

## Agenda Item 9

### Chichester District Council

CABINET

3 June 2014

#### Business Rate Reliefs

##### 1. Contacts

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##### 2. Recommendation

- 2.1. That the Head of Finance and Governance Services be authorised to make decisions, and to set local policy reliefs, using the Council's discretionary powers under section 47 of the Local Government Finance Act 1988, as amended, where this accords with government guidance and the cost is reimbursed to the Council.**

##### 3. Background

###### Reoccupation relief

- 3.1. The Government has stated its intention to encourage thriving and diverse town centres and wants to see the number of vacant shops decrease.
- 3.2. In the 2013 Autumn Statement the Chancellor announced that the Government will provide a reoccupation relief to occupied business premises that:
- When previously in use, were wholly or mainly used for retail
  - Were empty for 12 months or more immediately before their reoccupation
  - Become reoccupied between 1 April 2014 and 31 March 2016
  - Are being used for any use with certain exceptions as detailed in the guidance
- 3.3. The Government requires local authorities to use their discretionary powers to deliver this measure and will reimburse billing authorities for

their share of the expenditure using a grant under section 31 of the Local Government Act 2003. It also requires local authorities to adopt local schemes and decide in each individual case whether to grant relief.

#### **Business Rates future guidance that may from time to time be announced.**

- 3.4. From April 2013 the Government reformed the way in which local government is funded through the introduction of the business rates retention scheme. Local authorities now benefit directly from a proportion of any increases in business rates growth.
- 3.5. The baseline for business rates growth was set for 2013 and is fixed until 2020. Since the baseline was set there have been a number of central policies that would have had a direct impact on business rates growth such as the business rates flooding relief and support for town centres.
- 3.6. In order to protect the baseline the Government now requires local authorities to use their discretionary powers to deliver these measures and reimburses them for their share of the expenditure using a grant under section 31 of the Local Government Act 2003. It also requires local authorities to adopt local schemes and decide in each individual case whether to grant relief.
- 3.7. It is anticipated that there will be other such discretions between now and 2020 and authority is being sought to delegate authority to the Head of Finance and Governance to set local policy reliefs in accordance with Government guidance as shall come into effect.

#### **4. Outcomes to be achieved**

- 4.1. To deliver this relief and any further reliefs that may be announced in the future as quickly as possible with the minimum of bureaucracy.

#### **5. Proposal**

- 5.1. To delegate authority to the Head of Finance and Government to make decisions in respect of Business Rate Relief in accordance with the government's guidance, where the Council is fully reimbursed.

#### **6. Alternatives that have been considered**

- 6.1. To adopt a policy through the normal procedures which would create an unnecessary burden on Members and staff in the administration of reliefs where specific central government guidance has been published. This will create delays in the award of the reliefs which will place an extra burden on ratepayers

#### **7. Resource and legal implications**

- 7.1. All expenditure will be reimbursed using a grant under section 31 of the Local Government Act 2003.

- 7.2. Software updates will be met through on-going support and maintenance costs.

## **8. Consultation**

- 8.1. No actual consultation has taken place as it is intended to make the government funded scheme available to those who are eligible in accordance with the government's guidance.

## **9. Community impact and corporate risks**

- 9.1. The corporate risk is that the measures are not delivered quickly and efficiently.

## **10. Other Implications**

<b>Crime &amp; Disorder:</b>	None
<b>Climate Change:</b>	None
<b>Human Rights and Equality Impact:</b>	None
<b>Safeguarding:</b>	None

## **11. Background Papers**

- 11.1. None