

Business Rates Reliefs

Portfolio:	Finance
Ward(s) Affected:	All

Purpose

To implement the changes to Business Rate Reliefs announced by the Chancellor of the Exchequer in the Autumn statement.

1. In the autumn statement, the Chancellor announced changes to two business rate reliefs as follows:
 - a) To extend transitional relief for business rate payers with a 31st March 2010 rateable value of under £50,000, for a further 2 year, to 31st March 2017 and;
 - b) To increase the maximum amount available for Retail Relief to £1,500 for 2015/16. All other aspects of the scheme to remain unchanged.
2. As these are only temporary changes, the Government expects local authorities to grant the relief using their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended.
3. Both of these reliefs will help smaller businesses which are still coming out of the recession.

Resource Implications

4. Central government has committed to fully reimburse local authorities for the cost of these reliefs by way of a section 31 grant provided they fulfil the Government's criteria. The recommendation as proposed does meet this condition.

Proposals

5. It is proposed that:
 - i) Members grant a local scheme of discretionary relief under section 47 of the Local Government Finance Act 1988, as amended, to extend awards of transitional relief for properties with a rateable value of up to an including £50,000 from 1 April 2015 to 31 March 2017.
 - ii) The relief be calculated in accordance with Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2009 No. 3343. I.e. In accordance with the rules existing as at 1 March 2015.
 - iii) Any discretionary transitional relief granted will be re-calculated in the event of a change to the rating list for the property concerned (retrospective or otherwise).
 - iv) To increase the amount of discount given in the "Business Rates Retail Relief Scheme", as approved by full Council on the 26th February 2015, to £1,500 pa, from the current £1,000pa with effect from the 1st April 2015.

Options

6. Members can decide to grant, reject or vary the scheme of discretionary reliefs as outlined. It should be noted that only those meeting the Government's requirements will be fully funded.

Recommendation

7. It is recommended that:
 - i) Members grant a local scheme of discretionary relief under section 47 of the Local Government Finance Act 1988, as amended, to extend awards of transitional relief for properties with a rateable value of up to and including £50,000, from 1 April 2015 to 31 March 2017.
 - ii) The relief be calculated in accordance with Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2009 No. 3343. i.e. In accordance with the rules existing as at 1 March 2015.
 - iii) Any discretionary transitional relief granted will be re-calculated in the event of a change to the rating list for the property concerned (retrospective or otherwise).
 - iv) To increase the amount of discount given in the "Business Rates Retail Relief Scheme", as approved by full Council on the 26th February 2015, to £1,500 pa from the current £1,000pa, with effect from the 1st April 2015.

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