



CABINET - 19TH SEPTEMBER 2018

SUBJECT: TO ADOPT THE WG 'HIGH STREET RATE RELIEF' SCHEME 2018/19 – GRANT FUNDING

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 The Welsh Government (WG) Cabinet Secretary for Finance has announced a new temporary national non-domestic rate (NNDR), also known as business rate, 'High Street Rate Relief Scheme' for the financial year 2018-2019 only. Relief granted by the Authority under this new scheme is to be reimbursed by WG by way of a specific cash-limited grant but, before any relief is awarded, the Authority must consider and adopt the new scheme. Approval is therefore sought to adopt the new rate relief scheme in accordance with the guidance set out at Appendix 1.

2. SUMMARY

- 2.1 This report gives details of a new rate relief scheme offered by WG and attaches at Appendix 1 details of the new Scheme. Adoption of the new scheme as set out at Appendix 1 is obligatory because WG has prescribed the details for the scheme. The Authority must formally adopt the new scheme set out in the guidance at Appendix 1 in order to obtain the WG grant funding.

3. LINKS TO STRATEGY

- 3.1 This grant-funded initiative aims to provide support for eligible high street retail businesses in Wales affected by the 2017 rating revaluation. This is linked to the Anti-Poverty Strategy and the Prosperous theme from the Caerphilly Delivers - Single Integrated Plan.
- 3.2 Maximising the take-up of business rate relief to support businesses where possible contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:-
- A prosperous Wales
 - A resilient Wales
 - A more equal Wales
 - A Wales of cohesive communities

4. THE REPORT

- 4.1 WG has announced the 'High Street Rate Relief Scheme' 2018-2019 (the Scheme). It is intended that the relief under the Scheme will be made available subject to the Authority adopting the new Scheme as set out in the guidance at Appendix 1 and accepting the final grant offer.

- 4.2 The Scheme aims to provide support for eligible high street retail businesses by offering up to £250 discount on the business rate bill per property for Tier 1 eligible properties and up to £750 per property for Tier 2 eligible properties for the financial year 2018-2019, subject to State Aid limits. The maximum amount of high street rate relief available to each eligible ratepayer is now half of that which was offered under the 2017-18 Scheme. On 30 July 2018, WG issued the funding allocation for the Scheme, and this Authority's allocation is £132k.
- 4.3 Relief is to be provided under Section 47 of the Local Government Finance Act 1988 in accordance with the criteria and conditions specified in the guidance set out at Appendix 1 of this report.
- 4.4 Appendix 1 is a guidance document issued by WG which in effect prescribes the detailed criteria and conditions for the Scheme.
- 4.5 In order to qualify for this rate relief, the guidance states that it will be for local authorities to determine how they wish to administer the Scheme. In order to maximise take-up by ratepayers and minimise administration costs for the Authority, it is proposed that rate relief is applied directly to eligible ratepayers' bills for those ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme. In these cases, an application form will not need to be completed for 2018-19. However, if this path were to be followed, the guidance sets out a substantial amount of text which it recommends should be incorporated into an award letter addressed to each eligible ratepayer setting out the State Aid implications. Furthermore, if an eligible ratepayer believes he or she is not entitled to receive this relief, a declaration within the letter must be signed and returned to the Authority.
- 4.6 An application form will need to be completed in cases where a ratepayer did not receive High Street rate relief last year but meets the 2018-19 Scheme eligibility criteria. In 2017/18, officers issued initial application forms and several months later follow-up reminder letters were issued urging those ratepayers yet to apply to do so without further delay. It is intended that similar arrangements will be made for this scheme where a properly completed application form is not held in respect of the 2017/18 or 2018/19 Scheme.
- 4.7 Members should note that each ratepayer required to complete an application form will need to submit the application to the Authority by no later than 15th February 2019 to allow officers to submit the final grant claim by 28th February 2019, as required by WG.
- 4.8 Officers of the Authority will make the business community aware of the Scheme through its usual channels, such as its website and the 'Newslines' publication. In addition, where an application form is required to be completed, the Authority will write to ratepayers that it considers may be eligible for relief under the Scheme to inform them about the availability of relief and to provide information on the application process. The Authority's Business Rate Team will therefore write to all newly-eligible businesses enclosing the appropriate application form to try and maximise take-up of the Scheme. Members are advised that 74% of eligible ratepayers applied for and received High Street rate relief in 2017/18.
- 4.9 Full details of the Scheme, including the qualifying criteria, are included in the guidance set out at Appendix 1.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Effective financial management is a key element in ensuring that the Well-being Goals in the Well-being of Future Generations Act (Wales) 2015 are met. Maximising the take-up of business rate relief minimises the amount of rates payable by eligible businesses which helps them to continue trading.

