

EXECUTIVE DECISION RECORD

REF No 399.22

A1 Service Area	Revenues, Benefits & Customer Contacts
A2 Title	Extension of Transitional Relief and Supporting Small Business Relief Policy (2022/23)
A3 Decision Taken By	Deputy Leader / Chief Officer
A4 Chief Officer	Please print name: Sal Khan Please sign name: Approval by email 190222
A5 Leader	Please print name: Cllr R Faulkner Please sign name: Approval by email 20222
A6 Date of Decision	14 th March 2022

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	No
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	N/A

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to? *(Please tick as appropriate)* ✓

Scrutiny (Audit & Value for Money Council Services) Committee

Scrutiny (Community Regeneration, Environment and Health and Well Being)

Committee ✓

B1 What is the Decision?	To adopt the Extension of Transitional Relief and Supporting Small Business Relief Policy (2022/23)
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B2 What are the reasons for the Decision?

During the Autumn Budget of 27 October 2021, the Chancellor announced new measures to support businesses liable to Business Rates for the 2022/23 period only.

Local Authorities are required to adopt schemes via their use of their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for local authorities to adopt a local scheme and determine in each individual case when to grant relief under section 47.

The government will fully reimburse billing authorities and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in this guidance, using a grant under section 31 of the Local Government Act 2003.

In line with the legal restrictions in section 47(8)(A) of the Local Government Finance Act 1988, the Council may not grant the relief to themselves or to certain precepting authorities (i.e. parish and county councils).

The full eligibility criteria are documented within the Policy. A summary of the Policy principles are provided below.

In relation to Transitional Relief, increases in bills are restricted to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).

No Transitional Relief will be applied to properties where the rateable value exceeds £100,000 and businesses will be liable to pay the full charge (allowing for mandatory rate relief, etc.).

The Supporting Small Business element of the scheme restricts the amount by which the rates payable may increase compared with that due for 2021/22 by £600 or by 15%, whichever is the greater.

Where a ratepayer would have been in receipt of both transitional relief and Supporting Small Business Relief in respect of 2022/23 will

	<p>generate a single award of section 47 relief resulting in a chargeable amount equivalent to that had the original transitional relief and Supporting Small Business Relief schemes continued.</p> <p>Under Small Amounts of Financial Assistance Allowance rules, relief is limited to receive Special Drawing Rights (£343,000 as at 9 December 2021) in a three-year period (consisting of the 2022/23 year and the two previous financial years). Expanded Retail Discount granted in either 2020/21 or 2021/22 does not count towards the £343,000 allowance but BEIS business grants (throughout the 3 years) and any other subsidies claimed under the Small Amounts of Financial Assistance limit will be counted. Where it is clear to the Council that the ratepayer is likely to breach the cash cap or the Small Amounts of Financial Assistance limit, the Council will automatically withhold the relief.</p> <p>The amount of relief may be recalculated in the event of a change in circumstances and applied at any time. Such changes may include the rateable value, the property becoming vacant or liability ending.</p> <p>Where a ratepayer is aggrieved by a decision regarding the granting, non-granting or the amount of discretionary rates relief, the case will be reviewed by the Revenues, Benefit and Customer Contact Manager. If the Council's decision is upheld (in part or in full), the case may be further reviewed by the Council's section 151 Officer whose decision will be final. Where any ratepayer still remains aggrieved, the formal process to appeal is via Judicial Review.</p> <p>If a ratepayer remains dissatisfied, after exhausting the Council's Comments, Compliments and Complaints procedure, they may ask for the matter to be examined independently by the Local Government Ombudsman.</p>
<p>B3 What are the contributions to Corporate Priorities?</p>	<p>This decision contributes towards the Community Regeneration priority.</p>

B4 What are the Human Rights considerations?	There are no Human Rights issues arising from this decision.
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Financial Implications

