

To: City Executive Board

Date: 17 December 2014

Report of: Head of Customer Services

Title of Report: Discretionary Rate Relief Policy

Summary and Recommendations

Purpose of report: To agree an updated National Non-Domestic Rates Discretionary Rate Relief policy.

Key decision: Yes

Executive lead member: Councillor Susan Brown, Executive member for Customer Services and Social Inclusion

Policy Framework: Efficient, effective Council

Recommendation: That the City Executive Board approve the updated National Non-Domestic Rates Discretionary Rate Relief policy to apply until a review is undertaken in 2018.

Appendices to report:

Appendix A- Proposed Discretionary Rate Relief Policy 2015-2018

Appendix B – Value of Reliefs granted at November 2014

Appendix C – Risk register

Background

1. A Billing Authority should have a readily understood policy for deciding whether or not to grant Discretionary Rate Relief, and for determining the amount of Relief.
2. There have been a number of changes to Rate Reliefs since 2011 which have been implemented. The proposed revised policy reflects these changes which include Retail Relief, Long Term Empty Property Relief, New Build Empty Properties and more recently Flooding Relief.

Purpose of Discretionary Reliefs

3. The purpose of Rate Relief is to achieve specific policy outcomes such as:
 - a) Reducing costs to charities
 - b) Supporting the retail sector
 - c) Remove costs associated with development

- d) Reduce the cost/impact of flooding on businesses
- 4. The principal consideration when making an award is that any Discretionary Rate Relief granted is in the best interests of the residents and taxpayers of Oxford City and produces a specific policy objective.

Purpose of the Policy

- 5. The purpose of this policy is to determine the level of Discretionary Rate Relief to be granted to certain defined ratepayers within the City Council's area- see 1.2. The revised policy is attached at Appendix A.
- 6. The policy contains details of the Reliefs available, how to apply for them, and the process should an application be unsuccessful.

Management of the Process

- 7. The Policy will be available for the public to view on our website.
- 8. Once a Ratepayer has been awarded Discretionary Rate Relief, the decision can only be revoked by giving at least one year's notice to the Ratepayer with the date of revocation.
- 9. Our normal practice is to grant Discretionary Rate Relief for one year at a time. Ratepayers are advised of this, and prior to the start of a new financial year we invite those currently in receipt of Discretionary Rate Relief to re-apply for Relief. Supporting evidence or documentation will be requested where required.
- 10. Unsuccessful applicants are able to request a reconsideration of the decision.
- 11. Following a review of the decision to refuse Discretionary Rate Relief it can only be challenged by an application for judicial review in the High Court.

Financial Implications

- 12. Since the Business Rates retention scheme came into force from the 1st April 2013, Central Government funds 50% of any Discretionary Relief granted, with the City Council funding 40%, and the County funding 10%.
- 13. The current cost to the City Council of granting Discretionary Rate Relief is £18,532.30 however this figure will fluctuate throughout the year with businesses ceasing to receive relief and new ones being awarded relief.
- 14. In some cases, such as Flooding Relief and Retail Relief, Central Government are funding 100% of the Relief granted.

Legal Implications

15. The policy outlines the areas of local discretion and Oxford City Council's approach to the various awards. This approach has due regard to the impact:
- a) On the Council's wider financial position and how that affects Council tax payers;
 - b) On the organisations and businesses that currently receive or may apply for Relief in the future;
 - c) Of funding made available by Central Government to provide full financial support for the awarding of Retail Relief, New Build Empty Property Relief and Long Term Empty Property Relief
16. The policy also adopts the principal consideration when making an award is that any Relief granted is in the best interests of the residents and taxpayers of Oxford City and produces a local benefit.

Risks

17. If the scheme was changed significantly, there would be insufficient budget to meet the cost of granting Discretionary Rate Relief.

Environmental Impact

18. There is no environmental impact from the granting of discretionary rate relief.

Equalities

19. As the policy will consider every application on its merits, no impact assessment is necessary

Name and contact details of author:-

Name: Tanya Bandekar
Job title: Service Manager, Revenues and Benefits
Service Area / Department: Customer Services
Tel: 01865 252281 e-mail: tbandekar@oxford.gov.uk

List of background papers: None

This page is intentionally left blank