6. EQUALITIES IMPLICATIONS

- 6.1 An Equality Impact Assessment (EIA) screening has been completed in accordance with the Council's Strategic Equality Plan 2016-2020 and supplementary guidance and is set out in Appendix 2. No potential for unlawful discrimination and/or low level or minor negative impact has been identified. This screening was necessary because WG has not undertaken its own EIA. Each application will be dealt with on its own merits, but will follow the guidance set out in Appendix 1.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications to the Authority as the Authority will be reimbursed by WG for any relief granted, provided it can evidence that the expenditure falls within the terms of the 'High Street Rate Relief Scheme' 2018-2019 grant offer.
- 7.2 Based on an initial assessment of qualifying businesses for the 'High Street Rate Relief Scheme' 2018-2019, this funding will be utilised for circa 430 businesses. These figures are subject to change due to the daily amendments made to the Authority's rating list.

8. PERSONNEL IMPLICATIONS

- 8.1 Regarding the 'High Street Rate Relief Scheme' 2018-2019, a small administration grant of £3,371.19 is offered by WG in respect of the work undertaken to deliver the scheme.

9. CONSULTATIONS

- 9.1 There are no consultation responses which have not been reflected in this report.

10. RECOMMENDATIONS

- 10.1 It is recommended that Cabinet adopts, with immediate effect, the 'High Street Rate Relief Scheme' 2018-2019, in accordance with the guidance set out at Appendix 1 and the provisions of section 47(1)(a) and section 47(3) of the Local Government Finance Act 1988. The Head of Corporate Finance and S151 Officer will use delegated powers to award the relief.
- 10.2 It is recommended for the reasons outlined in points 4.5 to 4.7 inclusive of this report that Cabinet adopts the proposals to allow successful applicants for the 2017/18 Scheme who are eligible to receive rate relief under the 2018/19 Scheme to have the rate relief awarded without the need to make a further application this year.
- 10.3 It is recommended that ratepayers who have not completed an application form for the 2017/18 Scheme be required to properly complete and return an application form for the 2018/19 Scheme. Where an application form is required, such a form must be completed by each eligible ratepayer for each qualifying property and returned to the Business Rates Team no later than 15th February 2019.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To ensure that the Authority complies with the grant conditions in order to obtain and fully utilise the grant funding in respect of any rate relief awarded under the WG Scheme as detailed in the guidance set out at Appendix 1.

12. STATUTORY POWER

12.1 Local Government Finance Act 1988 and Local Government Act 1972, 2000 and 2003.

Author: John Carpenter, Council Tax and NNDR Manager

Tel: 01443 863421 E-mail: carpewj@caerphilly.gov.uk

Consultees: Richard Edmunds, Corporate Director for Education and Corporate Services
Nicole Scammell, Head of Corporate Finance and S151 Officer
Cllr. Barbara Jones, Deputy Leader & Cabinet Member for Finance, Performance and Governance
Andrew Highway, Town Centre Development Manager
Robert Tranter, Head of Legal Services / Monitoring Officer
Anwen Cullinane, Senior Policy Officer (Equalities & Welsh Language)

Background Papers:

Contact Council Tax and NNDR Manager (ext. 3421)

Appendices:

Appendix 1: 'High Street Rate Relief - Guidance 2018-19'

Appendix 2: 'CCBC EIA HSRR 2018'



Llywodraeth Cymru
Welsh Government

Appendix 1

Non-domestic Rates

High Street Rates Relief in Wales - 2018-19

Guidance

Contents

About this guidance.....	1
Introduction	1
Section 1	2
How will the relief be provided?	2
How will the scheme be administered?	2
Which properties will benefit from relief?	2
How much relief will be available?	7
Changes to existing hereditaments, including change in occupier	7
State Aid.....	9
Section 2 – State Aid	10
‘De Minimis’ declaration.....	11
Refusal of High Street Rates Relief form	12

Non-domestic Rates – High Street Rates Relief

Guidance

About this guidance

1. This guidance is intended to support local authorities in administering the High Street Rates Relief scheme (“the relief”) announced by the Cabinet Secretary for Finance on 15 March 2018. This guidance applies to Wales only.
2. This guidance sets out the criteria which the Welsh Government will use to determine the funding for local authorities for relief provided to high street retail properties. The guidance does not replace any existing non-domestic rates legislation or any other relief.
3. Enquiries on the scheme should be sent to:
localtaxationpolicy@gov.wales
4. The relief is being offered from 1 April 2018 and will be available until 31 March 2019.

