

Agenda item:

Decision maker: Cabinet – 8th January 2015

Subject: Business Rates Discretionary Relief policy

Report By: Head of Revenues & Benefits

Wards affected: All

Key decision (over £250k): No

Forward Plan: No

1. Purpose of report

The purpose of this report is for Cabinet to approve a technical change and to delegate authority to the Head of Revenues & Benefits for further Government policy or legislated change

2. Recommendations

Cabinet agree the following recommendations:

- i. **Approve the Government policy amendment that will increase Retail Relief to a maximum of £1,500 for 2015/16**
- ii. **Grant delegated authority to the Head of Revenues & Benefits to update the policy in the case of any further Government policy or legislated change**

3. Background

In the Autumn Statement of 3rd December 2014, the Chancellor stated that Retail Relief will increase for the period April 2015 to March 2016.

The Government has determined that it will allow for a relief to all occupied retail properties premises (including pubs, cafes, restaurants and charity shops) with a rateable value of £50,000 or less as follows:

- Up to £1,000 in 2014/15
- Up to £1,500 in 2015/16.

The Council's policy follows Government guidance on what is meant by the terms shops, restaurants, cafes and drinking establishments. The definitions are held in Section 8 of the policy document (Appendix 1).

As this is a temporary measure only, the Government is not changing the legislation around the reliefs available to properties. Instead local authorities are using their discretionary relief powers (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief.

Portsmouth City Council's policy for the granting of Discretionary Non-Domestic Rate Relief needs to be amended to take account of this policy change.

It will be for individual local billing authorities to decide to grant relief under section 47 but central Government will fully reimburse Local Authorities for loss of retained business rate income (via a grant under Section 31 of the Local Government Act 2003) based on outturn of relief granted according to the guidance specified by central Government.

4. Equality impact assessment (EIA)

There are no equality implications to this policy / policy change.

5. Legal implications

There are no legal issues beyond those described in the body of the report.

6. Head of finance's comments

The financial implications of the proposals set out within this report are financially neutral to the Council since any loss in retained Business Rate income will be reimbursed by a grant from central government of equivalent value.

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Signed by:

Appendices:

Appendix 1 – Policy for the granting of Discretionary Non-Domestic Rate Relief

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

| Title of document | Location |
|-------------------|----------|
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| | |

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: