

Report to: Mayor

Date of meeting: March 2019

Report author: Jane Walker – Head of Revenues & Benefits

Report title: Business Rates - Local Discretionary Rate Relief (Spring Budget 2017)
Discretionary Business Rate Relief (Budget 2017)

1. Summary

- 1.1. This report sets out the proposals for the Watford Borough Council for the Business Rates Revaluation Support Scheme for 2019/2020.

2. Risks

- 2.1. The risks associated with the policy are included in the table below.

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
All the money not being allocated to eligible businesses.	Any unallocated money must be returned to the Government.	Close monitoring of applications to take place to ensure that all of the grant money is allocated to eligible businesses.	Treat	2

3. Decision Required

- 3.1. The Mayor is requested to agree that the same criteria are used for the 2019/20 scheme as were used for the 2018/19 scheme and that Officers be delegated to make any small amendments to the scheme, including the distribution of any unclaimed amounts within the year, up to the maximum limit of the Government grant if felt appropriate.

4. Forward Plan

- 4.1. Delegation of decision to the Mayor.

5. Detailed Proposal

- 5.1. The 2017 revaluation of all non-domestic rate properties came into force on 1 April 2017. The rateable values of the properties in the rating list are based on rental levels from 1 April 2015. The previous revaluation which came into force on 1 April 2010 was based on rental levels from 1 April 2008.
- 5.2. The Chancellor announced that the Government would make available a discretionary fund of £300 million, over four years from 2017/18, to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. The funding for Watford Borough Council is as per the table below;

	2017/18	2018/19	2019/20	2020/21
Watford Borough Council	£217,000	£106,000	£43,000	£6,000

- 5.3. Each billing authority was asked to set up its Local Discretionary Business Rate Relief scheme for each financial year. Watford Borough Council's scheme is an annual scheme which is agreed each year.
- 5.4. The Government believed that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies. To support this, Watford has a set of criteria which it believes best meets these local criteria. This information is included at Appendix 1.
- 5.5. Once the Policy was originally agreed in September 2017, NNDR Officers identified Businesses who may be entitled, and wrote to each Business with an application form, in order to confirm that said Business was entitled to relief for a one year period.
- 5.6. A timescale was given for the application form to be returned. Businesses who did not reply were actively telephoned, emailed and follow up letters along with personal intervention, i.e., visit, from our Revenues Inspectors in order to apply relief
- 5.7. For the current year's scheme, and as at 28th January, 2019, £85,926.13 for 75 Businesses had been allocated. A follow up exercise by our NNDR Officers will shortly take place to allocate remaining monies by 31st March, 2019.
- 5.8. It is proposed that the criteria for the existing scheme continues for the 2019/2020 financial year and that it is again a one year scheme. A new scheme will be agreed for 2020/2021.
- 5.9. All eligible Businesses will be contacted again in 2019/20 and invited to apply for the relief.

EQUALITIES IMPLICATIONS

There are no equalities implications.

LEGAL IMPLICATIONS

The Council's power to award the proposed relief is contained within Section 47 of the Local Government Finance Act 1988 as amended.

FINANCIAL AND RESOURCES IMPLICATIONS

The local scheme aims to distribute no more than the government grant provided for this purpose in the March 2017 budget, as per the table listed at paragraph 5.2.

Appendix 1 – Watford Borough Council Discretionary Revaluation Rate Relief Support Scheme 2019/2020.