Introduction

5. This relief is aimed at high street retailers in Wales, for example shops, pubs, restaurants and cafes.
6. The Welsh Government will provide two tiers of non-domestic rates relief, of up to £250 (Tier 1) or up to £750 (Tier 2), to eligible high street retailers occupying premises with a rateable value of £50,000 or less in the financial year 2018-19, subject to State Aid limits.
7. This document provides guidance on the operation and delivery of the scheme.

Section 1

High Street Rates Relief

How will the relief be provided?

8. As this is a temporary measure, we are providing the relief by reimbursing local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988. It will be for individual local authorities to adopt a scheme and decide in each individual case when to grant relief under section 47. The Welsh Government will then reimburse local authorities for the relief that is provided in line with this guidance via a grant under section 31 of the Local Government Act 2003.

How will the scheme be administered?

9. It will be for local authorities to determine how they wish to administer the scheme to maximise take-up and minimise the administrative burden for ratepayers and for local authority staff. Subject to State Aid considerations set out in paragraphs 29 to 33.
10. Local authorities are responsible for providing ratepayers with clear and accessible information on the details and administration of the scheme. If, for any reason, an authority is unable to provide this relief to eligible ratepayers from 1 April 2018, consideration should be given to notifying eligible ratepayers that they qualify for the relief and that their bills will be recalculated.
11. Local authorities will be asked to identify the total amount of relief provided under the scheme in their Non-Domestic Rates Return (NDR3) for data collection purposes only.

Which properties will benefit from relief?

12. Properties that will benefit from this relief will be occupied high street properties such as shops, restaurants, cafes and drinking establishments, with a rateable value of £50,000 or less on 1 April 2018. More detailed eligibility criteria and exceptions to the relief are set out in paragraphs 15 to 19.
13. Two tiers of relief will be provided depending on the rateable value of the property, whether liability is increasing from 1 April 2017 as a result of the revaluation and whether the business is already entitled to other Welsh Government support.
14. Relief should be granted to businesses as a one-off payment based on occupation as at 31 March 2018 (provided the same occupier

continues to be in occupation on 1 April 2018). It is recognised that there may be some instances where a local authority is retrospectively notified of a change of occupier. In such cases, if it is clear that the occupier was in occupation on 1 April 2018, the local authority may use its discretion in awarding relief.

Tier 1 – lower level of support: £250 (or the total remaining liability if this is less than £250)

Eligible ratepayers will be high street retailers whose properties have a rateable value of between £6,001 and £12,000* for the financial year 2018-19 and who meet the following criteria:

- In receipt of Small Business Rates Relief (SBRR) on 1 April 2018; and / or
- In receipt of Transitional Relief on 1 April 2018.

*There will be a small number of ratepayers whose properties have a rateable value of £12,000 or above who are in receipt of Transitional Relief. These ratepayers will qualify for Tier 1 relief.

It is recognised that there may also be a small number of ratepayers whose properties have a rateable value of £12,000 who are not in receipt of Transitional Relief and who are on the very upper threshold of the SBRR taper and hence receive no SBRR relief. Such ratepayers will be eligible for Tier 1 relief.

Tier 2 – higher level of support: up to £750

Eligible ratepayers will be high street retailers whose property has a rateable value between £12,001 and £50,000 for the financial year 2018-19 and who meet the following criteria:

- Not in receipt of SBRR or Transitional Relief on 1 April 2018; and
- Have an increase in their liability on 1 April 2017 as a result of the 2017 Revaluation.

15. It is intended that, for the purposes of this scheme, high street properties such as, “shops, restaurants, cafes and drinking establishments” will mean the following (subject to the other criteria in this guidance).

i. Hereditaments that are being used for the sale of goods to visiting members of the public

- Shops (such as florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licences, newsagents, hardware stores, supermarkets, etc)
- Opticians
- Pharmacies
- Post offices
- Furnishing shops or display rooms (such as carpet shops, double glazing, garage doors)
- Car or caravan showrooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale or hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public

- Hair and beauty services
- Shoe repairs or key cutting
- Travel agents
- Ticket offices, eg. for theatre
- Dry cleaners
- Launderettes
- PC, TV or domestic appliance repair
- Funeral directors
- Photo processing
- DVD or video rentals
- Tool hire
- Car hire
- Cinemas
- Estate and letting agents

iii. Hereditaments that are being used for the sale of food and / or drink to visiting members of the public

- Restaurants
- Drive-through or drive-in restaurants
- Takeaways
- Sandwich shops
- Cafés
- Coffee shops
- Pubs
- Wine Bars

16. To qualify for the relief a hereditament listed in (i) to (iii) should be wholly or mainly used as a shop, restaurant, café or drinking establishment. This is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
17. The above list is not intended to be exhaustive as it would be impossible to list all the many and varied high street retail uses that exist. There will also be mixed uses. However, it is intended to be a guide for local authorities as to the types of uses that the Welsh Government considers for this purpose to be high street and retail. Local authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.
18. As the grant of the relief is discretionary, local authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the local authority's wider objectives for the local area.

