

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 17th July 2017

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WARD(S): All

PORTFOLIO: Councillor Munawar ; Leader of the Council
Cabinet Member for Finance & Strategy

PART I **KEY DECISION**

BUSINESS RATES DISCRETIONARY RELIEF POLICY – PUBLIC HOUSES

1 Purpose of Report

To provide a Council policy for the financial year 2017-18 in respect of

- Discretionary Rate Relief as announced in the March 2017 Budget for Public Houses

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve that the policy for Discretionary Rate Relief for Public Houses as set out in Appendix A be approved.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

This report supports the 5 Year Plan through support to adults as retaining and encouraging smaller businesses to the borough will provide jobs and opportunities to our residents

3a Slough Joint Wellbeing Strategy Priorities

The awarding of relief for businesses in line with government guidance is a the key priority of the Council

3b Five Year Plan Outcomes

This report will primarily have implications for Outcome 5 as it will assist in retaining smaller businesses and local businesses in the borough as well as attracting small businesses to the borough which will provide jobs and opportunities for our residents.

4 **Other Implications**

(a) **Financial**

Central Government has provided guidance on how the relief should be awarded and will reimburse Local Authorities for the full amount of the spend as long as the scheme is enacted within the guidelines.

The Council proposes to administer the scheme within the guidelines and therefore maintain spend within the payment methodology proposed by central government so as not to put any additional pressure on the Council's general fund budget.

The Council will receive up to £1,000 per Public House relief awarded for 2017-18 as long as the Rateable Value (RV) of the public House is below £100,000.

(b) **Risk Management**

Risk	Mitigating action	Opportunities
Legal	The scheme is based on the guidance released by the DCLG on 20 th June 2017 but must be awarded under the Discretionary Powers in the Business Rates legislation, to allow a discretionary scheme approved by each local authority to support businesses affected by the change in the revaluation.	
Property		
Human Rights		
Health and Safety		
Employment Issues		In being able to retain smaller businesses in the borough or to encourage small local businesses to open in the borough can provide opportunities for jobs.

Equalities Issues		
Community Support		
Communications		As there are only 29 Public Houses in the borough it is proposed that each business will be contacted individually
Community Safety		
Financial		
Timetable for delivery	The change is effective from April 2017. However the definition of a Public House for this legislation was only released on 20 th June 2017, which has delayed the report	
Project Capacity		
Other		

(c) Human Rights Act and Other Legal Implications

There are no direct legal implications.

(d) Equalities Impact Assessment

There is no EIA as this policy refers to businesses in the borough only.

5 Supporting Information

- 5.1 The Business Rates Relief Policy Public Houses (Spring 2017 budget) is included in appendix A.
- 5.2 The Business Rates were revalued with effect from April 2017 for all businesses, and a number of businesses both nationally and in the borough of Slough saw an increase in their Rateable Values (RV)
- 5.3 In addition, the multiplier, the figure determined by the government, which is multiplied by the RV to determine the charge was reduced, however for a number of properties more especially in the South East of England including Slough this meant that the overall charge for Business Rates increased.

- 5.4 The Chancellor of the Exchequer announced three schemes in the Spring budget of March 2017 to addition business rates relief to those affected by the revaluation.
- 5.5 Small Business Rate Relief, a copy of which is attached at Appendix B
- 5.6 Relief for Public Houses, following the Budget announcement the government released a consultation document on the definition of Public Houses, and the details of the scheme, however final guidance on the operation and funding of the scheme was not released until 20th June 2017 when the government announced the definition of Public Houses and the guidance for administration and payment, a copy of which is attached at Appendix C
- 5.7 Local discretionary relief scheme, in this instance Local Authorities have been provided with a sum of money under discretionary powers which means there is no proposed national scheme or guidance on awarding the relief, a policy paper was agreed at Cabinet on 19th June 2017 on the criteria for the scheme.
- 5.8 All Local Authorities have been awarded up to £1,000 per Public House as long as the RV is below £100,000
- 5.9 The grant has been awarded under Section 31 of the Business Rates legislation, and due to time constraints the government has not passed any enabling legislation but stated that the award should be made under the Councils discretionary powers under section 47 of the Local Government Finance Act as amended.
- 5.10 The scheme has been developed in line with the government guidelines to maximise the use of the grant but not to spend more than the allocation.
- 5.11 The scheme has been developed to ensure that the receiptants are considered firstly under the Supporting Small Business Relief (SSBR) scheme and that State Aid is taken into consideration in line with the government guidelines.

6 **Comments of Other Committees**

n/a

7 **Conclusion**

That members are requested to review and approve this policy

8 **Appendices Attached**

- 'A' - New Discretionary Rate Relief Scheme (Public Houses)
- 'B' - Small Business Rates Relief scheme set by Central Government
- 'C' - Business Rates Information Letter (4/2017): Spring Budget Update

9 **Background Papers**

- "1" - Business Rates Information letter (2/2017) from DCLG
- "2" - Local Government Finance Act 1992 as amended
- "3" - Local Government Finance Act 1988 as amended