

**REPORT TO:** Peter Maddock –  
Head of Finance

27<sup>th</sup> March 2020

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## **Discretionary Business Rate Relief Policy**

### **Executive Summary**

1. The purpose of this report is to request that the Head for Finance formally adopt a revised policy for the granting of Discretionary Rate Relief to Business properties.
2. Changes to reliefs have been made by central Government in response to the coronavirus, COVID-19 emergency, and so the Council's policy requires updates accordingly.

### **Key Decision**

3. This is a key decision because it could be 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.
4. An Urgent Exception Notice was published on 26<sup>th</sup> March 2020, with the consent of the Chair of the Scrutiny Committee, to allow the decision to be taken.

### **Recommendations**

5. It is recommended that the Head of Finance formally adopts the revised policy "Discretionary Business Rate Relief Policy" as shown in Appendix A.

### **Reasons for Recommendations**

6. The Government has confirmed changes to reliefs in response to the Covid-19 emergency, and so the policy requires updating to reflect these changes.
7. The adoption of a formal policy ensures 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

### **Details**

8. The Government has announced a series of measures to support businesses through the impact of the Covid-19 emergency. The existing Retail Discount and Pub Relief schemes have been further expanded, and a new "Nursery Discount" has been introduced.

9. On 25<sup>th</sup> March 2020, a further change was announced that allowed Estate Agents, Employment Agencies, Letting Agents and Betting shops to fall to be entitled to the Expanded Retail Discount scheme.
10. Legislative changes are not being made to accommodate the discounts. Instead, the Government expects that local authorities deliver the discounts via discretionary powers which already exist, and so changes are required to the Council's discretionary business rates relief policy to facilitate the administration of these reliefs.

## **Options**

1. Adopting the scheme design and policy will provide additional support to the businesses in the District, and ensure that the Council is meeting government requirements

## **Implications**

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

### **Financial**

12. Compensation arrangements have been put into place by Government to fully reimburse authorities for the local share of the new and amended reliefs, delivered in line with the eligibility criteria set out their guidance, via a grant under section 31 of the Local Government Act 2003. Details of funding arrangements for all discretionary reliefs can be found on page 4 of the policy

### **Legal**

13. The adoption of a formal policy ensures consistency in decision-making and reduces the risk of legal challenge.

## **Alignment with Council Priority Areas**

### **Growing local businesses and economies**

14. The award of rate relief is beneficial to local businesses

## **Background Papers**

Business Rates Information Letters, 13<sup>th</sup> March 2020 & 20<sup>th</sup> March 2020

[www.gov.uk/government/collections/business-rates-information-letters#2020](http://www.gov.uk/government/collections/business-rates-information-letters#2020)

Expanded Retail Discount Guidance 25<sup>th</sup> March 2020

<https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>

Nursery Discount Guidance 20<sup>th</sup> March 2020

<https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2020-to-2021-coronavirus-response-local-authority-guidance>

## **Appendices**

Appendix A: Discretionary Business Rate Relief Policy 26<sup>th</sup> March 2020

## **Report Author:**

Katie Kelly – Revenues Manager

Telephone: (01954) 713335