

PLYMOUTH CITY COUNCIL

Subject: Business Rates Discretionary Relief Scheme 2017-18
Committee: Cabinet
Date: 26 September 2017
Cabinet Member: Cllr Darcy
CMT Member: **Andrew Hardingham**
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Ref:

Key Decision: Yes
Part: I

Purpose of the report:

In the spring budget 2017 the Chancellor announced that there would be £300m available over 4 years to support those businesses affected by the 2017 revaluation. Plymouth has been awarded the following amounts for relief as follows:

2017/18	2018/19	2019/20	2020/21
£0.443m	£0.215m	£0.089m	£0.013m

This report sets out the proposed scheme for Plymouth City Council which has been developed in conjunction with other Devon Authorities.

The Corporate Plan 2016/19:

There are no implications for the Corporate Plan.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:

There are no resource implications for the MTFS.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

There are no implications.

Equality and Diversity:

No groups are expected to be impacted by this policy.

Recommendations and Reasons for recommended action:

I. That Cabinet recommends the Business Rates Discretionary Relief Scheme set out below.

Alternative options considered and rejected:

The scheme proposed is designed to offer financial relief to those most affected by the 2017 rates revaluation. The proposed scheme includes parameters which have been developed in conjunction with the other Devon authorities and are aimed to provide maximum relief to those facing the most hardship as a result of the 2017 revaluation.

Published work / information:

Background papers:

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7

Sign off:

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Originating SMT Member Andrew Hardingham											
Has the Cabinet Member(s) agreed the content of the report? Yes											

I. Business Rates Revaluation Discretionary Relief Scheme 2017/18

- 1.1 In the spring budget 2017 the Chancellor announced that there would be £300m available over 4 years to support those businesses affected by the 2017 revaluation. Plymouth has been awarded the following amounts to offer as relief:

2017/18	2018/19	2019/20	2020/21
£0.443m	£0.215m	£0.089m	£0.013m

The funding received from Government cannot be carried forward into future years so all efforts will be made to allocate all of the available funding. Any unallocated monies are at risk of being returned to government.

- 1.2 The Scheme has been developed in conjunction with the other Devon Authorities. It was agreed that these can be flexed to suit each Authorities local needs.
- 1.3 In order to administer the scheme efficiently 80% of the money available will be awarded on a formula basis. The remaining 20% will be awarded on an individual case by case basis where the criteria below is not met. Officers will monitor the award of relief throughout the year to ensure as far as possible all funds are spent.
- 1.4 The Devon scheme formula based scheme has suggested the following rules:

	Rule	Criteria
1	Occupied Premises only	Must be occupied on 31/3/17
2	Excludes Public Bodies	Generally covered by other relief schemes
3	Rateable Value threshold	Maximum of £0.200m.
4	Local businesses only	Scheme should support local Businesses only
5	Mandatory Relief	Those in receipt of 80% relief should be excluded from scheme (PCC also excludes those in receipt of Small Business Rate Relief)
6	Minimum Increase	Only included if net rates payable increases by more than 2% and £50 (PCC £200)
7	Maximum Payment	£1,000 (PCC £5,000)
8	Public Houses	Excluded as they are supported by a separate scheme offering £1,000.
9	Certain types of Business Excluded	Such as betting establishments, cash converters

- 1.5 The criteria above will be used to select those hereditaments that will qualify for the formula based part of the scheme.
- 1.6 The proposed Plymouth scheme has been modelled using the above criteria with rules 5, 6 and 7 highlighted above using different amounts.

- 1.7 Applying the criteria above to Plymouth's Hereditaments of 7,700 generates a list of approximately 300 properties that would qualify for this relief. The total amount paid would be £0.340m, leaving £0.103m for individual case by case relief.
- 1.8 The aim is to publish the relief scheme in October and make payments by the end of November. Those in receipt of the relief in 2017/18 would also receive a proportional amount in 2018/19.
- 1.9 It is recommended that the Devon based criteria is adopted with the exception of the 3 rules highlighted above which will be flexed by PCC to make best use the funds available.