



COTSWOLD DISTRICT COUNCIL

CABINET

17TH JANUARY 2019

AGENDA ITEM (11)

BUSINESS RATES RELIEF FOR RETAIL PREMISES

Accountable Member	Councillor AW Berry Leader of the Council
Accountable Officer	Jon Dearing Group Manager 01285 623304 jon.dearing@cotswold.gov.uk

Purpose of Report	To consider a scheme of rate relief for retail premises, as outlined by Government in the Autumn Statement 2018.
Recommendations	<p>(a) That the Cabinet approves a scheme of Retail Rate Relief in line with the principles set out in Appendix A to this report, subject to confirming whether it wishes to apply the relief to all the identified categories and particularly to Charity Shops in light of their high level of mandatory relief already received for the financial years 2019/20 and 2020/21;</p> <p>(b) that the Group Manager for Customer Services be authorised to award such relief in accordance with the approved scheme;</p> <p>(c) that an update report be submitted in October 2019 outlining the take-up of such relief throughout the District and giving the opportunity for amendments to the scheme based on the expenditure at that point.</p>
Reason for Recommendation	The scheme contributes to the Council's objectives around supporting businesses.

Ward(s) Affected	All (potentially)
Key Decision	No
Recommendation to Council	No

Financial Implications	It is estimated that taking account of State Aid rules, which may preclude some chain stores and charities from qualifying for the relief, some 400 accounts will benefit at an estimated cost of £1,000,000 per annum. These figures include those small
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	businesses who would already receive small business rates relief. 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 Finance Act 2003.
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Legal and Human Rights Implications	None
Environmental and Sustainability Implications	None
Human Resource Implications	None
Key Risks	As relief awarded will be fully reimbursed by Central Government, there is limited financial risk. The major risk would be around reputation if the Council decided not to adopt the scheme. As the total amount of relief available for each qualifying property is one-third of the rates payable for each financial year and the criteria for qualifying properties is prescriptive, delegating powers as per recommendation (b) would be low risk.
Equalities Analysis	Not applicable

Related Decisions	None
Background Documents	None
Appendices	Appendix A - Proposed Scheme Criteria

Performance Management Follow Up	The service will monitor reliefs awarded and report to Cabinet during October 2019 outlining the take up and any resultant scheme amendment recommendations
Options for Joint Working	The recommendations are aligned with those made to West Oxfordshire District Council's Cabinet and the alignment of the reliefs will make joint Business Rate administration marginally more straightforward.

Background	
1.	The Government announced in the Autumn Statement 2018 that it will provide relief of one-third of the rates payable to occupied properties with a rateable value of £51,000 or less in each of the financial years 2019/20 and 2020/21.
2.	Such awards are subject to State Aid limits, which currently stand at 200,000 euros (approximately £179,500).

3. Local authorities are expected to administer this scheme and will use discretionary relief powers introduced by the Localism Act, to award the relief and central government will reimburse the Authority's share of the cost via a section 31 grant.

4. Currently it is estimated that some 400 local 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 recommended that individual applications be delegated to officers as an administrative task in much the same way as mandatory relief is dealt with.

5. To enable this delegation to be effective, it is recommended that Cabinet approves the principles of the scheme and officers merely apply these principles. The proposed criteria for the selection of properties that could benefit from the relief is detailed in **Appendix A** (attached).

6. The Government expects local authorities to grant relief to qualifying ratepayers and adopt a local scheme in line with the Autumn Statement.

7. Awards are discretionary and, as such, Members could decide that granting aid to a certain type of business would go against the Council's wider objections - for example, Members may decide that charity shops should be excluded as in most cases they receive 80% charitable relief and therefore have had an advantage over other high street traders.

8. In line with recommendation (a) above, Cabinet will need to be specific about any local changes to Government recommendations about which types of business should/should not be eligible; as this will guide amendments to the criteria proposed at **Appendix A**.

(END)