B5 What are the financial implications?	<p>The Extension of Transitional Relief and Supporting Small Business Relief scheme is fully funded by the Government under Section 31 of the Local Government Finance Act 2003.</p> <p>Local authorities have provided an estimate of their likely total cost for providing the relief in their NNDR1. This will be finalised in the NNDR3 submissions for 2022/23. Central government will provide compensation payments to authorities to cover the local share.</p> <p>It is estimated up to 94 businesses may be qualify for Transitional Relief in the approximate sum of £133,949. Nine business will qualify for Supporting Small Business Relief in the approximate sum of £12,712 of which five are expected to also qualify for Transitional Relief.</p> <p>It is recommend that where any properties have a rateable value of £12,000 or less and are in receipt of Small Business Rates Relief (which would otherwise qualify them for 100% relief under that scheme) be excluded from the Extension of Transitional Relief and Supporting Small Business Relief scheme. This equates to 51 accounts with an associated value of approximately £19,193. No businesses entitled to 100% Small Business Rates Relief will be worse off under this proposal.</p> <p>This would otherwise reduce the number of accounts eligible for Transitional Relief to 43 in the approximate sum of £114,756 plus the nine accounts entitled to Supporting Small Business Relief valued at £12,712. This equates to a total approximate value of £127,468 in relief under this scheme.</p>
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Revenue	2021/22	2022/23	2023/24
Estimated total relief, with the Council's local share to be compensated through S31 grant.	Nil	£127,468	Nil

Capital	2021/22	2022/23	2023/24
	Nil	Nil	Nil

The finance section has been approved by the following member of the Financial Management Unit:	Please print name: Lisa Turner Please sign name: Approval by email 180222
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Policy Framework

B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes
B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B6.2 Has it got the appropriate approvals under those provisions?	NA
B7 Is the Decision wholly in accordance with the Council's budget?	Yes
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B7.2 Has it got the appropriate approvals under those provisions?	NA

Equalities Implications

B8 What are the Equalities implications:
B8.1 Positive (Opportunities/Benefits):
B8.2 Negative (Threats):
B8.3 The subject of this decision is not a policy, strategy, function or service that is new or being revised. An equality impact assessment is not required
B8.4 [The equality impact assessment identified the following actions to be carried out:]

Risk Assessment

B9 What are the Risk Assessment implications:
B9.1 Positive (Opportunities/Benefits): The impact to business ratepayers and the Council is low, as the scheme is fully funded by the Government. Access to further funding will support local businesses.
B9.2 Negative (Threats): With any relief scheme there is the potential risk of fraud. The Council has put in place a robust range of processes and procedures in order to minimise the risk of fraud.
B9.3 The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

Legal Considerations

B10 What are the Legal Considerations:	
B10.1 These are contained in the main body of the Report.	
This section has been approved by the following member of the Legal Team:	Please print name: Glen McCusker – Interim Solicitor Please sign name: Approval by email 170222

Sustainability Implications

B11 What are the Sustainability implications:
B11.1 The proposal would not result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures). The positive/negative impacts are set out below (please refer to guidance notes).
B11.2 Positive (Opportunities/Benefits):
B11.3 Negative (Threats):

Health & Safety Implications

B12 What are the Health & Safety implications:
B12.1 A Risk Assessment has not been carried out and entered into Safety Media for all significant hazards and risks because there are no significant hazards or risks arising from this decision.
B12.2 [The significant hazards and risks have been identified in the Safety Media Risk Assessment numbered []. Any financial implications to mitigate against these hazards and risks are considered above.]
B12.3 [Control measures and an action plan have been identified for any significant hazards and risks identified in the risk assessment. The positive/negative impacts are set out below]
B12.3.1 Positive (Benefits)
B12.3.2 Negative (Threats)

Key Decision

B13 Is this a Key Decision? No

Note: A Key Executive Decision is one where:

- 1. REVENUE – Any contract or proposal with an annual payment or saving of more than £100,000**
- 2. CAPITAL – Any capital project with a value in excess of £150,000**
- 3. A decision which significantly affects communities living or working in an area comprising two or more wards.**

B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would <u>seriously</u> prejudice the public interest?	NA
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	NA

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk