

TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE, REGENERATION AND PROPERTY SCRUTINY SELECT COMMITTEE

26 July 2022

Report of the Director of Finance & Transformation

Part 1- Public

Matters for Recommendation to Cabinet/Cabinet Member - Non-Key Decision

1 BUSINESS RATES LOCAL SCHEME DECISION

A report giving details of a new discretionary rate relief scheme for 2022/23

1.1 Background

1.1.1 In the budget announcement (27th October 2021), England introduced a new relief that would replace Transitional Relief (TR) and Supporting Small Business Relief (SSB) as both schemes ceased on 31st March 2022.

1.1.2 This new relief was introduced to help businesses who would have still qualified for TR and SSB if the schemes had continued into 2022/23 (as the revaluation has been delayed from 1 April 2022 to 1 April 2023).

1.2 Main Issues

1.2.1 We are required to adopt a local scheme and determine in each individual case when, having regard to Government guidance, to grant relief under section 47 Local Government Finance Act 1988.

1.2.2 The new TR scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).

1.2.3 The new SSB scheme criteria remains the same as 2021/22, with a percentage cap in 2022/23 of 15% plus inflation (or a cash value increase of £600 if greater).

1.3 Legal Implications

1.3.1 The matters set out in this briefing note are considered routine or uncontroversial and a legal opinion has not been sought.

1.3.2 As the granting of relief is a discretionary action, the only implication would be a challenge by way of judicial review if an organisation were unhappy with a decision. Such a challenge can succeed only when the Council behaves unreasonably.

1.4 Financial and Value for Money Considerations

- 1.4.1 Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

1.5 Risk Assessment

- 1.5.1 The only risk that I am aware of is a legal challenge to the Council's decisions (see above). This is unlikely.

1.6 Equality Impact Assessment

- 1.6.1 No impact on other businesses.

1.7 Recommendations

- 1.7.1 Adopt a scheme for the Extension of Transitional Relief and Supporting Small Business Relief for small and medium properties for 2022/23
- 1.7.2 Give delegated authority to the Revenues Manager to award, revise or revoke relief in accordance with the adopted scheme subject to any disputed entitlement to relief being referred to the Director of Finance & Transformation.

The Director of Finance & Transformation confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and policy Framework.

Background papers:

Extension to the Transitional Relief and Supporting
Small Business Rate Relief Scheme Policy 2022/23

contact: Glen Pritchard
01732 876146

Sharon Shelton
Director of Finance and Transformation