

To: City Executive Board
Date: 13 February 2018
Report of: Nigel Kennedy, Head of Financial Services
Title of Report: National Non-Domestic Rates Discretionary Relief Policy 2018-2022

Summary and recommendations	
Purpose of report:	To agree an updated National Non-Domestic Rates Discretionary Relief policy.
Key decision:	Yes
Executive Board Member:	Councillor Susan Brown, Corporate and Customer Services
Corporate Priority:	An efficient and effective council
Recommendation(s): That the City Executive Board resolves to:	
1.	Approve the updated National Non-Domestic Rates (NNDR) Discretionary Rate Relief policy as attached at Appendix 1 and;
2.	Agree to grant 100% discretionary relief for Public toilets from 1/4/18 if the bar is lifted on giving rate relief to local authorities by then
Appendices	
Appendix 1	Proposed NNDR Discretionary Rate Relief Policy 2018-2022
Appendix 2	Value of Reliefs granted at March 2017
Appendix 3	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 which the Council has implemented since 2015 (when the last policy revision took place). The revised policy; attached at Appendix 1; reflects these changes which include: removing Retail Relief, Long Term Empty Property Relief, New Build Empty Properties and Flooding Relief as these were time limited and covered by the previous policy, and adding in Relief for Public Toilets and Local Newspapers (the latter time limited to 2 years).

3. The Council has a separate Revaluation Discretionary Rate Relief Policy approved by the City Executive Board on 15th August 2017 which covers Small Business Relief, Public House Relief and Revaluation Discretionary Relief. The purpose of this policy and the associated schemes is to create a transitional period to ease the burden of rate rises on businesses over the next 2 -4 years. (Due to the low take up of the Revaluation Discretionary Relief the Head of Finance, having reviewed the scheme is now looking to award the grant in accordance with the agreed criteria without the need for an application but still subject to State Aid rules).

Purpose of Discretionary Relief

4. The main purpose of Discretionary Relief is to achieve specific policy outcomes such as:
 - a) Reducing costs to charities
 - b) Supporting certain sectors
 - c) Removing costs associated with development
 - d) Keeping services local
 - e) Regeneration benefits to the City
5. 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 that it delivers against a specific policy objective.

Purpose of the Policy

6. The purpose of the Policy attached at Appendix 1, is to determine the level of Discretionary Rate Relief to be granted to certain defined ratepayers within the City Council's area. .
7. 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

8. The Policy will be available for the public to view on the Council's website.
9. 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.
10. The Council's 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.
11. Unsuccessful applicants are able to request a reconsideration of the decision.
12. Following a review of the decision to refuse Discretionary Rate Relief it can only subsequently be challenged by an application for Judicial Review in the High Court.

Financial Implications

13. Since the Business Rates Retention Scheme came into force on the 1st April 2013, Central Government funds 50% of any Discretionary, Mandatory and Part

Occupied Relief granted, with the City Council funding 40%, and the County Council funding 10%.

14. Funding for other reliefs is by Section 31 grant.
15. The current cost to the City Council of granting Discretionary Rate Relief is £18,745.79 however; this figure will fluctuate throughout the year with businesses ceasing to receive relief and new ones being awarded relief (Appendix 2).
16. In some cases, such as Relief for Public Toilets, Central Government are funding 100% of the Relief through a Section 31 grant. This was seen previously with support for Reliefs for Flooding and Retail properties as examples.

Legal Issues

17. The Policy at Appendix 1 outlines the areas in which there is an element of local discretion together with Oxford City Council's approach to the various awards that can be made. The Policy has been drafted with due regard to:
 - a) the Council's wider financial position and how it affects Council Tax payers generally;
 - b) the organisations and businesses that currently receive or may apply for Relief in the future; and
 - c) the funding that is made available by Central Government to provide full financial support for the Council to award certain categories of relief
18. The Policy also incorporates the principle consideration that when an award of any Relief is granted it is done in the best interests of the residents and taxpayers of Oxford and produces a local benefit.

Risks

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

Environmental Impact

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

Equalities

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

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Background Papers: None	

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