

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Cabinet **DATE:** 14<sup>th</sup> April 2014

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**WARD(S):** All

**PORTFOLIO:** Cllr. Rob Anderson; Lead Commissioner for Finance & Strategy;

### **PART I** **KEY DECISION**

#### **COUNCIL TAX AND BUSINESS RATES POLICIES**

##### **1 Purpose of Report**

The purpose of the report is to seek approval for four new policies in relation to Revenue collection;

- 'A' Policy for Council Tax Discounts for flooded Properties
- 'B' Policy for Business Rates Relief's for flooded Properties
- 'C' Policy for Retail Rate Relief
- 'D' Policy for Reoccupation Relief

An urgent decision is required because the changes in legislation have only just been enacted by the government and the policy is required to ensure that the Council Tax and Business Rates bills are accurate and that residents and local businesses can access the monies set aside from Government.

##### **2 Recommendation(s)/Proposed Action**

The Cabinet is requested to resolve that the following policies, as set out in appendices A to D, be approved.

- (a) Council Tax Discounts for Flooded Properties
- (b) Business Rates Relief for Flooded Properties
- (c) Retail Rate Relief for Business Properties
- (d) Reoccupation Relief for Business Properties

##### **3 Slough Joint Wellbeing Strategy Priorities**

The awarding of relief for homes and businesses affected by flooding and the application of Retail Relief in line with government guidance are all key priorities of the Council

#### 4 **Other Implications**

##### (a) Financial

There are no direct financial implications to the Council, the Council will award the relief as outlined and will then claim the costs of the relief back from central government via a grant claim later in the financial year

##### (b) Risk Management

<b>Risk</b>	<b>Mitigating action</b>	<b>Opportunities</b>
Legal	None	
Property	None	
Human Rights	None	
Health and Safety	None	
Employment Issues	None	
Equalities Issues	None	
Community Support	None	
Communications	None	
Community Safety	None	
Financial	Utilisation of Government monies	
Timetable for delivery	None	
Project Capacity	None	
Other	None	

##### (c) Human Rights Act and Other Legal Implications

There are no human rights or other legal implications arising from this report.

##### (d) Equalities Impact Assessment

No EIA is required for this report

#### 5 **Supporting Information**

- 5.1 The Prime Minister announced on the 12<sup>th</sup> February and then on 19<sup>th</sup> February that help would be provided in the form of discounts and reliefs for homes and businesses that had been flooded.
- 5.2 In order to enact all the legislation quickly the government have enacted it under the discretionary powers for Council Tax and Business Rates in the Local Government Finance act as amended.
- 5.3 As this is a discretionary power members are required to agree any policies that relate to payments under this power.
- 5.4 The Government have agreed to reimburse Local Authorities for any Business Rates reliefs paid out under the guidance issued by the Department of Communities

and Local Government (CLG). The government has also set aside £4m to reimburse Local Authorities for Council Tax discounts awarded under this criteria.

- 5.5 Policies have therefore been developed to award discounts and reliefs in line with the guidance published by CLG to Council Tax and Business Rate payers.
- 5.6 The Government in the Autumn Statement on 5th December 2013 announced that they will be providing Retail Relief for 2014-15 and 2015-16 for certain retail premises.
- 5.7 The Government has issued guidance on the implementation of the Retail Relief but on the basis that they have issued the changes under Section 47 of the Local Government Finance Act 1988 as amended; the local authority has to define a policy for the administration of the relief.
- 5.8 The Government wish to provide a relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014- 15 and 2015-16.
- 5.9 The Government have agreed to reimburse Local Authorities for any Retail Relief paid out under the guidance issued.
- 5.10 Policies have therefore been developed to award Retail Relief to Business Rate payers, in line with the guidance published by CLG.
- 5.11 The Chancellor announced in the autumn statement on 5<sup>th</sup> December 2013 that help would be provided in the form of a 50% discount for reoccupying empty retail premises in order to encourage thriving and diverse town centres and wants to see the number of vacant shops decrease.
- 5.12 In order to enact the legislation quickly the government have enacted under the discretionary powers for Business Rates in the Local Government Finance act 1988 as amended.
- 5.13 As this is a discretionary power members are required to agree any policies that relate to payments under this power.
- 5.14 The Government have agreed to reimburse Local Authorities for any Business Rates relief's paid out under the guidance issued by the Department of Communities and Local Government (CLG).
- 5.15 Policies have therefore been developed to reoccupation relief for businesses in line with the guidance published by CLG.
- 5.16 The guidance released by CLG stated that the council can restrict the scheme as it see's fit, as it is a discretionary scheme, where it would go against the Council's wide objectives. At present the proposed scheme excludes betting shops, payday loans and pawnbrokers.
- 5.17 The Council can include additional discretionary relief to encourage further economic benefit to recipients of the scheme. However, in doing so, this would be a cost to the local taxpayer. The Council would need to have a clear economic rationale for doing so.

6 **Comments of Other Committees**

This report and documents have not been considered by any other Committees.

7 **Conclusion**

The Cabinet is requested to consider and agree the following policies

- a. Council Tax Discounts for Flooded Properties
- b. Business Rates Relief for Flooded Properties
- c. Retail Rate Relief for Business Properties
- d. Reoccupation Relief for Business Properties

In order to comply with current Council Tax and Business rates legislation and guidance issued by the Department for Communities and Local Government

8 **Appendices Attached**

- 'A' Policy for Council Tax Discounts for flooded Properties
- 'B' Policy for Business Rates Relief's for flooded Properties
- 'C' Policy for Retail Rate Relief
- 'D' Policy for Reoccupation Relief

9 **Background Papers**

- '1' Local Government Finance Act 1992 as amended
- '2' Local Government Finance Act 1988 as amended
- '3' Flood & Water Management Act 2010
- '4' Flooding Guidelines from DCLG issued 25<sup>th</sup> February 2014
- '5' Reoccupation Relief Guidelines from DCLG issued 1<sup>st</sup> April 2014