

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cllr Charles Gerrish, Cabinet Member for Resources	
MEETING/ DECISION DATE:		EXECUTIVE FORWARD PLAN REFERENCE:
		E3082
TITLE:	NDR Revaluation Relief update and minor Policy amendment.	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Draft Appendix D to the Discretionary rate relief Policy, Business Rates Information Letter 09/2017		

1 THE ISSUE

The updated Appendix D to the Bath and North East Somerset Council Non Domestic Rate Relief Policy gives guidance to officers administering claims for discretionary relief under discretionary powers provided by the Local Government Finance Act 1988 ("The 88 Act").

Appendix D covers:

Business Rates Relief Scheme for Pubs

Support for Small Businesses Relief

Business Rates Revaluation Support Relief.

The update is required in order for Officers to be able to make further awards of Business Rates Revaluation Support Relief to qualifying ratepayers in respect of the 2017/18 financial year.

2 RECOMMENDATION

The Cabinet Member is asked;

To approve the proposal relating to these reliefs in the attached Appendix D

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

The proposed amendments to the Business Rates Revaluation Support Relief scheme will enable more relief to be granted whilst remaining within the annual limits of government funding for this support. .

STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 3.1 The Localism Act 2011 ("The 11 Act") amended the discretionary powers available to Councils with effect from 1st April 2012. Specifically, section 69 of The 11 Act amended section 47 of The Local Government Finance Act 1988("The 88 Act"). Section 47 of the 88 Act enables the Council to grant relief to any ratepayer, including profit making organisations and individuals, with the proviso that awarding relief is in the interests of its Council Tax payers
- 3.2 The Council has been allocated a sum of money to fund the Business Rates Revaluation Support Relief scheme for 2017/18, and any underspend from this fund must be returned to the Government. The council is proposing that it changes the percentages used to calculate the awards for 2017/18 so that additional awards can be made to use more of the Government funding for this relief.

4 THE REPORT

- 4.1 The Council introduced the Business Rates Revaluation Support Relief scheme in 2017 and despite making automatic awards to all qualifying ratepayers there remains an amount unspent for 2017. Officers have contacted other councils and MHCLG and understand that awards in respect of 2017 made after the end of the financial year will be supported financially by the Government up to 30th September 2018. The council must account for these awards when it submits a return to the government each year at the end of July. If officers are able to revise each award made in 2017 and increase the percentages used to calculate the awards by 30% the council will be able to use more of the funding provided by the government to provide relief to business rate payers affected by the last revaluation.
- 4.2 The awards for 2018/19 are calculated by multiplying the 2017/18 awards by 0.485 percent. If the council does not increase the awards for 2017 to use more of the funding provided by the Government there will inevitably be an underspend in funding for this relief going forwards in 2018/19, which would need to be returned to government.

4.3 Although the Business Rates information letter 09/2017 suggests that claims for relief in respect of 2017/18 will be supported up to 30th September 2018, there is an urgency to amend the Policy so that the council may accurately account for its spending when its final return for reliefs provided in respect of 2017/18 is submitted by the end of July 2018.

5 RATIONALE

The Non Domestic Rate Relief Policy must be updated in order to bring about these changes. The changes to Revaluation Support will enable the Council to allocate more of the funding provided by the Government directly to qualifying ratepayers. If the Policy is not updated to reflect this change the underspend will have to be returned to the Government

6 OTHER OPTIONS CONSIDERED

In the event of an underspend, to allow Officers to make a further award of a flat rate amount; for example a standard amount of £50 for each ratepayer. This was considered to be marginally easier to administer however it does not follow the design of the council's scheme which was based on the idea of giving more help to businesses who have seen greater increases in Rateable Value as a result of the revaluation.

7 CONSULTATION

The Council has sought the views of the Institute of Revenues, Rating and Valuation, The Ministry for Housing, Communities and Local Government and has considered the views and local schemes operated by other Councils.

The s151 Officer, Monitoring Officer and Executive member for resources have had opportunity to review and input into this report.

8 RISK MANAGEMENT

A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	<i>Ian Savigar, Divisional Director For Customer services</i>
Background papers	<i>None</i>

Please contact the report author if you need to access this report in an alternative format