

**Public**  
**Key Decision – Yes**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

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

**Meeting/Date:** Corporate Leadership Team – 27 January 2026  
Executive Councillor and Section 151 Officer  
meeting date 18 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.

This year, minor changes have been made to the policy to account for the ending of Retail Hospitality and Leisure relief as the new 2026 rating list comes into effect.

The Supporting Small Business scheme has also been updated due to the legislation changes announced by government in its Autumn statement in November 2025.

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 2026.

**Recommendation(s):**

The Corporate Leadership Team is

**RECOMMENDED**

To endorse that the Business Rates Discretionary Rate Relief policy is approved by the Section 151 officer, in consultation with the Executive Councillor for Resident Services and Corporate Performance to come into effect from 1<sup>st</sup> April 2026

## **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 Section 47 of the Local Government Finance Act 1988 provides billing authorities with the power to award discretionary rate relief to ratepayers
- 2.2 Along with the revaluation of all non-domestic properties, new legislation comes into effect from 1 April 2026, which means that the discretionary rate relief policy must be reviewed to ensure that the Council aligns with these legislative changes.

## **3. KEY IMPACTS**

- 3.1 The Retail Hospitality and Leisure Scheme for Non-Domestic Rates is due to end on 31 March 2026, and the retail sector will now be supported by new Non-Domestic Rates Multipliers, which are set by Central Government that are added directly to bills instead of via discretionary powers. The Scheme however has remained in the policy to support any backdating applications received.
- 3.2 The Supporting Small Business Relief has been introduced by Central Government with a view to capping bill increases for some businesses which become ineligible for certain reliefs as a result of the revaluation

## **4. TIMETABLE FOR IMPLEMENTATION**

- 4.1 Annual bills for National Non-Domestic Rates will be processed and issued in March 2026 and the intention is that wherever possible, the bills will reflect the discretionary rate relief applicable.

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

- 5.1 The policy 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.
- 5.2 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.

## **6. LEGAL IMPLICATIONS**

- 6.1 (The adoption of a formal discretionary rate relief policy ensures fair and consistent decision making and reduces the risk of legal challenge.
- 6.2 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.
- 6.3 Providing discretionary relief to ratepayers may amount to a subsidy amount due. 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.

## **7. RESOURCE IMPLICATIONS**

- 7.1 Central government will reimburse billing authorities and major precepting authorities for the actual cost under the rates retention scheme of the 2026 Supporting Small Business scheme.

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

- 8.1 The recommendations are based on ensuring continuing support and fairness to qualifying local ratepayers.
- 8.2 Delegated Authority for approval of 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 were approved by Cabinet on 11 February 2025.

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

Appendix 1 - New Discretionary Rate Relief Policy  
Appendix 2 - Previous policy

## **10. BACKGROUND PAPERS**

[Business Rates Relief: 2026 Supporting Small Business Relief, local authority guidance - GOV.UK](#)

[Business Rates Relief: 2025/26 Retail, Hospitality and Leisure Scheme - GOV.UK](#)

[5/2025: Confirmation of Budget package and the Non-Domestic Rating Multipliers for 2026/2027 - GOV....](#)

## **CONTACT OFFICER**

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