

**Public**  
**Key Decision - Yes**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

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

**Meeting/Date:** Overview and Scrutiny (Environment, Communities and Partnerships) – 5 December 2024

**Executive Portfolio:** Cllr S Ferguson – Executive Councillor for Resident Services and Corporate Performance

**Report by:** Revenues and Benefits Manager

**Ward(s) affected:** All

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### **Executive Summary:**

The Council is required to review and determine a Rural Settlements List and publish this by 31<sup>st</sup> December each year in order to facilitate the award of business rates relief to qualifying businesses in settlements where the population is less than 3,000.

The following report details the outcome of the most recent review where three changes to the list are recommended.

### **Recommendation:**

The Overview and Scrutiny Panel is invited to comment on the report and recommendations.

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**Key Decision - Yes**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

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

**Meeting/Date:** Overview and Scrutiny (Environment, Communities and Partnerships) – 5 December 2024  
Cabinet – 10 December 2024

**Executive Portfolio:** Cllr S Ferguson – Executive Councillor for Resident Services and Corporate Performance

**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, three changes are proposed to the List where settlements no longer meet the conditions to be classed as Rural. This will result in one business being impacted, with whom the Business Rates team will make contact to offer support and advice, if needed.

### **Recommendation:**

The Cabinet is

### **RECOMMENDED**

to

- 1) Approve Huntingdonshire District Council's Rural Settlement List for publication by 31<sup>st</sup> December 2024, to facilitate the award of Rural Business Rates Relief for the financial year commencing 1<sup>st</sup> April 2025.
- 2) Delegate authority for approval of future Rural Settlement Lists to the Section 151 officer, in consultation with the Executive Councillor for Resident Services and Corporate Performance.

## **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 Finance Act 1988, as amended by The Local Government and Rating Act 1997.
- 1.2 It is a requirement of the above regulations 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.
- 2.3 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. 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 – Where the total parish population exceeds 3,000, but a specific area within that parish has been “defined” as a separate rural settlement.
- 3.2 The current rural settlements list has been reviewed to take account of the latest statistical population data available from Cambridgeshire County Council.
- 3.3 As a result of the review, two settlements that were previously considered to be Rural settlements have been reclassified as Urban settlements, for their population now exceeds 3,000. The affected settlements are Buckden & Diddington, and The Stukeleys. There are no businesses that currently qualify for rural rate relief within these settlements.

- 3.4 The Parish of Fenstanton was previously designated as a Defined settlement due to the split geographical location of settlements within the parish, with the village area being classified as a Rural settlement.
- 3.5 Following a review of population data, the village area population now exceeds 3,000, and so the parish has been reclassified as an Urban settlement. There is one business that will be affected by the change, with whom the Business Rates team will make contact to explore if any other support and advice is available or needed.
- 3.6 The following parishes are classified as defined settlements in order to maximise the number of businesses that benefit from rural rate relief:
- Ramsey Forty Foot, Ramsey Heights, Ramsey Mereside and Ramsey St Mary's
- 3.7 Details of the qualifying rural 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 included in this section prior to its consideration by the Cabinet.

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

- 4.2 The award of mandatory 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.
- 4.3 Providing business rates relief to eligible small businesses also aligns with the Huntingdon Futures Place Strategy, supporting vital community amenities in rural areas.

#### **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 100% mandatory relief on their business rates. To date in 2024, the existing Rural Settlements List has facilitated the award of £77,184.07 Rural Rate Relief to 38 qualifying businesses.
- 7.2 The delegation to the S151 Officer to approve future Rural Settlements Lists, in conjunction with the Executive Councillor for Resident Services and Corporate Performance, will ensure that future decisions in relation to

this matter are taken in the most efficient way, whilst also ensuring robust accountability and governance.

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

- 4.4 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 A – Rural Settlement List

Appendix B – Settlement List Map

Appendix C – Defined Areas Map

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