

# RETAIL, HOSPITALITY AND LEISURE BUSINESS RATES RELIEF SCHEME 2023-2024

Cabinet 9 February 2023

**Report of:** Deputy Chief Executive and Chief Officer - Customer and Resources

**Status:** For Decision

**Key Decision:** No

**Executive Summary:** This report sets out the proposed Retail, Hospitality and Leisure Business Rates Relief Scheme for 2023/2024

**This report supports the Key Aim of:** Supporting and developing the local economy and providing value for money.

**Portfolio Holder:** Cllr. Dickins

**Contact Officer(s):** Sue Cressall, Ext. 7041

Paula Porter, Ext. 7277

**Recommendation to Cabinet:** members are asked to approve the Retail, Hospitality and Leisure Business Rates Relief Scheme for 2023/2024

**Reason for recommendation:** Relief from business rates provides organisations with valuable support and contributes to the Council's commitment to supporting and developing the local economy.

## Introduction and Background

- 1 The Government announced in the Autumn Statement on 17 November 2022 that it would provide a business rate relief scheme for eligible retail, hospitality and leisure properties for 2023/2024.
- 2 The value of the relief for 2022/2023 is 75% of the net rates liability, up to a cash limit of £110,000 per business.
- 3 Government guidance states that it will be for each billing authority to adopt a local scheme for Retail, Hospitality and Leisure Business Rate Relief and decide in each individual case when to grant relief under Section 47 of the Local Government Finance Act 1988 (as amended).
- 4 Appendix A contains the Retail, Hospitality and Leisure Business Rates Relief Scheme which sets out how Sevenoaks intends to implement this wide-ranging relief.

## **Other options Considered and/or rejected**

- 5 Although each billing authority has to create and determine its own scheme, Government expects authorities to have regard to the published guidance. Having considered the content of the available guidance, the scheme has been drafted to closely mirror the eligibility criteria and thereby maximise available support for ratepayers.

### Key Implications

#### Financial

Since 1 April 2013 all discretionary relief granted has come under the provisions of the business rate retention scheme.

The cost of relief is initially shared between central government (50%) and local authorities (50%). Of this Sevenoaks District Council is required to fund 40%. However, due to the complexities of business rates retention, the actual impact is likely to be significantly lower.

Government will fully reimburse billing authorities and major precepting authorities for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in the scheme set out in Appendix A. Reimbursement will be by way of a grant under section 31 of the Local Government Act 2003.

#### Legal Implications and Risk Assessment Statement

There are no legal issues.

#### **Risk Assessment Statement**

Rate relief awarded using discretionary powers under Section 47 of the Local Government Finance Act 1988 (as amended) can only be awarded for a specific financial year if the decision to award relief is made by 30 September of the following financial year. In order to ensure that ratepayers do not miss out on vital financial support, this scheme will be proactively promoted.

#### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

#### Net Zero Implications

The decisions recommended through this paper have a remote or low relevance to the council's ambition to be Net Zero by 2030. There is no perceived impact regarding either an increase or decrease in carbon emissions in the district, or supporting the resilience of the natural environment.

## **Conclusions**

There are clear benefits to the business community of awarding rate relief utilising the full range of measures available. The relief covered by this scheme will continue to support economic recovery and provide ongoing support for ratepayers adversely affected by the cost of living crisis.

### **Appendices**

Appendix A - Retail, Hospitality and Leisure Business Rates Relief Scheme 2023-2024

### **Background Papers**

None

**Jim Carrington-West**

**Deputy Chief Executive and Chief Officer - Customer & Resources**