Types of hereditaments that are not considered to be eligible for High Street Rates Relief

19. The list below sets out the types of uses that the Welsh Government does not consider to be high street retail use for the purpose of this relief and would not be deemed eligible for the relief. However, it will be for local authorities to determine if hereditaments are similar in nature to those listed below and if they would not be eligible for relief under the scheme.
- i. *Hereditaments that are being used wholly or mainly for the provision of the following services to visiting members of the public***
- Financial services (eg. banks, building societies, cash points, ATMs, bureaux de change, payday lenders, betting shops, pawn brokers)
 - Medical services (eg. vets, dentists, doctors, osteopaths, chiropractors)
 - Professional services (eg. solicitors, accountants, insurance agents, financial advisers, tutors)
 - Post office sorting office
 - Tourism accommodation, eg. B&Bs, hotel accommodation and caravan parks
 - Sports clubs
 - Children's play centres
 - Day nurseries
 - Outdoor activity centres
 - Gyms

- Kennels and catteries
- Show homes and marketing suites
- Employment agencies

There are a number of further types of hereditaments which the Welsh Government believes should not be eligible for the High Street Relief Scheme.

ii. *Hereditaments with a rateable value of more than £50,000*

It is recognised there are some high street retail businesses with rateable value above the £50,000 relief who will not be eligible for this relief. However, local authorities have the option to use their discretionary powers to offer discounts outside this scheme to such businesses if it is in the interests of the local community to do so.

iii. *Hereditaments that are not reasonably accessible to visiting members of the public*

If a hereditament is not reasonably accessible to visiting members of the public, it will be ineligible for relief under the scheme even if there is ancillary use of the hereditament that might be considered to fall within the descriptions in paragraph 15 (i), (ii) or (iii).

iv. *Hereditaments that are in out-of-town retail parks or industrial estates*

What constitutes a high street retailer will vary significantly across local authority areas and it is left to the discretion of authorities to determine this based on their local areas. However, hereditaments in out-of-town retail parks and industrial estates are not considered to constitute the high street for the purposes of this relief even if there is ancillary use of the hereditament that might be considered to fall within the descriptions in paragraph 15 (i), (ii) or (iii). As the grant of the relief is discretionary, it is for authorities to determine for themselves whether particular properties constitute a high-street retailer.

v. *Hereditaments that are not occupied*

Properties that are not occupied on 1 April 2018 should be excluded from this relief. However, under the Empty Property Relief scheme, empty properties will receive a 100% reduction in rates for the first three months (and in certain cases six) of being empty.

vi. *Hereditaments that are in receipt of mandatory charitable rates relief*

These properties already receive mandatory charitable relief which gives an 80% reduction in liability and authorities may also choose to provide discretionary charitable relief which can reduce the remaining liability to nil. As such, these properties will not be eligible for High Street Rate Relief.

How much relief will be available?

20. The total amount of government funded relief available for each property for 12 months under this scheme is up to £250 for Tier 1 properties and up to £750 for Tier 2 properties.
21. This relief can be provided in addition to SBRR and Transitional Relief. High Street Rates Relief should be applied against the net bill after these two reliefs have been applied. Any hardship or discretionary relief awarded by the local authority should be considered by the local authority once all other rates reliefs have been awarded.
22. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a particular hereditament in the financial year:

Amount of relief to be granted = $A \times (B / C)$

Where:
A is the funding amount for Tier 1 or Tier 2
B is the number of days in the financial year that the hereditament is eligible for relief; and
C is the number of days in the financial year
23. When calculating the relief, if the net liability before High Street Rates Relief is £250 or less for Tier 1 or £750 or less for Tier 2, the maximum amount of this relief will be no more than the value of the net rate liability. This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
24. Ratepayers that occupy more than one property will be entitled to High Street Rates Relief for each of their eligible properties, subject to State Aid de minimis limits.

