



<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>30 January 2018</b>
<b>Part:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Update of discretionary rate relief policy</b>
Contact:	Graeme Elliot, Portfolio Holder for Finance & Resources  Author/Responsible Officer James Deane, Corporate Director (Finance & Operations) Chris Baker, Group Manager (Revenues, Benefits & Fraud)
Purpose of report:	To consider adjustments to the existing discretionary rate relief policy
Recommendations	That Cabinet approves the adoption of the updated discretionary rate relief policy (annex A)
Corporate Objectives:	These reliefs will support the corporate objectives of <b>Ensuring economic growth and prosperity</b> and <b>Building strong and vibrant communities</b>
Implications:	<u>Financial</u>  This report does not suggest any significant changes to the scheme which would result in major differences to the rate relief awards granted, and so there is not likely to be a financial impact.
'Value For Money Implications'	
Risk Implications	There is a risk of confusion to ratepayers if we continue using the existing policy without updates.
Community Impact Assessment	There are no specific equalities implications arising from the report.
Health And Safety Implications	There are no health and safety implications arising from this report.
Monitoring Officer/S.151 Officer Comments	<b>Monitoring Officer:</b>  No comments to add to the report  <b>S.151 Officer</b>

	The recommended changes to the policy are not expected to have significant financial implications for the Council.
Consultees:	Appeals committee (business rates)
Background papers:	
Glossary of acronyms and any other abbreviations used in this report:	DBC – Dacorum Borough Council DRR – discretionary rate relief LGFA – Local Government Finance Act 2015 policy – the current discretionary rate relief policy

## **1. Background**

- 1.1. The legislation controlling business rates reliefs is found in the Local Government Finance Act (LGFA) 1988.
- 1.2. This Act contains powers enabling billing authorities to introduce discretionary rate reliefs (DRR) (in section 47 of LGFA 1988).
- 1.3. The Council's current DRR policy was agreed by Cabinet in February 2015 (item CA/020/015).
- 1.4. Currently, there are about 80 organisations receiving DRR under this policy, and the value of the relief granted for 2017/18 is about £260,000.

## **2. Updates**

- 2.1. The DRR policy needs to be updated to reflect other policy changes of the Council.
- 2.2. The first of these is the move away from the strategic partnership programme to the commissioning of community contracts. There is a direct reference to strategic partners automatically receiving 100% DRR in the 2015 policy, and the suggested change removes this reference.
- 2.3. Second, when the tender for the re-letting of the leisure contract was published, potential bidders were informed that they should assume they would not receive DRR. The 2015 policy includes a direct reference to Dacorum Sports Trust automatically receiving 100% DRR, and the suggested change removes this reference.
- 2.4. This not does mean that the former strategic partners and Dacorum Sports Trust cannot receive DRR, but simply removes the stated preferential treatment for these organisations, which can still apply and be considered under the same terms as others. Indeed, all of the former strategic partners have currently been awarded DRR.

## **3. Other amendments**

- 3.1. The guidance on "what will be taken into account" has been revised to help clarify to national or regional organisations that in order to receive DRR, they will need to demonstrate the link between the use of the specific premises and benefits to the residents of Dacorum.
- 3.2. The updated policy also removes some references to financial values – both in respect of how a charitable organisation's turnover may restrict the percentage of relief they are awarded, and also about the rateable value of the premises. In place of this, the guidance has been updated to advise ratepayers that the size, rateable value and requirement to use a particular property will be considered when the decision is made.

## **4. Consultation**

- 4.1. These changes have been discussed with the Appeals Committee (business rates), and the committee members indicated their support for the proposals.

**5. Recommendation**

- 5.1. That Cabinet approves the adoption of the updated discretionary rate relief policy (annex A)