
Business Rates Discretionary Rate Relief Policy – Supporting Information

1. Introduction/Background

- 1.1 The current policy was last reviewed in November 2017 when a number of reliefs that had stopped were removed and new government schemes introduced were added.
- 1.2 This matter relates to one of the new government schemes - the new 2017 Discretionary Rates Relief Scheme. This relief was introduced to assist businesses who faced the largest increases in their Business Rates bills as a result of the 2017 revaluation. In the acknowledgement that large increases in bills occurred government provided funding for this scheme.
- 1.3 Local Authorities had to design their own scheme. The scheme which members approved is shown on pages 7 and 8 of Appendix D.
- 1.4 Many different types of properties saw large increases in their rateable values as a result of the revaluation which meant large increases in the bills. The hardest hit areas were the recreation and leisure sectors.
- 1.5 This report highlights the reasons why it is considered necessary to update the policy.

2. Supporting Information

- 2.1 For this financial year, 2018/19, government allocated funding of £272,000 to assist West Berkshire businesses and for 2019/20 £112,000 is allocated.
- 2.2 Currently 223 organisations qualify for relief under this scheme, with many seeing £1,000 in rate relief being awarded. However current models suggest that should the current percentages of relief continued to be applied then the overrun of relief awarded at the end of financial year would be around £190,000, with some £82,000 not being spent.
- 2.3 It was therefore necessary to review how the allocation was being spent.
- 2.4 The current policy shown at Appendix D highlights all the discretionary reliefs on offer. The recommendations relate to the percentage of increase explained at 8.3.

3. Options for Consideration

- 3.1 The option for the Council is whether they wish to increase the relief awarded to the 223 organisations. There is no financial implications as this is fully supported through government funding.

4. Proposals

- 4.1 This is to increase the amount of relief awarded from 35% to 50% of the increase in the bill for 2018/19 and from 15% to 25% of the increase in 2019/20.

5. Conclusion

- 5.1 In order to ensure that the government's funding for this scheme is allocated to its full potential the Council should consider increasing the amount of relief awarded.

6. Consultation and Engagement

- 6.1 Not applicable

Background Papers: None

Wards affected: None

Strategic Aims and Priorities Supported:

The proposals will help achieve the following Council Strategy aim:

x MEC – Become an even more effective Council

The proposals contained in this report will help to achieve the following Council Strategy priority:

x MEC1 – Become an even more effective Council

Officer details:

Name: Iain Bell
Job Title: Revenues & Benefits Manager
Tel No: 01635 519294
E-mail Address: iain.bell@westberks.gov.uk
