



Report To: Finance and Staffing Portfolio Holder
Lead Officer: Interim Chief Executive

17 January 2017

Non-Domestic Rates Discretionary Relief Policy

Purpose

1. To request that the Portfolio Holder formally adopt a revised policy for the granting of Discretionary Rate Relief to Business properties.
2. This is a key decision because it is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority, and it was first published in the November 2016 Forward Plan.

Recommendations

3. It is recommended that the Council formally adopt the “Discretionary Business Rate Relief Policy” as shown in Appendix A

Reasons for Recommendations

4. The adoption of a formal policy will ensure that billing and collection is carried out in accordance with the law and government requirements. It will benefit and support businesses who meet the criteria, whilst minimising the risk of legal challenge.

Background

5. The existing policy was adopted in October 2014 for the relevant reliefs at that time.
6. With effect from April 2016, the Council has three sites that fall within the Cambridge Compass Enterprise Zone, which are operated in partnership with the Greater Cambridge and Greater Peterborough Local Enterprise Partnership and the Department for Communities and Local Government.
7. Changes to Mandatory Rural Rate Relief were introduced by the Chancellor of the Exchequer in his Autumn Statement in November 2016, which will reduce some of the requirement for Discretionary Rural Rate Relief. However, until the relevant legislation comes into force, it is expected that Local Authorities utilise local discount powers under section 69 of the Localism Act 2011 to grant relief to eligible ratepayers
8. A new relief for Local Newspapers will also be introduced from April 2017.
9. Discounts for shops, pubs and restaurants, known as Retail Relief, is no longer applicable.

Considerations

10. The Council recognises the important role Discretionary Relief can play in the economic regeneration of the district.
11. The current policy requires amendments to cater for the Enterprise Zone sites, along with announcements that were made in the Chancellor's Autumn Statement. For comparative purposes the current policy is shown at Appendix B.
12. Within the new policy, changes to the following reliefs have been made:
 - Section 44A Relief – Partly Empty Properties. A line has been added to confirm that as all applications will be subject to an inspection visit, retrospective applications are unable to be considered
 - Rural Rate Relief – Discretionary. Amendments have been made to reflect the increased limit for mandatory relief from 50% to 100%, and to show that discretionary relief is able to be considered on properties where the Rateable Value exceeds £12,500 but is less than £16,500 and the "rural" criteria has been met.
 - Discounts for Shops, Pubs and Restaurants – Retail Relief. This section has been removed from the policy
 - Re-Occupation Relief. This section has been removed from the policy
 - Section 69 / Section 47 – Local Discretion. A paragraph has been added to reflect that from time to time these local powers may be used to implement a new national relief prior to the relevant legislation being passed.
 - Enterprise Zone Relief. A new relief has been added to reflect the Council's three Enterprise Zone sites.
 - Local Newspapers' Relief. A section has been added to accommodate this new relief that will be introduced from April 2017.

Some amendments have also been made to the introduction of the policy to reflect the changes above.

Options

13. Adopting the policy will provide additional support the business in the District, and ensure that the Council is meeting government requirements

Implications

14. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

15. The changes introduced within this policy around Enterprise Zones, Rural Rate Relief and Local Newspapers will all be funded by central government, with the income from Business Rates on Enterprise Zones being shared on a percentage basis with the Greater Cambridge and Greater Peterborough Local Enterprise Partnership. There have been no changes to the limits that were already set out within the policy.

Legal

16. The award of rate relief is beneficial to local businesses and the adoption of a formal policy reduces the risk of legal challenge.

Equality and Diversity

17. We ensure that revenue billing and collection are delivered in a fair and consistent manner to all members of the community.

Consultation responses (including from the Youth Council)

18. None.

Effect on Strategic Aims

Aim 1 – Connected Communities

19. Discretionary Rate Relief supports local businesses to continue to operate and provide employment within communities across the district.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Report Author: Katie Brown- Revenues Manager
Telephone: (01954) 713335