

The Vale of Glamorgan Council

Cabinet Meeting: 16th April 2018

Report of the Leader

Non Domestic Rates - High Street Rates Relief Scheme 2018-19

Purpose of the Report

1. To confirm adoption of a High Street Rates Relief Scheme for 2018-19 in respect of qualifying business premises within the Vale of Glamorgan area under discretionary relief powers in accordance with section 47 of the Local Government Finance Act 1988.

Recommendations

1. THAT Cabinet recommends to full Council the following:
 - Adopts the High Street Rates Relief Scheme for 2018-19 in accordance with the provisions contained in Section 47 of the Local Government Finance Act 1988.
 - Resolves to award relief to all qualifying businesses on the assumption that the Non-domestic Rates High Street Rates Relief Guidance issued by the Welsh Government at [Appendix A](#) for the 2017-18 financial year will remain unchanged.
 - Resolves to automatically award entitlement to those qualifying business that can be identified through records held by the Council.
 - Resolves to award entitlement to the remaining businesses that may be eligible following receipt of a valid application form.
 - Delegated authority is given to the Head of Finance to implement any eligibility change issued by the Welsh Government in respect of High Street Rates Relief for the 2018-19 financial year.
2. THAT the use of Article 14.14 of the Council's Constitution (urgent decision procedure) be authorised in respect of recommendation 1 above.

Reasons for the Recommendations

1. 1-2. To enable a scheme to be adopted using discretionary relief powers under section 47 of the Local Government Finance Act 1988 for the provision of High Street Rates Relief for qualifying business premises within the Vale of Glamorgan area for the period 1st April 2018 to 31st March 2019.

Background

2. An announcement was made on the 13th December 2017 by the Cabinet Secretary for Finance, Mark Drakeford AM, regarding an extra £5 million being made available to extend the help available to High Street retailers with their non-domestic rates. This is half the amount available in 2017/2018
3. On the 13th March 2018 the Welsh Government confirmed that an administrative grant of £6,203.86 will be provided to the Vale of Glamorgan to assist with the implementation of the scheme. This amount was based on the total number of eligible hereditaments that received relief in the 2017-18 financial year.
4. On the assumption that grant funding for the Vale of Glamorgan Council will be based on the total number of eligible hereditaments that received relief in the 2017-18 financial year, then it is anticipated that an amount of £231,500 will be received to assist eligible ratepayers.

Relevant Issues and Options

5. The relief is aimed at High Street retailers in Wales and includes those retailers that have seen an increase in their rates as a result of the 2017 revaluation undertaken by the Valuation Office Agency.
6. There are two levels of support available; Tier 1 which is the lower level of support up to a maximum of £250 and Tier 2 which is the higher level of support up to a maximum of £750.
7. In order to ensure maximum take-up, whilst minimising the administrative burden for ratepayers and local authority staff, where qualifying businesses can be identified then any entitlement will automatically be awarded without the need of an application.
8. The remaining businesses who may qualify for assistance will be sent an application form in order for the Council to determine their eligibility.
9. In the 2017-18 financial year, for the Vale of Glamorgan area, 401 business ratepayers received relief under Tier 1 and 175 business ratepayers received relief under Tier 2.
10. Once the level of award has been applied to the account of eligible businesses the ratepayer will receive an amended account showing the amount credited to the account under the scheme. The amended account will set out revised instalments payable for the remainder of the financial year. Where the account has been paid in full, a refund will be made.

Eligibility Criteria

11. On the assumption that the eligibility criteria will remain unchanged from the 2017-18 scheme, then the various types of businesses eligible for relief will be occupied High Street properties such as shops, restaurants, cafes and drinking establishments.
12. A model resolution is attached at [Appendix C](#) for the Council to adopt this discretionary relief.

Consultation and Equality Impact Assessment

13. The Welsh Government has previously consulted in relation to the Welsh Retail Relief Scheme which was introduced in April 2015 and there has been no significant change since this scheme was introduced. The High Street Rates Relief Scheme is an extension to the Welsh Retail Relief Scheme.
14. As there is no evidence of significant change it is not considered proportionate to produce a revised equality impact assessment, to be consistent with the stance of the Welsh Government with regard to its own related equality impact assessment.

Resource Implications (Financial and Employment)

15. The Welsh Government has confirmed that funding will be provided in respect of awards for High Street Retail Relief made by the Vale of Glamorgan Council. Based on the total number of eligible hereditaments that received relief in the 2017-18 financial year, then it is anticipated that a provisional amount of £231,500 will be received.
16. The Cabinet Secretary for Finance and Local Government has agreed to provide one-off funding in recognition of the administrative costs incurred by Councils in developing and implementing the High Street Retail Relief Scheme. The share of the funding allocation to the Vale of Glamorgan Council is £6,203.86.

Sustainability and Climate Change Implications

17. There are no direct climate change implications.

Legal Implications (to Include Human Rights Implications)

18. The Council will be required to implement the High Street Retail Relief Scheme in line with Welsh Government Regulations and Guidance.

Crime and Disorder Implications

19. There are no direct crime and disorder implications.

Equal Opportunities Implications (to include Welsh Language issues)

20. The Welsh Government has assessed the equality implications when implementing the Welsh Retail Relief Scheme and produced the relevant Equality Impact Assessment which is attached at [Appendix B](#). The High Street Rates Relief is a continuation of this scheme

Corporate/Service Objectives

21. The service objective is to administer Non-domestic rates and award reliefs to eligible ratepayers.

Policy Framework and Budget

22. The matter is for Executive decision by Cabinet and thereafter for consideration by Council

Consultation (including Ward Member Consultation)

23. Not applicable.

Relevant Scrutiny Committee

24. Corporate Performance and Resources.

Background Papers

None

Contact Officer

Carys Lord

Officers Consulted

Exchequer Manager

Responsible Officer:

Carys Lord
Head of Finance