

Portfolio Holder decision record sheet

Name of decision maker:	Cllr Graeme Elliot
Portfolio:	Finance & Resources
Date of Portfolio Holder decision:	

Title of decision:	Business rates retail and pubs discount 2020-2021
Part II:	No
Part II reason:	

Background to report:

This will be sent to members in the initial notice email so they know the content of the decision.

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.

Decision made and reasons:

(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.

Reports considered: (here reference can be made to specific documents)

Retail Discount guidance published by the Ministry of Housing, Communities & Local Government (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/861633/200129_Retail_Discount_Guidance.pdf)

Portfolio Holder decision record sheet

Pub Relief guidance published by the Ministry of Housing, Communities & Local Government (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/861146/200127_Pub_Discount_Guidance.pdf)

Officers/Councillors/Ward Councillors/Stakeholders consulted:
Group Manager (Revenues, Benefits & Fraud)

Monitoring Officer comments: No comments to add.

Deputy Chief Financial Officer comments: The implementation of these schemes are funded through MHCLG grants in full and will not impact negatively on DBC funding.

Implications: We estimate that the retail discount will help around 350 local businesses, with a total relief award of around £1.8 million. (This is an increase of about £0.6 million from the current scheme)

The pub relief is likely to help around 40 local pubs, to a total value of around £40,000.

Risk: If the Council does not adopt the scheme, there is a risk of reputational damage, and also of small retailers leaving the borough to set up elsewhere.

Value for money: There will be no net cost to the Council to introduce the scheme. Government will provide section 31 funding to offset the reduction to collectable rates. It is also considering new burdens funding towards the administration of the reliefs.

Options considered and reasons for rejection:

The only alternative option is not to introduce the scheme. This has been rejected because of the risks to local businesses, and the risk of reputational damage to the Council.

Portfolio Holder's signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

For Member Support Officer use only

Date decision record sheet received from portfolio holder: 25/02/2020

Date decision published: 26/02/2020

Decision no: PH/002/20

Date of expiry of call-in period: N/A

Date any call-in received or decision implemented: