

<b>Report To:</b>	<b>COUNCIL</b>
<b>Date:</b>	<b>15 APRIL 2024</b>
<b>Heading:</b>	<b>UPDATED POLICY FOR THE GRANTING OF NON-DOMESTIC RATES DISCRETIONARY RELIEF</b>
<b>Executive Lead Member:</b>	<b>CLLR MADDEN, EXECUTIVE LEAD MEMBER FOR FINANCE, REVENUES AND BENEFITS</b>
<b>Ward/s:</b>	<b>ALL</b>
<b>Key Decision:</b>	<b>NO</b>
<b>Subject to Call-In:</b>	<b>NO</b>

### **Purpose of Report**

The Local Government Finance Act 1988 sets out provision for Billing Authorities to determine a Business Rates Discretionary Rate Relief Policy to provide support to local businesses by reducing or removing Business Rates liability for certain periods of time.

Recent legislative changes require the existing policy to be updated, and this report sets out the changes that have been made. No changes have been made to the level of support currently awarded to businesses. The opportunity has been taken to review the content of the current policy to make it more comprehensive, but easier for businesses to understand and therefore access eligible support.

### **Recommendation(s)**

Council is recommended to:

- (a) Adopt the updated Discretionary Non-Domestic Rate Relief Policy in Appendix A, to be effective from 1 April 2024

## **Reasons for Recommendation(s)**

The Council must adopt a policy for the application of discretionary non-domestic rating reliefs and should review any policy following any changes in central government legislation.

## **Alternative Options Considered**

No alternatives identified.

## **Detailed Information**

The current policy was formally adopted in March 2013 and was last reviewed in November 2019 for minor amendments.

The Discretionary Rate Relief policy has been developed and previously approved by the Council to assist organisations who may need support beyond any standard mandatory rate reliefs, such as Transitional Relief, Small Business Rates Relief, Empty Property Relief and Mandatory Charitable Relief.

Discretionary Rate Relief Support is considered under Sections 44A, 47 and 49 of the Local Government Finance Act 1998 and Section 69 of the Localism Act 2011. The policy is applied as guidelines to ensure that all customers making applications for relief are treated in a fair, consistent and equal manner. No changes are proposed to the current levels of support the policy provides to businesses and therefore there are also no financial impacts on the Council.

The new policy also incorporates fully funded reliefs that were introduced during the COVID crisis and have since been extended to assist businesses beyond this, and these include Retail, Leisure and Hospitality Relief, a Supporting Small Business Relief which has softened rateable value increases to bills and a Local Newspaper Relief.

A change is required to the policy as the Non-Domestic Rating Act 2023 has removed a restriction preventing billing authorities from making a decision to award discretionary relief more than 6 months after the end of the relevant financial year, this is now the responsibility of the Council to set. It is therefore proposed that the maximum period for which the Council will consider awarding Discretionary Rate Relief is the start of the preceding financial year. For example: relief application received 8 August 2024 – the maximum period of award that could be considered is back to 1 April 2023. This protects the Council from being asked to back-fund changes for multiple previous years but also supports businesses for a fair period of relief. Where the relief is fully Government funded, relief will be granted as long as the ratepayer is eligible.

Whilst reviewing the policy for these amendments, the opportunity has been taken to review the scheme of delegation for decisions and appeals to make this clearer. The requirement for businesses to report any changes to their circumstances which may affect the amount of relief awarded is also made more prominent.

The policy also makes the eligibility criteria for all the available reliefs clearer and therefore easier for businesses to access eligible support.

## Implications

### **Corporate Plan:**

The policy supports the 'Economic Growth and Place' corporate priority by supporting local growth in businesses wherever possible.

### **Legal:**

There is no legal implication other than for the policy to be formally determined in accordance with the legislation, to enable delegated officers to access and grant discretionary rate relief as appropriate to assist in qualifying local ratepayers.

Providing discretionary relief to ratepayers is likely to amount to a subsidy. Any relief provided by local authorities will need to comply with the UK's domestic and international subsidy control obligations. Ratepayers of organisations and businesses making an application for any relief under this policy must ensure they are compliant with subsidy allowance amounts. [RLD 28/03/2024]

**Finance:** There are no financial implications arising from this policy update. [PH 13/03/2024].

<b>Budget Area</b>	<b>Implication</b>
General Fund – Revenue Budget	No changes are proposed to the amounts of relief currently awarded, therefore there are no financial implications.
General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

### **Risk:**

<b>Risk</b>	<b>Mitigation</b>
Not applying decisions fairly	The Government has issued guidance notes to advise authorities what criteria should be used in considering applications for Discretionary Rate Relief. The policy allows Council Officers to treat each individual case on its own merits and to not adopt a policy or rule which allows them to not consider each case without proper consideration. Following these guidance notes, the Council will formally adopt a Policy for considering individual discretionary business rates relief applications.

## **Human Resources:**

No issues identified.

## **Environmental/Sustainability:**

No issues identified.

## **Equalities:**

No issues identified for this report, the adopted policy will ensure all applicants are treated fairly.

## **Other Implications:**

Not applicable.

## **Reason(s) for Urgency**

Not applicable.

## **Reason(s) for Exemption**

Not applicable.

## **Background Papers**

*Appendix A - Discretionary Non-Domestic Rate Relief Policy*

## **Report Author and Contact Officer**

Tammy Fox  
Assistant Director Revenues and Benefits  
[tammy.fox@ashfield.gov.uk](mailto:tammy.fox@ashfield.gov.uk)  
01623 457329

## **Sponsoring Director**

Craig Bonar  
Executive Director- Transformation  
[Craig.Bonar@ashfield.gov.uk](mailto:Craig.Bonar@ashfield.gov.uk)  
01623 457203