

## COUNCIL – 10 DECEMBER 2019

### PART I - DELEGATED

#### 6. BUSINESS RATES – LOCAL DISCRETIONARY REVALUATION RATE RELIEF SCHEME 2020/2021

(DoF)

##### 1 Summary

1.1 This report sets out the proposals for the Three Rivers District Council for the Business Rates Revaluation Support Scheme for 2020/2021.

##### 2 Background

2.1 The 2017 revaluation of all non-domestic rate properties came into force on 1 April 2017. The rateable values of the properties in the rating list are based on rental levels from 1 April 2015. The previous revaluation which came into force on 1 April 2010 was based on rental values from 1 April 2008.

2.2 In the 2017 Spring Budget the Chancellor announced three measures to help reduce the impact of business rate increases from April 2017 revaluation, one of which being a local discretionary rate relief.

2.3 The Chancellor announced that the Government would make available a discretionary fund of £300 million, over four years from 2017/18, to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. The funding for Three Rivers District Council is as per the table below:

	2017/18	2018/19	2019/20	2020/21
Three Rivers District Council	£143,000	£69,000	£29,000	<b>£4,000</b>

2.4 Each billing authority was asked to set up its Local Discretionary Business Rate Relief scheme for the financial year 2017/18, TRDC agreed their scheme at Policy and Resources Committee held on 5 October 2017.

2.5 The Government believed that Local Authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.

##### 3 Details

3.1 For the current year's scheme, and as at 27 November, 2019, £21719.75 for 36 Businesses had been allocated. A follow up exercise by our NNDR Officers will shortly take place to allocate remaining monies by 31 March, 2019.

3.2 It is proposed that the criteria for the existing scheme continue for the 2020/2021 financial year and that it is again a one year scheme.

3.3 All eligible Businesses will be contacted again in 2020/21 and invited to apply for the relief.

3.4 Any surplus amounts at the end of the 2019/20 financial year will be distributed to those eligible businesses which applied during the year. This was agreed as part of the 2019/2020 scheme.

#### **4 Options and Reasons for Recommendations**

4.1 Council is requested to agree that the same criteria are used for the 2020/21 scheme as were used for the 2019/20 scheme and that Officers be delegated to make any small amendments to the scheme, including the distribution of any unclaimed amounts within the year, up to the maximum limit of the Government grant.

#### **5 Policy/Budget Reference and Implications**

5.1 The recommendations in this report are within the Council's agreed policy and budgets.

#### **6 Financial Implications**

6.1 The local scheme aims to distribute no more than the Government grant provided for this purpose, as per the tabled listed in Paragraph 3.2.

#### **7 Legal Implications**

7.1 The Council's power to award the proposed relief is contained within Section 47 of the Local Government Finance Act 1988 as amended.

#### **8 Equal Opportunities Implications**

8.1 There are no equalities implications.

#### **9 Staffing, Environmental, Community Safety, Public Health, Customer Service, Communication and Website**

9.1 None specific.

#### **10 Risk and Health & Safety Implications**

10.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

10.2 The subject of this report is covered by the Revenue and Benefits service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

<b>Nature of Risk</b>	<b>Consequence</b>	<b>Suggested Control Measures</b>	<b>Response</b> <i>(tolerate, treat, terminate, transfer)</i>	<b>Risk Rating</b> <i>(combination of likelihood and impact)</i>
All the money not being allocated to eligible businesses.	Any unallocated money must be returned to the Government.	Close monitoring of applications to take place to ensure that all of the grant money is allocated to eligible businesses.	Treat	2

<b>Very Likely</b> ----- <b>Likelihood</b> ----- <b>Remote</b>	<b>Low</b>	<b>High</b>	<b>Very High</b>	<b>Very High</b>
	4	8	12	16
	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>Very High</b>
	3	6	9	12
	<b>Low</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>
2	4	6	8	
<b>Low</b>	<b>Low</b>	<b>Low</b>	<b>Low</b>	
1	2	3	4	
<b>Impact</b>				
Low -----> Unacceptable				

**Impact Score**

- 4 (Catastrophic)
- 3 (Critical)
- 2 (Significant)
- 1 (Marginal)

**Likelihood Score**

- 4 (Very Likely (≥80%))
- 3 (Likely (21-79%))
- 2 (Unlikely (6-20%))
- 1 (Remote (≤5%))

8.1 In the officers' opinion none of the new risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan and are therefore

operational risks. The effectiveness of the management of operational risks is reviewed by the Audit Committee annually.

## **11 Recommendation**

11.1 That Council agree:

- the same criteria are used for the 2020/21 scheme as were used in the previous year's allocation so that Officers be delegated to make any small amendments to the scheme up to the maximum limit of the Government grant if felt appropriate.
- any surplus grant at the end of February each year is distributed to the organisations which applied.

Report prepared by: Jane Walker, Head of Revenue and Benefits

### **Data Quality**

Data checked by:

Joanne Wagstaffe, Director of Finance

Data rating: Tick

<b>1</b>	<b>Poor</b>	
<b>2</b>	<b>Sufficient</b>	
<b>3</b>	<b>High</b>	<b>X</b>

Background Papers - None

## **APPENDICES / ATTACHMENTS**

Three Rivers District Council Discretionary Rate Relief (Revaluation) Policy and Procedure - 1 April 2020 – 31 March 2021