

NON EXEMPT

HAVANT BOROUGH COUNCIL

Cabinet

11th September 17

Local Discretionary Business Rate Relief Scheme

Brian Wood, Head of Customer Services

FOR DECISION

Portfolio: Cabinet Lead for Economy and Infrastructure Projects

Cllr Tim Pike

Key Decision: Yes

1.0 Purpose of Report

1.1 The purpose of this report is to seek approval of the new Local Business Rate Relief Scheme

2.0 Recommendation

2.1 That Cabinet approves the new Local Business Rate Relief Scheme

3.0 Subject of Report

3.1 At the Budget on 8 March 2017, the Chancellor announced that the Government would make available a discretionary fund of £300 million over four years from 2017/18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. The Chancellor stated that local government is best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.

3.2 The Government's intention is that every billing authority in England will be provided with a share of the £300 million to support their local businesses. This will be administered through the Council's discretionary relief powers under section 47 of the Local Government Act 1988.

3.3 The Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies. The Government

has allocated the available funding to each billing authority area based on assumptions about how authorities will target their relief scheme.

- 3.4** A Grant of £300k has been confirmed by the Department of Communities and Local Government (DCLG).

Amount of discretionary grant by year

	2017-18	2018-19	2019-20	2020-21	Total
Havant	£175k	£85k	£35k	£5K	£300k

- 3.5** It has been verified with the DCLG that any moneys unspent will be returned. The scheme has been drafted in a way that more funds will be granted and less money will be returned, therefore benefiting the Ratepayers of Havant.

- 3.6** A one off New Burdens Grant of £12k has been confirmed to cover administrative costs of this scheme and the two other new schemes, Pub Relief and Supporting Small Business Relief.

4.0 Subject of the Report

- 4.1** Please see attached new Scheme document – Appendix 1

5.0 Implications

5.1 Resources:

The financial cost of the scheme is covered by the central government grant.

5.2 Legal:

Legal advice has been taken with regards to the State Aid declaration and the delegation of authority.

5.3 Strategy: (Priorities)

The new scheme would support the Council's strategy around 'Economic Growth'.

5.4 Risks:

There is a financial risk that we could over or underspend on the scheme. Mitigation has been put in place to control the spending within the scheme document.

5.5 Communications:

Detailed covering communications will be sent to each Ratepayer who is entitled to relief.

5.6 For the Community:

The Scheme will financially benefit the local business community

6.0 Consultation

Business and Economy Manager
Monitoring Officer and Lead Solicitor
Revenues and Benefits Contract Manager (Client)
Principal Accountant
Cllr Pike
Cllr Bowerman

Appendices:

Appendix 1 - Local Business Rate Relief Scheme

Background Papers:

Consultation documents and Grant distribution

<https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme>

Agreed and signed off by:

Legal Services: 16th August 2017

Director of Strategy and Governance: 15th August 2017

Portfolio Holder: 16th August 2017

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