

CALL-IN AND URGENCY PROCEDURE

Decisions taken as a matter of urgency under Rule 16 of the Overview and Scrutiny Procedure Rules must be reported to Council, together with the reasons for urgency. Rule 16 provides that the call-in procedure shall not apply where delay in implementing the decision is likely to harm the Council's or the public's interests.

PORTFOLIO HOLDER FOR FINANCE AND RESOURCES (PH/002/20) – 26 FEB 2020

BUSINESS RATES RETAIL AND PUBS DISCOUNT 2020-21

Urgency and Call-in

For the reason referred to in the report, the position is taken that the decision is an urgent one and is therefore no subject to call-in and Chairman of Finance and Resources OSC has confirmed that he is in agreement that this decision is reasonable in all circumstances and to its being as a matter of urgency.

Decision made and reasons:

Government has announced its intention to implement an enhanced business rates retail discount for 2020/21, and to introduce a further relief for pubs. This decision is to formally adopt the schemes for Dacorum businesses.

(1) To introduce a discretionary business rate relief for the year 2020/21 for occupied retail properties with a rateable value of less than £51,000, to be known as the Retail Discount scheme 2020/21.

- The value of the relief will be one half of the bill, applied after all other mandatory and discretionary reliefs except Pub Relief.
- This is an extension to the currently agreed retail discount scheme which has a value of one third of the bill.

(2) To introduce a discretionary business rate relief for the year 2020/21 for occupied pubs with a rateable value of less than £100,000, to be known as the Pub Relief scheme 2020/21.

- The value of the relief will be up to £1,000, applied to the balance of the bill after all other mandatory and discretionary reliefs have been applied.

Both reliefs will be awarded in line with the detailed guidance provided by the Ministry of Housing, Communities & Local Government. The awards are subject to state aid regulations.

The schemes were announced in a written ministerial statement by the Financial Secretary to the Treasury, and are designed to support small businesses during the next year, before the next business rates revaluation takes place. As it is only for a limited period of time the Government will not legislate for this change, and instead expects local authorities to use their discretionary powers under section 47 of the Local Government Finance Act 1988.

The Government will reimburse the full cost of the local share of awarding these reliefs.

Authority to make decisions of this type has been delegated to the Portfolio Holder (Finance & Resources) by cabinet decision CA/78/17.

PORTFOLIO HOLDER FOR FINANCE AND RESOURCES (PH/004/20) – 31 MARCH 2020

COVID-19 SUPPORT FOR BUSINESSES

Urgency and Call-in

For the reason referred to in the report, the position is taken that the decision is an urgent one and is therefore no subject to call-in and Chairman of Finance and Resources OSC has confirmed that he is in agreement that this decision is reasonable in all circumstances and to its being as a matter of urgency.

Decision made and reasons:

As part of its response to the disruption caused by COVID-19, Government has announced several policies aimed at supporting businesses through this economically difficult period including;

- Implementation of a 12-month business rates holiday for businesses in the retail, leisure, hospitality sectors, and for childcare providers.
- £10k Grants for small businesses which receive small business rate relief or rural rate relief,
- £10k or £25k Grants for business premises in the retail, hospitality or leisure sectors.

This decision is to formally adopt these policies to support businesses in Dacorum.

Business rates holiday 2020/21

To introduce a discretionary business rate relief for the year 2020/21 for occupied properties that are wholly or mainly being used:

- as shops, restaurants, cafes, drinking establishments, cinemas or live music venues
- for assembly and leisure; or
- as hotels, guest & boarding premises and self-catering accommodation.
- for childcare provision

The relief will be known as the Business Rates Holiday 2020/21.

- The value of the relief will be the whole of the business rates bill.

The relief will be granted in line with detailed guidance issued by the Ministry of Housing, Communities & Local Government (MHCLG)

The relief was announced as part of the Government's response to disruption caused by COVID-19.

The awards are subject to state aid regulations, but the Government has advised that this is notified state aid under EU regulations and so is not subject to the de minimis regulations. This means that there are no limits linked to the rateable value of the property, nor to the number of properties throughout England on which a business can receive a business rates holiday.

As it is only for a limited period of time the Government will not legislate for this change, and instead expects local authorities to use their discretionary powers under section 47 of the Local Government Finance Act 1988.

Small Business Grants

- To award grants of £10,000 to those liable for business rates on 11 March 2020 who have small business rate relief or rural rate relief on their business rates bill.

Retail, Hospitality and Leisure Grants

- To award grants of £10,000 per property to those liable for business rates on 11 March 2020 where the rateable value is less than £15,000, and they would qualify for the business rates holiday as a retail, leisure or hospitality business.
- To award grants of £25,000 per property to those liable for business rates on 11 March 2020 where the rateable value is £15,000 or more but less than £51,000, and they would qualify for the business rates holiday as a retail, leisure or hospitality business.

The awards will be made in line with detailed guidance issued by the Department for Business, Energy & Industrial Strategy (BEIS).

The grants are subject to State Aid rules, with a maximum total award for any company of £680,000 across the whole of England.

Cost to the Council

The Government will provide DBC with a full reimbursement to cover the cost of these grant and relief allocations. The business rate holiday relief will equate to circa £20m or reduced costs to businesses and the business grants will equate to circa £28m of additional financial support to circa 2000 businesses across Dacorum.

DBC will also be provided with new burdens funding towards the cost of administering the schemes.

Authority to make decisions of this type has been delegated to the Portfolio Holder (Finance & Resources) by cabinet decision CA/78/17.