

Portfolio Holder decision record sheet

Name of decision makers:	Cllr Graeme Elliot.
Portfolios:	Finance & Resources
Date of Portfolio Holder decision:	9 th March 2020

Title of decision:	Business Rates Relief 2021/22
Part II:	No
Part II reason:	

Background to report:

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

- The extension of the 100% business rates holiday for eligible retail, hospitality, leisure and nursery businesses occupying a qualifying property for a further three months until 30 June 2021.
- Rate relief of 66% for eligible properties in the schemes for the period of 1 July 2021 to 31 March 2022, with cash caps of £2 million or £105,000 for businesses dependent on whether or not the business was required to be closed on 5 January 2021.
- The option for businesses to decline this support.

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

Decision made and reasons:

Extended business rates holiday April 2021 to June 2021

Portfolio holder decision PH-004-20 introduced a business rates holiday for the period 1 April 2020 to 31 March 2021. This decision seeks to extend that relief to cover the period 1 April 2021 to 30 June 2021. There is no limit to the amount of relief a business can receive under this scheme.

Expanded retail discount July 2021 to March 2022

This decision introduces a discretionary business rates relief for the period 1 July 2021 to 31 March 2022 for eligible properties occupied by qualifying retail, hospitality and leisure businesses. This relief will be 66% of the business rates bill for this period, calculated on a daily basis. There will be a cash cap on the total value of relief a business can receive, which is £2 million for businesses which were required to be closed on 5 January 2021, or £105,000 for businesses permitted to be open on that date.

Nursery discount July 2021 to March 2022

This decision introduces a discretionary business rates relief for the period 1 July 2021 to 31 March 2022 for eligible properties occupied by qualifying nursery businesses. This relief will be 66% of the business rates bill for this period, calculated on a daily basis. There will be a cash cap on the total value of relief a business can receive, which is £105,000.

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Ability to opt-out

Any business will be able to opt out of receiving relief under any of these three schemes for any particular hereditament. They will be able to do this by writing to the Council to tell us this. Any decision to opt out of the scheme is irreversible.

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

<https://www.gov.uk/government/publications/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance>

<https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2021-to-2022-local-authority-guidance/business-rates-nursery-childcare-discount-2021-to-2022-local-authority-guidance>

Reports considered:

PH-004-20 Business Rates Relief.
CA/78/17 – Delegated Approval to the Portfolio Holder.

Officers/Councillors/Ward Councillors/Stakeholders consulted:

Portfolio Holder (Finance and Resources)
Corporate Director (Finance and Operations)
Assistant Director (Finance & Resources)
Group Manager (Revenues, Benefits & Fraud)
Group Manager (Financial Services)

Monitoring Officer comments:

This decision is being approved as an urgent decision without giving the usual 28 days' notice. In accordance with the Access to Information Regulations the Chair of the Finance and Resources Overview and Scrutiny Committee has agreed that this is an urgent decision and can proceed.

Deputy Chief Finance Officer comments:

The council will receive a Section 31 grant from the government to fund this rates relief scheme, and additional new burdens funding to support the administrative costs incurred.

Financial Implications:

The Government is not legislating to introduce these reliefs as they are temporary measures, but instead is asking local authorities to use discretionary powers under section 47 of the Local Government Finance Act 1988.

Government will provide DBC with a full reimbursement to cover the cost of these reliefs. The business rate relief is estimated as a reduction to business rates to be collected of circa £20m.

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

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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.

Risk:

If the Council does not adopt the scheme they will be in contravention of government policy and would therefore be likely to receive penalties. The Council would also be likely to suffer severe reputational damage.

Value for money:

There is no net cost to the Council to introduce the proposed scheme.

Options considered and reasons for rejection:

The implementation of this scheme will be led by government policy and guidance and is deemed the only viable option to explore.

Other rejected options are:

- Do not implement and be in contravention of government policy.

Portfolio Holders signatures:

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: 16/03/2021

Date decision published: 17/03/2021

Decision no: PH-008-21

Date of expiry of call-in period: n/a (urgent)

Date any call-in received or decision implemented: 17/03/2021

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