

POLICY AND RESOURCES CABINET BOARD

REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVE REES

28TH MAY 2015

SECTION A – MATTERS FOR DECISION

WARDS AFFECTED: ALL

BUSINESS RATE RELIEF SCHEME- WALES RETAIL RELIEF SCHEME 2015-16

Introduction

1. This report recommends the authority adopt a new scheme, namely “Wales Retail Relief Scheme” which provides discretionary rates relief of up to £1,500 for businesses meeting the qualifying criteria.

Background

2. The retail sector is changing, particularly due to internet shopping, and many high streets are experiencing challenges as they look to adapt to changing consumer preferences in how people shop. The Welsh Government wishes to support town centres and high streets by providing particular support to retailers. The “Wales Retail Relief Scheme” was introduced in 2014-15 providing assistance of up to £1,000 to businesses that met the qualifying criteria. Welsh Government wishes to provide further support in 2015-16 providing relief of up to £1,500 for qualifying businesses.
3. **Wales Retail Relief scheme**
 - 3.1 The total amount of relief available for each property for each of the years under this policy is £1,500. The amount does not vary with rateable value and there is no taper.
 - 3.2 There is no relief available under this policy for properties with a rateable value of more than £50,000.
 - 3.3 The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

- 3.4 The relief will be applied against the net business rates bill after all other reliefs have been taken into account.
- 3.5 Where the net rate liability for the day after all other reliefs but before retail rate relief is less than the retail rate relief, the maximum amount of retail rate relief will be no more than the value of the net rate liability.
- 3.6 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid de-minimis limits.

4. **Awarding relief**

4.1 Properties that will benefit from the retail rate relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

4.2 We consider shops, restaurants, cafes and drinking establishments to mean:

(i) Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licence, chemists, newsagents, hardware stores, supermarkets, etc.)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/display rooms (such as carpet shops, double glazing, garage doors, etc.)
- Car/caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

(ii) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as hair dressers, nail bars, beauty salons, tanning shops, etc.)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Cinemas
- Tool hire
- Estate and letting agents
- Car hire

(iii) Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars/Wine bars
- Cafes

4.3 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide as to the types of uses that the Council considers to be retail for the purpose of this scheme.

4.4 On receipt of a completed application form, the Council will determine whether particular properties not listed are broadly similar in nature to those above and, if so, consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above will not be eligible for relief.

4.5 As a guide, the list below sets out the types of uses that are not considered to be retail for the purpose of this policy:

(i) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (such as banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers, etc.)
- Day nurseries
- Sports clubs / children's play centres
- Outdoor activity centres
- Gyms
- Kennels and catteries
- Employment agencies
- Tourism accommodation (such as B&B's, hotel accommodation and caravan parks)
- Post office sorting office
- Medical services (such as vets, dentists, doctors, osteopaths, chiropractors, etc.)
- Professional services (such as solicitors, accountants, insurance agents, financial advisors)

(ii) Hereditaments that are not reasonably accessible to visiting members of the public. This is not defined within the Government guidance. However, for the purpose of this scheme, this would include properties which do not have a customer facing 'front of house'. The expectation is that, in the normal course of events, members of the public would ordinarily attend the property in person. Examples where relief would not be granted would include skip hire, scaffolding services, distribution premises etc where attendance in person does not normally occur.

5. Data on Wales Retail Relief Scheme 2014-15

Just over 400 businesses benefited from the Wales Retail Relief Scheme in 2014-15. The total amount of relief awarded was £322,808.18.

6. Equality Impact Assessment

A screening assessment has been undertaken to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010. After completing the assessment it has been determined that this policy does not require an Equality Impact Assessment. This is a Welsh Government scheme that applies to businesses that meet certain specified criteria, that allows those businesses a grant to offset against their business rates liability. Therefore there will be a low reputational risk to the Authority as providing the relief will be of benefit to those who meet the criteria. It is of low visibility to the general public as it is only available to those paying business rates. The criteria applied does not discriminate against any of the protected characteristics.

7. Recommendations

That Neath Port Talbot Council adopts the new scheme as outlined for 2015-16 and provide the relevant rate relief where qualifying criteria are met.

8. Reason for Proposed Decision

To provide business rates relief in line with Welsh Government Scheme.

9. List of Background Papers

Local Government Finance Act 1988.
Welsh Government “Wales Retail Relief Scheme” guidance manual

10. Officer Contact

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COMPLIANCE STATEMENT

BUSINESS RATE RELIEF SCHEME- WALES RETAIL RELIEF SCHEME 2015-16

(a) **Implementation of Decision**

The decision is proposed for immediate implementation.

(b) **Sustainability Appraisal**

Community Plan Impacts:

Economic Prosperity	Positive
Education and Lifelong Learning	No impact
Better Health and Well Being	Positive
Environment and Transport	Positive
Crime and Disorder	Positive

Other Impacts:

Welsh Language	No impact
Sustainable Development	Positive
Equalities	No impact
Social Inclusion	Positive

(c) **Consultation**

There has been no requirement to consult under the Forward Work Programme.