



# COTSWOLD DISTRICT COUNCIL

CABINET

6<sup>TH</sup> MARCH 2014

## AGENDA ITEM (10)

### REVIEW OF LOCAL COUNCIL TAX DISCOUNTS - RATE RELIEF FOR RETAIL PREMISES

<b>Accountable Member</b>	Councillor Lynden Stowe Leader of the Council
<b>Accountable Officer</b>	Jon Dearing Head of Revenues and Benefits 01285 623304 jon.dearing@cotswold.gov.uk
<b>Purpose of Report</b>	To consider a scheme of rate relief for retail premises as outlined by the Government in the Chancellor's Autumn Statement 2013
<b>Recommendation(s)</b>	<p>(a) That a scheme of rate relief for retail premises be approved, in accordance with the principles detailed at Appendix 'A';</p> <p>(b) that the Cabinet determines whether it wishes to apply the relief to all of the categories and, particularly, to Charity Shops in view of the high levels of Mandatory Relief such shops are already in receipt of;</p> <p>(c) that the Head of Revenues and Benefits be authorised to determine the award of such relief;</p> <p>(d) that a further report be submitted to the Cabinet in October 2014 detailing the take-up of such relief throughout the District</p>
<b>Reason(s) for Recommendation(s)</b>	The proposed scheme of rate relief will help the Council to achieve its objectives
<b>Ward(s) Affected</b>	All
<b>Key Decision</b>	Yes
<b>Recommendation to Council</b>	No
<b>Financial Implications</b>	It is estimated that, taking account of State Aid rules, which might preclude some chain stores and Charities from qualifying for relief, approximately 1,009 accounts will benefit at a cost of £717,992 per annum. These figures include those small businesses already in receipt of small business rates relief.

	The Government will fully reimburse local authorities for the local share of any discretionary relief using a grant under Section 31 of the Local Government Finance Act 2003, although some clarity is lacking in respect of Business Rates Pools.
<b>Legal and Human Rights Implications</b>	None
<b>Environmental and Sustainability Implications</b>	None
<b>Human Resource Implications</b>	None
<b>Key Risks</b>	<p>As any relief awarded will be fully reimbursed by the Government, there is limited financial risk to the Council. The major risk relates to the Council's reputation in the event that the Council decided not to adopt this scheme.</p> <p>As the total amount of relief available for each qualifying property is £1,000 for each financial year, and the criteria for qualifying is prescriptive, authorising Officers to determine awards of such relief is considered to be a low risk.</p>
<b>Equalities Analysis</b>	No required

<b>Related Decisions</b>	None
<b>Background Documents</b>	None
<b>Appendices</b>	<b>Appendix 'A' - Retail Rate Relief Criteria</b>

<b>Performance Management Follow Up</b>	The Revenues and Benefits Service will monitor any impact and submit a further report thereon to the Cabinet at its Meeting in October 2014
---	---

<b>Options for Joint Working</b>	Alignment of the relief with West Oxfordshire District Council would make joint Business Rate administration marginally more straightforward
----------------------------------	--

<b>Background Information</b>	
<p>1. The Chancellor of the Exchequer, in his Autumn Statement 2013, announced that relief of up to £1,000 will be provided to all occupied retail properties with a rateable value of £50,000 or less in each of the financial years 2014/15 and 2015/16.</p> <p>2. Such awards are subject to State Aid Limits, which currently stand at 200,000 Euros (approximately £172,000).</p> <p>3. Local authorities are expected to administer the scheme and will use discretionary relief powers, introduced under the provisions of the Localism Act, to award the relief. The Government will reimburse the local authorities' share of the cost by way of a Section 31 Grant.</p>	

4. It is currently estimated that approximately 1,009 businesses could potentially benefit from this relief, subject to relationships with other reliefs already in place and State Aid considerations. To effectively manage this number of relief applications, it is suggested that Officers be authorised to determine individual applications as an administrative task in much the same way as Mandatory Rate Relief is dealt with.

5. To enable this delegation to be effective, it is suggested that the Cabinet approves the principles of the scheme and Officers merely apply those principles. **Appendix 'A'** details the criteria for the selection of properties that could benefit from the relief.

(END)