

**Public  
Key Decision - Yes**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Business Rates – Rural Settlement List

**Meeting/Date:** Cabinet – 12 December 2023

**Executive Portfolio:** Cllr S Ferguson – Executive Councillor for Customer Services

**Report by:** Revenues and Benefits Manager

**Ward(s) affected:** All

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### **Executive Summary:**

The Local Government and Rating Act 1997 requires that each rating authority must compile and maintain a Rural Settlement List comprising of settlements with a population of less than 3,000.

The intention of the Rural Settlement List is to allow Huntingdonshire District Council to grant business rates relief to qualifying post offices, village shops, public houses and petrol stations to support rural businesses and communities.

Following a review of the latest population data estimates available from Cambridgeshire County Council, no changes are proposed to the Rural Settlement List.

### **Recommendation:**

The Cabinet is

### **RECOMMENDED**

to approve Huntingdonshire District Council's Rural Settlement List for publication by 31<sup>st</sup> December 2023, to facilitate the award of Rural Business Rates Relief for the financial year commencing 1 April 2024.

## **1. PURPOSE OF THE REPORT**

- 1.1 The Council is required to review and determine boundaries of Rural settlements, that is, those with a population of less than 3,000, to facilitate the award of Rural Rate Relief in accordance with s42(b) of The Local Government and Rating Act 1997.
- 1.2 It is a legal requirement that boundaries are set and published by 31<sup>st</sup> December each year.

## **2. BACKGROUND**

- 2.1 Rural rate relief is applied to certain types of business within a rural settlement. It can be awarded where the only village shop or post office in the settlement has a rateable value of up to £8,500 or the only public house or petrol station has a rateable value of up to £12,500.
- 2.2 The Local Government Finance Act 1988 sets out that it is the responsibility of the local authority to determine any settlements which:
  - a) Are wholly or partly within the authorities' area
  - b) Appear to have a population of not more than 3,000
  - c) and are wholly or partly within a rural area designated by the Secretary of State for the purposes of rate relief scheme.

## **3. OPTIONS CONSIDERED/ANALYSIS**

- 3.1 Towns and parishes within Huntingdonshire are all designated as one of three types of settlement:

Urban settlements – population above 3,000  
Rural settlements – population below 3,000  
Defined settlements – population above 3,000 but the parish has been designated as a rural settlement by defining areas within the parish
- 3.2 A rural settlement does not necessarily have to follow ward or parish boundaries. A defined settlement can be applied by splitting an area based on other characteristics, such as geographical or demographic features.
- 3.3 Under the current list, the following parishes are classified as a defined settlement in order to maximise the number of businesses that benefit from rural rate relief:

Fenstanton, Ramsey Forty Foot, Ramsey Heights, Ramsey Mereside and Ramsey St Mary's
- 3.4 The current rural settlements list has been reviewed to take account of the latest statistical population data available from Cambridgeshire County Council. This has resulted in no changes being made to the existing list.

- 3.5 Details of the qualifying settlements are shown in APPENDIX A. A map of all settlements can be found in APPENDIX B, and maps of defined settlements are shown in APPENDIX C.

#### **4. COMMENTS OF OVERVIEW & SCRUTINY**

- 4.1 The comments of the relevant Overview and Scrutiny Panel will be published as a supplement prior to its consideration by the Cabinet.

#### **5. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES**

- 4.2 The award of Rural Rate Relief to qualifying shops, pubs and petrol stations in rural settlements directly contributes to the priorities set out with the Corporate Plan to improve the quality of life for local people, and to create a better Huntingdonshire for future generations.

#### **6. LEGAL IMPLICATIONS**

- 6.1 The Council has a legal duty to set and publish the rural settlements list by 31<sup>st</sup> December each year.

#### **7. RESOURCE IMPLICATIONS**

- 7.1 Qualifying businesses are entitled to 50% mandatory relief on their business rates. The Government previously set out an intention to increase this to 100% but the legislation is yet to be amended. Therefore local authorities using their discretionary powers to award 50% discretionary relief are re-imbursed via a Section 31 grant, which in effect grants 100% relief.

- 7.2 To date in 2023, the existing Rural Settlements List has facilitated the award of £63,515.34 mandatory and discretionary rate relief to 30 businesses.

#### **8. REASONS FOR THE RECOMMENDED DECISIONS**

- 4.3 The proposed amendments to the Rural Settlement List ensures that the classification of urban, rural and defined settlements reflect the current population figures and rural rate relief is being awarded appropriately.

#### **9. LIST OF APPENDICES INCLUDED**

Appendix 1 – Rural Settlement List  
Appendix 2 – Settlement List Map  
Appendix 3 – Defined Areas Map

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