

Report to	Cabinet 11 March 2015	Item
Report of	Executive head of business relationship management and democracy	9
Subject	Business rates transitional relief for small and medium properties policy	

KEY DECISION

Purpose

To consider the implementation of the business rates transitional relief for small and medium properties policy.

Recommendation

To approve the new business rates transitional relief for small and medium properties policy.

Corporate priorities

The report helps to meet the corporate priority “A prosperous city”.

Financial implications

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). Only 18 properties have been identified in the Norwich City Council area where this relief will be applicable.

Ward/s: All wards

Cabinet member: Councillor Waters- Deputy Leader and resources

Contact officers

Anton Bull Executive head for business relationship management 01603 212326

Tracy Woods Business relationship manager 01603 212140

Background documents

None

Report

1. The government has issued guidance on a new business rates relief; the extension of transitional relief for small and medium properties, following their announcement in the autumn statement dated 3 December 2014.
2. The transitional relief scheme was introduced in 2010 to help those ratepayers who were faced with higher bills. The scheme ends on 31 March 2015 and as a result a small number of ratepayers will face a jump to their full rates bill from 1 April 2015. This relief will allow for the extension of transitional relief, for ratepayers who meet the policy criteria, to 31 March 2017.
3. As this relief is temporary the government will not be changing the legislation and the power to award will fall under section 47 of the Local Government Finance Act 1988.
4. It will be for individual local billing authorities to decide to grant the relief under section 47, however, central government will fully reimburse local authorities for the local share of the discretionary relief, using a grant under s31 of the Local Government Act 2003.
5. To award this relief each local authority is required to adopt a local scheme and make decisions in each individual case. As the relief is discretionary authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area.
6. **Transitional Relief for small and medium term properties**
 - a) Full details of which properties will benefit, definitions, calculations and the length of the award is to be found in the policy. However key points are;
 - i) Properties to benefit are those with a rateable value up to and including £50,000,
 - ii) Who would have received the transitional relief in 2015/16 and 2016/17 had the existing scheme continued in its current format,
 - iii) Only applies to those moving to higher bills; and
 - iv) Only properties where there is a rateable charge following award of other applicable reliefs.
 - b) The level of relief to be awarded for eligible properties will be at the same as they would have received had the transitional scheme extended through to 31 March 2017.
7. A draft Norwich City Council policy is at appendix A

8. State Aid

- a) The European Union regulates state aided funding. Support to businesses and providing discretionary rate relief is likely to amount to state aid.
 - b) The EU law on state aid has a 'de minimus' value of €200,000 in a three year period (current financial year and the two previous years)
 - c) Rate payers will be required, when receiving an award for relief, to complete a 'de minimis' declaration.
9. Administration and publication of these reliefs will be undertaken by LGSS. Ratepayers will not be required to complete an application form as those properties where this relief may be applied can be identified.
10. Claims will be determined by the executive head of business relationship management, taking into consideration the guidance and policy.
11. Reviews will be undertaken by the section 151 officer.

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 completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	11 March 2015
Head of service:	Anton Bull
Report subject:	Business rates transitional relief for small and medium properties policy
Date assessed:	25 February 2015
Description:	Approval of implementation of the business rates transitional relief for small and medium properties policy

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Government reimburses local spend in full
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"/>	Northgate software can be enabled to deal with this relief with no additional purchase
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Assists the individual businesses getting the relief to improve their profitability for their period of award.
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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

Negative

Neutral

Issues