

# **POLICY AND RESOURCES CABINET BOARD**

## **REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVE REES**

**9<sup>th</sup> JULY 2015**

### **SECTION A - MATTERS FOR DECISION**

#### **WARDS AFFECTED – NEATH NORTH**

#### **TREASURY MANAGEMENT MONITORING 2015/16**

#### **BUSINESS RATES – APPLICATIONS FOR HARDSHIP RELIEF**

##### **1. Purpose of Report**

- 1.1 To consider applications for hardship relief in line with Section 49 of the Local Authority Finance Act to grant remission for business rates liability.

##### **2. NPT Hardship Relief Scheme**

- 2.1 At your meeting of November 2010, you agreed a scheme of hardship relief in respect of businesses affected by the recession, as follows:
  - In the first instance, we would seek to help the businesses by applying any reductions which are available to the rates bill and/or we would agree a revised schedule of payments of the rates bill.
  - If these measures were not sufficient, hardship relief would be considered if the business would suffer hardship if relief were not granted and if it was in the interests of council taxpayers for hardship relief to be granted.
- 2.2 In determining whether it would be in the interests of council taxpayers for hardship relief to be granted, the factors to be taken into account would include:

- the long term viability of the business;
- the number of people employed by the business;
- the nature of the jobs provided by the business;
- the amount of local business generated by the business;
- the nature of any services provided to the local community by the business, and whether the community would be adversely affected by the loss of those services;
- the availability of an alternative supplier of those services.

2.3 Where appropriate, Economic Development would carry out an assessment of the business.

2.4 Basically, the policy sees hardship relief as a last resort and something which would only be granted if, having regard to the factors listed in paragraph 3 above, it is in the interests of council taxpayers for relief to be granted.

2.5 Members should note that the Welsh Government NNDR Business Pool will fund 75% of the rates bill with the remaining 25% falling on the Local Authority.

### **Application**

3. Baguette Bar, 3A Angel Place, Neath, SA11 1RS.

3.1 This application is for hardship relief from the 1<sup>st</sup> April 2014 to the 31<sup>st</sup> March 2016.

3.2 The business started in April 2005 but the owner has advised of a decline in business over the last two years. The owner attributes a recent decline in business to the fact that the car park outside his shop has imposed expensive parking charges.

3.3 The business currently employs 1 full time and 2 part time staff.

3.4 The business development team has assisted this business historically but there is no further support available that would make a difference to the business under the current circumstances.

3.5 A breakdown of the rates payable is detailed below –

Year	Gross Rates	Small Business Rates Relief	Wales Retail Relief	Net Rates Payable
2014/15	£5,084.75	£1,271.19	£1,000.00	£2,813.56
2015/16	£5,181.50	£1,295.38	0.00	£3,886.12

An application form for relief via the Wales Retail Relief Scheme has been sent to the Mr K David, owner of Baguette Bar, upon its return an amount of £1,500 relief will be granted to reduce the bill for 2015/16 to £2,386.12.

Should members approve the application the All Wales NNDR Pool will fund 75% of the cost with the remaining 25% funded by the Authority.

#### **4. Conclusion**

In considering whether it is in the interests of council taxpayers to grant hardship relief, it is necessary to weigh up the nature of the services provided to the local community and the employment which it provides against the impact on the community if the business were to close.

#### **5. Recommendation**

That Members consider whether they wish to grant hardship relief in respect of this application.

#### **6. Reason for proposed decision**

To provide decision on application for hardship relief in line with policy.

### **List of Background Papers**

Business Rates system

## **Officer Contact**

For further information on this report item, please contact:

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## **COMPLIANCE STATEMENT**

### **BUSINESS RATES - APPLICATION FOR HARDSHIP RELIEF**

#### **Baguette Bar**

(a) **Implementation of Decision**

The decision is proposed for implementation after the 3 day call-in period.

(b) **Sustainability Appraisal**

**Community Plan Impacts:**

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

**Other Impacts:**

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

(c) **Consultation**

There has been no requirement under the Constitution for external consultation on this item.