

Public
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Business Rates – Rural Settlement List

Meeting/Date: Corporate Leadership Team – 20th October 2025

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

Report by: Revenues and Benefits Manager

Ward(s) affected: All

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 Rural Settlement List allows Huntingdonshire District Council to grant business rates relief to qualifying post offices, village shops, public houses and petrol stations to support small rural businesses and communities.

Following a review of the latest population data estimates available from Cambridgeshire County Council, no changes are proposed to the list for 2026/27.

Recommendation:

The Corporate Leadership Team is

RECOMMENDED

to endorse that the Rural Settlement List is approved by the Section 151 officer, in consultation with the Executive Councillor for Resident Services and Corporate Performance, and published by 31st December 2025 to facilitate the award of Rural Business Rates Relief for the financial year commencing 1st April 2026.

1. PURPOSE OF THE REPORT

- 1.1 The Council is required to review and determine boundaries of Rural settlements, that is settlements 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 31st December each year in order to facilitate the award of Rural Rate Relief.

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; and
 - b) Appear to have a population of not more than 3,000; and
 - c) 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, and a settlement can be defined 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 settlement - population above 3,000
Rural settlement - 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. As a result of the review it has been determined that no changes to the list are required.
- 3.3 Details of the qualifying rural settlements are shown in APPENDIX A, and map of all settlements can be found in APPENDIX B.
- 3.4 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, Ramsey St Mary's, and Diddington.

Maps of these defined settlements are shown in APPENDIX C.

4. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

- 4.1 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.
- 4.2 Providing business rates relief to eligible small businesses also aligns with the Huntingdon Futures Place Strategy, supporting vital community amenities in rural areas.

5. LEGAL IMPLICATIONS

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

6. RESOURCE IMPLICATIONS

- 7.1 Qualifying businesses are entitled to 100% mandatory relief on their business rates. To date in 2025, the existing Rural Settlements List has facilitated the award of Rural Rate Relief totalling £66,795.69 across 24 qualifying businesses.

7. REASONS FOR THE RECOMMENDED DECISIONS

- 4.3 The review of the latest population statistics ensures that the classification of urban, rural and defined settlements reflects the current population figures and rural rate relief is being awarded appropriately.

8. LIST OF APPENDICES INCLUDED

Appendix A – List of Rural Settlements
Appendix B – Rural Settlements Map
Appendix C – Defined Areas Map

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