	Head of ICT & CS
2	Capacity	Additional workload in very short notice period at busiest time of the year for Revenues staff	Possible errors made in year end billing process	Low	2	↔	Adopt an easy to administer scheme that awards the relief to qualifying premises with the need to apply.	Head of ICT & CS

Page 9

Direction of travel symbols ↓ ↑ ↔

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Department for
Communities and
Local Government

Business Rates

Retail Relief – Guidance

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Contents

About this guidance	4
Introduction	4
Section 1	
How will the relief be provided?	5
Which properties will benefit from the relief?	5
How much relief will be available?	7
State Aid	8
Splits, mergers and changes to existing hereditaments	8
How will the relief work in Enterprise Zones?	9
Section 2	
Calculation examples for 2014-15	10
Section 3	
State Aid	12

Business Rates Retail Relief – Guidance

About this guidance

1. This guidance is intended to support local authorities in administering the “Retail Relief” announced in the Autumn Statement on 5 December 2013. This Guidance applies to England only.
2. This guidance sets out the detailed criteria which central Government will use to determine funding relief for retail properties. The Guidance does not replace existing legislation on retail properties or any other relief.
3. Enquiries on this measure should be addressed to:
ndr@communities.gsi.gov.uk

Introduction

4. The retail sector is changing, particularly due to internet shopping, and many high streets are experiencing challenges as they look to adapt to changing consumer preferences in how people shop. The Government wishes to support town centres in their response by providing particular support to retailers.
5. The Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16.
6. This document provides guidance to authorities about the operation and delivery of the policy. Government anticipates that local authorities will include details of the relief to be provided to eligible ratepayers for 2014-15 in their bills for the beginning of that year.

Section 1:

Retail Relief

How will the relief be provided?

7. As this is a measure for 2014-15 and 2015-16 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 decide in each individual case when to grant relief under section 47. Central 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 local government to grant relief to qualifying ratepayers.
8. Central government will reimburse billing authorities and those major precepting authorities within the rates retention system for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in their National Non Domestic Rate Return 1 (NNDR1) for 2014-15 and 2015-16. Central government will provide payments of the local authorities' share to authorities over the course of the relevant years.

Which properties will benefit from relief?

9. Properties that will benefit from the relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.
10. We consider shops, restaurants, cafes and drinking establishments to mean:
 - i. **Hereditaments that are being used for the sale of goods to visiting members of the public:**
 - Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc)
 - Charity shops
 - Opticians
 - Post offices
 - Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
 - Car/ caravan show rooms
 - Second hand car lots

- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

11. To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
12. The list set out above 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 for authorities as to the types of uses that government considers for this purpose to be retail. Authorities should 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 above should not be eligible for the relief.
13. As the grant of the relief is discretionary, authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would

go against the authority's wider objectives for the local area. We would encourage councillors to be consulted on the final scheme that the local authority adopts, so there is a clear line of accountability in case of a dispute on the final local scheme that is adopted.

14. The list below sets out the types of uses that government does not consider to be retail use for the purpose of this relief. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

i. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting office

ii. Hereditaments that are not reasonably accessible to visiting members of the public

How much relief will be available?

15. The total amount of government-funded relief available for each property for each of the years under this scheme is £1,000. The amount does not vary with rateable value and there is no taper. There is no relief available under this scheme for properties with a rateable value of more than £50,000. Of course, councils may use their discretionary powers to offer further discounts outside this scheme (and under local rate retention, 50 per cent of the cost would be locally funded and 50 per cent funded by central government).

16. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a particular hereditament in the financial year:

$$\text{Amount of relief to be granted} = \text{£}1000 \times \frac{A}{B}$$

Where:

A is the number of days in the financial year that the hereditament is eligible for relief; and

B is the number of days in the financial year

17. The relief will be applied against the net bill after all other reliefs.

18. Where the net rate liability for the day after all other reliefs but before retail relief is less than the retail relief, the maximum amount of this relief will be no more than the value of the net rate liability. This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
19. Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid de minimis limits.

State Aid

20. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However Retail Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)¹.
21. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2)²) and the requirement to convert the aid into Euros³.
22. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Section 3 of this guidance contains a sample De Minimis declaration which local authorities may wish to use. Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance⁴.

Splits, mergers, and changes to existing hereditaments

23. The relief should be applied on a day to day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, should be considered afresh for the relief on that day.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

² The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf

³ http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm

⁴ Detailed State Aid guidance can also be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

How will the relief work in Enterprise Zones?

