

Report to: Cabinet

Date of Meeting: 12 February 2018

Report Title: Discretionary Business Rate Relief Policy

Report By: Peter Grace (Chief Finance Officer)

Purpose of Report

To approve a policy in respect of the level of Discretionary Business Rate Relief to be granted to certain defined ratepayers within Hastings Borough Council area.

Recommendation(s)

1. To approve the attached policy.
2. To authorise the Assistant Director of Financial Services and Revenues (Chief Finance Officer), in consultation with the leader of the Council, to make any necessary amendments to the policy, where the total relief being granted is potentially going to be above or below the level of grant.
3. To delegate authority to the Chief Finance Officer to approve the schemes in future years.

Reasons for Recommendations

The Council needs a policy to set out how they will allocate the grant monies received from central government to help local businesses affected by the revaluation.

Introduction

Background

1. The Local Government Finance Act 1988, and subsequent legislation, requires the Council to grant discretionary relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
2. In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses that have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
3. The Council has been awarded grants from Central Government covering a four year period, to assist businesses affected by the revaluation referred to above.
 - Year 1, (2017/18) a grant of £230,000
 - Year 2, (2018/19) a grant of £112,000
 - Year 3, (2019/20) a grant of £46,000
 - Year 4, (2020/21) a grant of £7,000
4. Whilst the Council is obliged to grant relief to premises which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met.

Discretionary Business Rate Relief Policy

5. Although funding has been allocated for four years, due to potential legislative changes and the significant reductions in grant over the four year period, the policy needs to be reviewed annually.
6. The attached document (appendix1) sets out the proposed Discretionary Business Rates Relief policy which will be effective from 1 April 2018. This policy replaces the existing policy.

Antipoverty

7. This additional financial support, particularly for small businesses, will help secure local jobs.

Wards Affected

All wards

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness

Crime and Fear of Crime (Section 17)

Risk Management

Environmental Issues

Economic/Financial Implications YES

Human Rights Act

Organisational Consequences

Local People's Views

Anti-Poverty YES

Additional Information

Appendix 1 - Discretionary Business Rate Relief Policy

Appendix 1a - Exclusions from scheme

Officer to Contact

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