

REPORT TO: CABINET

DATE: 24 JANUARY 2019

TITLE: DISCRETIONARY RATE RELIEF POLICY –
RETAIL RELIEF

PORTFOLIO HOLDER: COUNCILLOR MIKE DANVERS, PORTFOLIO
HOLDER FOR RESOURCES

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This is a Key Decision

It is on the Forward Plan as Decision Number I009727

The decision is not subject to Call-in Procedures for the following reason:

The decision stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that it is recommended to Full Council that:

- A** The proposed Retail Relief Policy (attached as Appendix A to the report) be adopted.

REASON FOR DECISION

- A** The Government announced in the Autumn Budget that it will provide relief to all occupied retail properties with a rateable value of less than £51,000 in each of the financial years 2019-20 and 2020-21.
- B** The value of the relief will be one third of the bill, and shall be applied after mandatory reliefs, discretionary rate relief, and all other discretionary reliefs funded by grants under Section 31 of the Local Government Act 2003. Any grant of hardship relief is to be applied after the award of retail relief.
- C** In order to grant retail relief the Council must adopt a local scheme and, in accordance with the discretionary rate relief powers contained within Section 47 of the Local Government Finance Act 1988 (as amended), decide in each individual case when relief should be granted.
- D** The policy proposed in this report takes into account the guidance issued in November 2018 by the Ministry of Housing, Communities and Local Government (MHCLG).

BACKGROUND

1. Relief under this policy will only be awarded for the 2019-20 and 2020-21 financial years only.
2. The cost of awarding the relief will be fully reimbursed by the Government to the Council and major precepting authorities through the localised rates retention scheme.

ISSUES/PROPOSALS

3. It is expected that businesses identified as being entitled to Retail Relief will be awarded relief through the Council's annual billing process.
4. The number of premises that potentially will qualify for the relief is 284. The cost of awarding relief will be in the region of £792,000. This cost will be fully subsidised by the Government.
5. The MHCLG have advised that the Government is conducting a New Burdens assessment on the delivery of the scheme and will provide detail of funding that will be paid to local authorities in due course. The Council has not currently been advised of the cost of software changes, and potentially these will have to be met from the Councils revenue budget if not covered by New Burdens funding.
6. It is important that the Retail Rate Relief Policy clearly shows the criteria on which the relief will be awarded, so all potential recipients are aware of why the relief has been awarded or refused.

IMPLICATIONS

Place (Includes Sustainability)

None specific.

Author: Andrew Bramidge, Project Director – Enterprise Zone and Interim Head of Planning

Finance (Includes ICT)

The financial implications are contained within the main report. The cost of the relief will be borne by central government however the costs associated with the administration of the scheme will be a cost to the Council to be met from existing budgets.

Author: Simon Freeman, Head of Finance and Deputy to the Managing Director

Housing

As outlined in the report.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

The proposed Retail Relief policy may help stimulate investment in our town centre and neighbourhood areas, which in turn will contribute towards Harlow's economic growth and also to the regeneration of these areas.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

The revised policy translates the Government's Guidance into changes to our policy which accurately reflect the governments intentions. These will apply for the duration of the years 2019-2021 and will require amendment by the end of the relief funding period.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – Retail Rate Relief Policy

Background Papers

None.

Glossary of terms/abbreviations used

MCHLG – Ministry of Communities, Housing and Local Government