

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

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Business Rates – Discretionary Rate Relief Policy

**Meeting/Date:** Overview & Scrutiny (Environment, Communities and Partnerships) 5 February 2025  
Cabinet 11 February 2025

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

**Report by:** Zoe Warren Council Tax and Business Rates Manager

**Ward(s) affected:** All

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### **Executive Summary:**

As a Billing Authority, Huntingdonshire District Council (HDC) has the power to set its own Business Rates Discretionary Rate Relief Policy in accordance with Section 47 of the Local Government Finance Act 1988. Provisions within the legislation allow Billing Authorities to award various types of discretionary relief to qualifying local businesses to reduce or remove Business Rates liability.

HDC recognises the importance of businesses to the local economy and the contribution that is made to the community by voluntary, charitable and non-profit making organisations.

The award of discretionary rate relief directly supports the corporate priority of forward-thinking economic growth. In 2024 the policy look and feel was updated to make it easier for businesses to understand and therefore access support.

This year, only slight changes have been made to the policy to account for Government direction in Retail Hospitality and Leisure Relief, clearer information has been given on the amount of rural rate relief awarded and further criteria has been added to make the Section 44a process easier for businesses to navigate.

The adoption of a formal policy ensures fair and consistent decision making, reducing the risk of legal challenge, which also supports the corporate priority to deliver good, high value-for-money services with good control and compliance with statutory obligations.

If adopted, the policy will come into effect on 1 April 2025.

**Recommendation(s):**

The Cabinet

**RECOMMENDED**

to

- 1) adopt the Business Rates Discretionary Rate Relief Policy in APPENDIX A, to be effective from 1 April 2025.
- 2) delegate authority for approval of future changes to the Discretionary Rate Relief Policy, where such changes are the result of Government direction or are minor wording changes, 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 Local Government Finance Act 1988 sets out provision for Billing Authorities to determine a Business Rates Discretionary Rate Relief Policy to provide support to local businesses by reducing or removing Business Rates liability for certain periods of time.
- 1.2 Legislative changes require the existing policy to be updated, and this report sets out the changes that have been made.

## **2. BACKGROUND**

- 2.1 The current policy came into force on 1 April 2024 with the aim of setting out the types of relief available to businesses for the duration of the Rating List which comes to an end on 31 March 2026.
- 2.2 Whilst reviewing the Retail and Hospitality criteria set by Central Government the opportunity has been taken to review the section 44a wording of the current policy to making it easier for businesses to navigate and therefore access eligible support.

## **3. KEY IMPACTS**

- 3.1 Whilst updating the policy for the legislative change, the opportunity has also been taken to review the section 44a wording, resulting in the following changes being made:
  - Details of information to be provided within the application so that the claim can be considered
  - The layout of pertinent information to ensure that information is clear
- 3.6 The existing Discretionary Rate Relief Policy is included in APPENDIX B for comparative purposes.

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

- 4.1 The comments of the relevant Overview and Scrutiny Panel will be circulated in advance of the Cabinet's meeting.

## **5. TIMETABLE FOR IMPLEMENTATION**

- 5.1 Annual bills for National Non-Domestic Rates will be processed and issued in March 2025 and the intention is that wherever possible, the bills will reflect the discretionary rate relief applicable.

## **6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND CORPORATE OBJECTIVES**

- 6.1 The policy aligns with the corporate priority of providing good, value for money services with good control and compliance with statutory obligations. The policy has now become more user friendly and easier to understand meaning less avoidable contact.
- 6.2 The policy also aligns with the corporate priority of forward-thinking economic growth, by supporting local businesses to claim all relief they are entitled to.

## **7. LEGAL IMPLICATIONS**

- 7.1 The adoption of a formal discretionary rate relief policy ensures fair and consistent decision making and reduces the risk of legal challenge.
- 7.2 There is no legal implication other than for the policy to be formally determined in accordance with the legislation, to enable delegated officers to access and grant discretionary rate relief as appropriate to assist in qualifying local ratepayers.
- 7.3 Providing discretionary relief to ratepayers is likely to amount to a subsidy. Any relief provided by local authorities will need to comply with the UK's domestic and international subsidy control obligations. Ratepayers of organisations and businesses making an application for any relief under this policy must ensure they are compliant with subsidy allowance amounts.

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

- 8.1 The recommendations are based on ensuring continuing support and fairness to qualifying local ratepayers.

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

Appendix 1 – New Discretionary Rate Relief Policy  
Appendix 2 – Previous Discretionary Rate Relief Policy

## **CONTACT OFFICER**

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