24. Where a property is eligible for Enterprise Zone relief, that relief should be granted and this will be funded under the rates retention scheme by a deduction from the central share. If a property in an Enterprise Zone is not eligible for Enterprise Zone relief, or that relief has ended, Retail Relief may be granted in the normal way, and this would be reimbursed by grant under section 31 of the Local Government Act 2003. Local authorities should not claim funding for retail relief on properties which would otherwise qualify for Enterprise Zone government funded relief.

Section 2 – Calculation examples for 2014-15

Example 1 – An occupied shoe shop with a rateable value of £40,000

Rateable Value = £40,000

Rates due (excluding any reliefs) = £40,000 x 0.482 = £19,280

Minus 12 months retail relief = £19,280 - £1,000 = £18,280

Rates due (including retail relief) = **£18,280**

Example 2 – A shoe shop with a rateable value of £40,000 that is unoccupied between 1 April 2014 and 30 September 2014 and is then occupied until 31 March 2015.

Rateable Value = £40,000

Rates due (excluding any reliefs) = £40,000 x 0.482 = £19,280

Minus 3 months (no empty rates payable) = £40,000 x 0.482 x $\frac{91}{365}$ = £4,806.79

Minus 6 months retail relief (01/10/14-31/03/15) = £1,000 x $\frac{182}{365}$ = £498.63

Total due for year = **£13,974.58**

Example 3 – An occupied shoe shop with a rateable value of £10,000 that is in receipt of small business rate relief of £1,554 per year.

Rateable Value = £10,000

Rates due (excluding any reliefs) = £10,000 x 0.471 = £4,710

Minus small business rate relief of 33% = £4,710 - £1,554 = £3,156

Minus 12 months retail relief = £3,156 - £1,000 = £2,156

Rates due (including all reliefs) = **£2,156**

Example 4 – An occupied charity shop with a rateable value of £10,000 that is in receipt of mandatory charitable rate relief

Rateable Value = £10,000

Rates due (excluding any reliefs) = £10,000 x 0.471 = £4,710

Minus charitable rate relief of 80% = £4,710 - £3,768 = £942

Minus 12 months retail relief = £942 - £942 (max relief allowable) = £0

Rates due (including all reliefs) = **£0**

Example 5 – A shoe shop with a rateable value of £30,000 that has occupied premises previously used as a jewellers shop that was empty for more than 12 months immediately prior to occupation.

Rateable Value = £30,000

Rates due (excluding any reliefs) = £30,000 x 0.482 = £14,460

Minus reoccupation relief of 50% = £14,460 - £7,230 = £7,230

Minus 12 months retail relief = £7,230 - £1,000 = £6,230

Rates due (including all reliefs) = **£6,230**

Section 3 – State Aid

Sample paragraphs that could be included in letters to ratepayers for 2014-15 about Retail Relief

The Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16. Your current rates bill includes this Retail Relief for 2014-15.

Awards such as Retail Relief are required to comply with the EU law on State Aid⁵. In this case, this involves returning the attached declaration to this authority if you have received any other De Minimis State Aid, including any other Retail Relief you are being granted for premises other than the one to which this bill and letter relates, and confirming that the award of Retail Relief does not exceed the €200,000 an undertaking⁶ can receive under the De Minimis Regulations EC 1407/2013.

Please complete the declaration and return it to the address above. In terms of declaring previous De Minimis aid, we are only interested in public support which is De Minimis aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

If you have not received any other De Minimis State Aid, including any other Retail Relief you are being granted for premises other than the one to which this bill and letter relates, you do not need to complete or return the declaration.

If you wish to refuse to receive the Retail Relief granted in relation to the premises to which this bill and letter relates, please complete the attached form and return it to the address above. You do not need to complete the declaration. This may be particularly relevant to those premises that are part of a large retail chain, where the cumulative total of Retail Relief received could exceed €200,000.

Under the European Commission rules, you must retain this letter for 3 years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than 3 years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on 'De Minimis' aid for the next three years.

⁵.Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

⁶ An undertaking is an entity which is engaged in economic activity. This means that it puts goods or services on a given market. The important thing is what the entity does, not its status. Thus a charity or not for profit company can be undertakings if they are involved in economic activities. A single undertaking will normally encompass the business group rather than a single company within a group. Article 2.2 of the de minimis Regulations (Commission Regulation EC/ 1407/2013) defines the meaning of 'single undertaking'.

'DE MINIMIS' DECLARATION

Dear []

BUSINESS RATES ACCOUNT NUMBER: _____

The value of the business rates retail relief to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State Aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of De Minimis aid within the current financial year or the previous two financial years). The De Minimis Regulations 1407/2013(as published in the Official Journal of the European Union L352 24.12.2013) can be downloaded at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>.

Please list all previously received De Minimis aid below, including the total amount of this and any other Retail Relief you are being granted.

