

Meeting date: 7 February 2019

Report to: Full Cabinet



Subject/report title: RETAIL RELIEF SCHEME 2019-20 & 2020-21

Report from: Director of Resources and Deputy Chief Executive

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Wards affected:

- All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph:

1. Purpose of Report

- 1.1 To provide details of the National Non-Domestic Rates Retail Relief scheme announced by Government as part of the Budget on 29 October 2018 and to present a policy to Cabinet for approval.

2. Decision(s) recommended

- 2.1 Cabinet is asked to approve the Council's Retail Relief Scheme for 2019-20 & 2020-21 attached at Appendix A.

3. What is the issue?

- 3.1 The Government announced as part of the Budget on 29 October 2018 a number of measures to support businesses and to help high streets and town centres to evolve. One of the measures announced was a Retail Relief scheme to provide a discount for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21.
- 3.2 The value of the discount will be one third of the bill with the discount awarded after mandatory reliefs and other discretionary reliefs have been applied.
- 3.3 The Government is not changing legislation, instead the Council has been given

discretionary power under Section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act) to apply the discount to those businesses who are eligible.

- 3.4 Guidance recently issued by the Ministry of Housing, Communities & Local Government states that local authorities should have in place a policy for the award of retail relief. The proposed policy, attached at Appendix A, has been drafted using the guidance provided by the Government.
- 3.5 Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments. Further information detailing the types of hereditaments who are eligible are set out in section 2 of the policy with those hereditaments who are not eligible set out in section 3.
- 3.6 Based on a high level analysis of our current data this indicates that there are currently 609 businesses in the area with a rateable value less than £51,000 and who fall within the criteria described in 3.5.
- 3.7 Subject to approval of the policy relief will automatically be awarded to those businesses that are eligible. Businesses will be required to declare if the award of relief will exceed its State Aid De Minimis threshold and in these cases relief will be cancelled.

4. What options have been considered and what is the evidence telling us about them?

- 4.1 Government guidance indicates that local authorities should adopt a local scheme to grant retail relief.

5. Reasons for recommending preferred option

- 5.1 Adopting a local scheme allows the Council to award the Retail Relief discount to support businesses who meet the qualifying criteria.

6. Implications and Considerations

- 6.1 Delivery of key themes in the Council Plan:

How will the options/proposals in this report contribute to the delivery of the key themes in the Council Plan?

- Improve Health and Wellbeing
- Managed Growth
- Build Stronger Communities
- Deliver Value

- 6.2 Implications for children and young people, vulnerable groups and particular

communities:

6.2.1 None.

6.3 Consultation and Scrutiny:

6.3.1 This report has not been presented to a Scrutiny Board.

6.4 Financial implications:

6.4.1 The financial implications of awarding Retail Relief under this scheme will be met in full by the Government using its provisions under Section 31 of the Local Government Act 2003.

6.5 Legal implications:

6.5.1 None.

6.6 Risk implications:

6.6.1 Assessment identified that there are no net 'red' risks that need to be reported.

6.7 Statutory Equality Duty:

6.7.1 The Relief will be awarded automatically to those retail properties who meet the criteria. Information will also be placed on the Council's website so that the policy and criteria are transparent.

7. List of appendices referred to

7.1 Appendix A – Solihull Council's proposed Retail Relief Scheme 2019-20 & 2020-21.

8. Background papers used to compile this report

8.1 None.

9. List of other relevant documents

9.1 None.