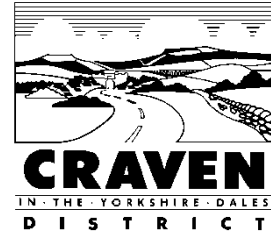


Policy Committee- 2014



National Non-Domestic Rate – Retail Relief

Report of the Corporate Head (Business Support)

Presenting Officer - Revenues, Benefits & Customer Services Manager

1. **Purpose of Report** – To adopt a policy to award ‘Retail Relief’ in accordance with the Discretionary Rate Relief powers as contained within s47 of the Local Government Finance Act 1988 (as amended).
2. **Recommendations** –That the Council adopts the policy
3. **Background**
 - 3.1 The retail sector continues to change and many town centres are experiencing challenges as they try to adapt to changing preferences in how we shop. The Government wishes to support town centres in their response by providing particular support to retailers.
 - 3.2 In the Autumn Statement of December 2013, the Government announced an intention to provide relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less. This was to be for 2 years - 2014-15 and 2015-16. Further detail was made available during the early part of 2014.
 - 3.3 The Localism Act 2011 s69 amends s47 of the Local Government Finance Act 1988. The changes came into effect from 1st April 2012 and they extend the provision relating to the granting of discretionary rate relief. Local Authorities have the power to grant discretionary retail rate relief to occupied properties with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.
 - 3.4 The total amount of relief available for each property for each of the two years under this policy is £1,000. The amount does not vary with rateable value and there is no taper. There is no relief available in respect of properties with a rateable value of more than £50,000
 - 3.5 The suggested policy adheres to government guidelines and this means that any relief awarded under this scheme will be fully re-imbursed by means of a grant under s31 of the Local Government Act 2003. The relief is a 2 year scheme and at this stage it is not anticipated that there will be any changes introduced during the life of the scheme; however, should there be any changes, it is intended that the Council’s Policy will continue to reflect Government guidelines but changes will be considered individually.

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- 3.6 The Government expects local authorities to grant relief to qualifying ratepayers and has stated that it will be 'disappointed' if councils introduce bureaucratic application procedures. To this end we intend, as far as possible, to award the relief using the information we already hold on our business rates database, minimising the need for ratepayers to complete application forms.
- 3.7 Retail relief is classed as state aid and limits apply on the amount of state aid that is allowed and so some ratepayers may be required to complete a declaration; the Council will send out the form for completion where appropriate.
- 3.8 The proposed policy is attached at Appendix A. Further details of the types of premises that will qualify for the relief are contained within.

4 **Implications –**

4.1 **Financial Implications**

There are expected to be around 750 properties which will qualify for retail relief. Not all of the properties will receive the maximum £1000, but the majority will, meaning that Craven business ratepayers will benefit from up to £700k worth of extra help. The cost of the scheme will be borne by the government, with billing authorities and major precepting authorities being reimbursed in full for the actual cost to them under the rates retention scheme.

4.2 **Legal implications**

The Guidance advises that Members should consider the awarding of relief in accordance with their powers granted under s47 of the Local Government Finance Act 1988.

4.3 **Contribution to Corporate Priorities –**

Enterprising Craven – address the impact of the recession.

4.4 **Equality Impact Assessment –**

An Equality Impact Assessment has not been carried out.

5 **Consultations with Others –**

- Financial Services
- Legal Services

6 **Background papers**

Department of Communities & Local Government – Business Rates Retail Relief Guidance January 2014

Author of the Report –

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