

Report to: **Hub Committee**
Date: **18th July 2017**
Title: **Business Rates – Locally Administered Business Rate Relief Policy**
Portfolio Area: **Cllr Oxborough**
Wards Affected: **all**
Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Author: **Isabel Blake** Role: **COP Lead Housing Revenues & Benefits**

Contact: **01822 813551: Isabel.blake@swdevon.gov.uk**

Recommendations:

1. That Hub **RECOMMEND** to Full Council, that following consultation with Devon County Council, Devon & Cornwall Police & Devon & Somerset Fire Rescue the Locally Administered Business Rate Relief Policy be adopted

1. Executive summary

1.1 Members are asked to consider and recommend the policy (Appendix 1) to administer the 4 year funding agreement, awarded by central Government to support those who have seen an increase in their rates bill due to the 2017 revaluation exercise.

2. Background

2.2 As a result of the 2017 revaluation exercise, central Government allocated £300m over 4 years to help those who saw an increase in their rates bill. In West Devon the annual awards are as follows:

- 2017/18 - £112k
- 2018/19 - £54k

- 2019/20 - £22k
- 2020/21 - £3k

- 2.4 There are some conditions to the grant which can be found at point 1.3 of Appendix 1 – the locally administered Business Rate Relief policy.
- 2.5 The policy proposes to divide funding in to two separate funds. A lump sum payment to businesses that have seen an increase in their rates bill after all reliefs have been taken into account. The criteria of this award can be found at 2.2 of Appendix 1 – The Policy. The second fund concerns discretionary awards for those businesses regardless of their eligibility for the lump sum payment. These applications will be considered by the already existing Rate Relief Panel and must meet criteria set out in Appendix 1, 2.4 – The Policy.
- 2.6 The scheme will be reviewed by the end of December 2017 alongside other Business Rate Policies including a terms of reference for the Rate Relief Panel.

3. Outcomes/outputs

- 3.1 It is intended to adopt this policy as soon as possible in order that the scheme can be advertised and applications considered. This will ensure that delays are kept to a minimum.

4. Options available and consideration of risk

- 4.1 The Government will fully fund WDBC and the other preceptor Authorities their share of lost income from the awards through a grant.
- 4.2 Any relief awarded above the grant will not receive Government funding, so it is imperative the fund is closely monitored.
- 4.3 The Economy Working Group have input into this policy, and will give a verbal update on any proposed changes to this draft policy arising from their meeting on 11 July 2017.
- 4.4 All other Devon Authorities are working together to create a common framework to underpin a local policy. This is due in a matter of weeks. We will consider this framework once published and it will form part of the December policy review.

5. Proposed Way Forward

- 5.1 That Members recommend to Full Council the adoption of the Locally Administered Business Rate Relief Policy following consultation with the other preceptors.

6. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|--|---------------------------|---|
| Legal/Governance | Y | Local Government Act 1988, Section 47 |
| Financial | Y | <p>The funding for this scheme has come from central government. The 4 years of annual award are detailed in the background section</p> <p>The funding is to help businesses affected by the revaluation, however Government have agreed an additional £12k in new burdens funding to administer this scheme, the pub relief scheme and the supporting small businesses scheme, with an additional payment due once costs can be established in light of businesses receiving relief under each scheme.</p> |
| Risk | | It is an expectation by central government that each Local Authority will have scheme in place and be administering awards by the end of June 2017, and all Local Authorities have received a letter from the Minister for Local Government to this effect. |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | None |
| Safeguarding | | None |
| Community Safety, Crime and Disorder | | None |
| Health, Safety and Wellbeing | | None |
| Other implications | | |

Supporting Information

Appendices:

Appendix 1 – Locally Administered Discretionary Rate Relief Policy

