

Report to Cabinet
06 February 2019
Report of Director of business services
Subject Business rates retail relief

Item

6

Purpose

To consider the policy for business rate relief for certain retail business premises with a rateable value below £51,000.

Recommendation

To approve the award of a business rates retail relief in line with the government's announcement in the autumn 2018 budget as detailed in the report.

Corporate and service priorities

The report helps to meet the corporate priority a prosperous and vibrant city

Financial implications

None. Funding will be provided by Central Government.

Ward/s: All Wards

Cabinet member: Councillor Kendrick - resources

Contact officers

Jo Andrews - strategic revenues manager - Anglia
Revenues Partnership, ARP

01842 756490

Background documents

None

Report

Background

1. An announcement was made in the budget on 29 October 2018 that the government were introducing extra rate relief for certain retail business premises with a rateable value below £51,000.
2. Under the new scheme, eligible ratepayers will receive a one third discount of their daily chargeable amount. The government have issued guidelines on the operation of the relief which they intend should have effect for 2019/20 and 2020/21.
3. State aid rules will apply to the retail relief in the usual way.
4. Local Authorities are expected to use their discretionary relief powers (section 47 of the Local Government Act 1988, as amended) to grant this new relief in line with the relevant eligibility criteria set out in the guidelines. However, the full cost of granting this relief will be compensated through a section 31 grant from government.

How the relief be will provided

5. As this is a measure for 2019/20 and 2020/21 only, the Government is not changing the legislation around the reliefs available to properties.
6. It is for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, 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 apply and grant relief to qualifying ratepayers from the start of the 2019/20 billing cycle.

Properties that will benefit from this relief

7. Only occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments will be eligible.

How much relief will be available?

8. The total amount of government-funded relief available for each property for 2019/20 and 2020/21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants.
9. There is no relief available under this scheme for properties with a rateable value of £51,000 or more. Of course, councils may use their discretionary powers to offer further discounts outside this scheme. However, where an authority applies a locally funded relief, sometimes referred to as a hardship fund, under section 47 this is must be applied after the Retail Discount.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	06 February 2019
Director / Head of service	Anton Bull
Report subject:	Non Domestic Rates Retail Relief
Date assessed:	23/01/2019
Description:	To approve the award of retail relief in line with the government's announcement in the autumn 2018 budget

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input checked="" type="checkbox"/>		<input type="checkbox"/>	Provides support to retail businesses in the high street
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The scheme ensures that expenditure will not exceed funding

Recommendations from impact assessment
Positive
The overall impact is positive as it provides financial assistance to retail outlets in the city
Negative
Neutral
Issues