Amount of De Minimis aid	Date of aid	Organisation providing aid	Nature of aid
€	1 April 2014 – 31 March 2015	Local authorities (for the Retail Relief total you do not need to specify the names of individual authorities)	Retail Relief

I confirm that:

- 1) I am authorised to sign on behalf of _____[name of undertaking]; and
- 2) _____[name of undertaking] shall not exceed its De Minimis threshold by accepting this Retail Relief.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

REFUSAL OF RETAIL RELIEF FORM

Name and address of premises	Business rates account number	Amount of Retail Relief

I confirm that I wish to refuse Retail Relief in relation to the above premises.

I confirm that I am authorised to sign on behalf of _____ [name of undertaking].

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

Agenda Item 3

At a Meeting of the **RESOURCES COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **18th** day of **FEBRUARY 2014** at **11.30am**

Present: Cllr P R Sanders – Chairman
Cllr R E Baldwin – Vice-Chairman
Cllr S C Bailey Cllr W G Cann OBE
Cllr C M Marsh Cllr C R Musgrave
Cllr T G Pearce

Substitute: Cllr A F Leech for Cllr T J Hill
Cllr J Sheldon for Cllr J R McInnes
Cllr M J R Benson for Cllr P J Ridgers

In attendance: Cllr A Clish Green Cllr D Cloke
Cllr J B Moody Cllr N Morgan
Cllr D Whitcomb

Head of ICT and Customer Services
Chief Revenue Accountant
Member Services Manager

***RC 38 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr E H Sherrell. Apologies were also received from Cllr T J Hill (Cllr A F Leech substituted), Cllr J R McInnes (Cllr J Sheldon substituted) and Cllr P J Ridgers (Cllr M J R Benson substituted).

***RC 39 DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be discussed. At this point the Monitoring Officer was invited to provide clarity for Members who held the position of Trustee for other organisations. The Monitoring Officer advised that the position of Trustee would not ordinarily require a declaration of a disclosable pecuniary interest, however, this would depend on the precise role that each Trustee undertook, and it was likely that a personal interest should be declared as membership of another body. In each case, the member must decide how to declare their interest.

Following this advice, the following declarations were made:

Cllr C Marsh declared a personal interest as a trustee of OCRA;
Cllr A F Leech declared a personal interest as a trustee of Dartmoor Life Museum and a trustee of the Ockment Centre;
Cllr T G Pearce declared a personal interest as a trustee of the Coronation Hall at Mary Tavy; and
Cllr W G Cann OBE declared a personal interest as a trustee and Chairman of the Village Hall Committee at South Zeal.
All Members, having declared their interests, remained in the meeting and took part in the debate and vote thereon.

BUSINESS RATES RETAIL RELIEF

The Chairman presented a report of the Head of ICT and Customer Services that provided details of the Retail Relief scheme announced in the Autumn Statement based on the guidance received in February 2014.

The Head of ICT and Customer Services set out the detail of the report. Each Local Authority had to agree to apply the relief. 100% of the relief awarded would be reimbursed by Central Government. There would be a saving to the Council from applying the relief, however Members would need to decide whether to apply a blanket relief, particularly in relation to charity shops, some of whom currently qualified for discretionary relief whilst others did not. Whilst there may be concerns in allowing relief to 'national' charities, they were subject to a state aid de minimis limit and it was their responsibility to declare once they had reached that limit.

Members raised some concerns that a blanket relief would support large chains, when they particularly wanted to support small local businesses. However the relief would only apply to qualifying business premises with a rateable value of less than £50,000. One Member felt that this relief may help some chains to keep smaller shops in more rural locations open, so should be supported in full. In respect of charities, the Head of ICT and Customer Services advised that differentiating between charities could leave the Council open to challenge. Of 481 premises identified that could benefit from this relief, only 30 were identified as retail chains.

In terms of savings to the Council, the Head of ICT and Customer Services advised that the savings would come from not having to collect the business rates. There would also be benefits to local businesses.

During discussion, it was **PROPOSED, SECONDED** and on being put to the vote declared **CARRIED** that the first recommendation be amended to allow for a review of the scheme after the first year.

It was then **RESOLVED** that Council be **RECOMMENDED** to:

1. agree to provide the Retail Relief scheme for 2014/15, and to review the scheme prior to 2015/16, in accordance with Central Government guidance to support local businesses;
2. authorise the Head of Service in consultation with the Chairman of Resources Committee to decide on the details of the application and determination process; and
3. agree that registered charities should receive Retail Relief on top of the existing rate reliefs already available.

(The Meeting terminated at 12.45 pm)