Changes to existing hereditaments, including change in occupier

25. Eligibility for the relief will be calculated based on the circumstances of the property and ratepayer as at 1 April 2018. Changes to properties which occur after this date will have no impact on eligibility for this relief.
26. Empty properties becoming occupied after 1 April 2018 will not qualify for this relief.
27. If there is a change in occupier part way through the financial year, after relief has already been provided to the hereditament, the new occupier will not qualify for the relief.

28. This treatment is intended to simplify the administration of the scheme but also reflects that the relief is to help support those affected by the revaluation. It is assumed that the rateable values for properties being occupied after 1 April 2018 will have been known in advance of occupation and would have been taken into account prior to occupation.

State Aid

29. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. High Street Rates Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulation (1407/2013).
30. The De Minimis Regulation allows an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid, the relevant definition of undertaking and the requirement to convert the aid into Euros.
31. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation).
32. Section 3 of this guidance contains a sample De Minimis declaration which local authorities may wish to use. Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance.
33. Desk instructions covering the administration of De Minimis schemes are available at:

<http://gov.wales/funding/state-aid/de-minimis-aid/?lang=en>

http://ec.europa.eu/competition/state_aid/legislation/de_minimis_regulation_en.pdf

Section 2 – State Aid

Sample paragraphs that could be included in letters to ratepayers about High Street Rates Relief for 2018-19

The Cabinet Secretary for Finance announced on 13 December 2017 that an additional £5 million of funding would be available to extend the High Street Rates Relief scheme for 2018-19.

Relief of up to £750 will be provided to eligible occupied retail properties with a rateable value of £50,000 or less in 2018-19. Your current rates bill includes this High Street Rates Relief.

Awards such as High Street Rates Relief are required to comply with the EU law on State Aid¹. In this case, this involves returning the attached declaration to this authority if you have received any other De Minimis State Aid, including any other High Street Rates Relief you are being granted for premises other than the one to which this bill and letter relates, and confirming that the award of High Street Rates Relief does not exceed the €200,000 an undertaking² can receive under the De Minimis Regulations EC 1407/2013.

Please complete the declaration and return it to the address above. In terms of declaring previous De Minimis aid, we are only interested in public support which is De Minimis aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

If you have not received any other De Minimis State Aid, including any other High Street Rates Relief you are being granted for premises other than the one to which this bill and letter relates, you do not need to complete or return the declaration.

If you wish to refuse to receive the High Street Rates Relief granted in relation to the premises to which this bill and letter relates, please complete the attached form and return it to the address above. You do not need to complete the declaration. This may be particularly relevant to those premises that are part of a large retail chain, where the cumulative total of High Street Rates Relief received could exceed €200,000.

Under the European Commission rules, you must retain this letter for three years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than three years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on 'De Minimis' aid for the next three years.

1. Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

2 An undertaking is an entity which is engaged in economic activity. This means that it puts goods or services on a given market. The important thing is what the entity does, not its status. Thus a charity or not for profit company can be undertakings if they are involved in

economic activities. A single undertaking will normally encompass the business group rather than a single company within a group. Article 2.2 of the de minimis Regulations (Commission Regulation EC/ 1407/2013) defines the meaning of 'single undertaking'.

'De Minimis' declaration

Dear []

NON-DOMESTIC RATES ACCOUNT NUMBER: _____

The value of the non-domestic rates High Street Rates Relief to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State Aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of De Minimis aid within the current financial year or the previous two financial years). The De Minimis Regulations 1407/2013(as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>.

Amount of De Minimis aid	Date of aid	Organisation providing aid	Nature of aid
€	1 April 2018 – 31 March 2019	Local authorities (for the High Street Rates Relief total, you do not need to specify the names of individual authorities)	High Street Rates Relief

I confirm that:

1) I am authorised to sign on behalf of _____[name of undertaking]; and

2) _____[name of undertaking] shall not exceed its De Minimis threshold by accepting this High Street Rates Relief.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

Refusal of High Street Rates Relief form

Name and address of premises	Non-domestic rates account number	Amount of High Street Rates Relief

I confirm that I wish to refuse High Street Rates Relief in relation to the above premises.

I confirm that I am authorised to sign on behalf of _____ [name of undertaking].

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

EQUALITY IMPACT ASSESSMENT FORM

April 2016

THE COUNCIL'S EQUALITIES STATEMENT

This Council recognises that people have different needs, requirements and goals and we will work actively against all forms of discrimination by promoting good relations and mutual respect within and between our communities, residents, elected members, job applicants and workforce.

We will also work to create equal access for everyone to our services, irrespective of ethnic origin, sex, age, marital status, sexual orientation, disability, gender reassignment, religious beliefs or non-belief, use of Welsh language, BSL or other languages, nationality, responsibility for any dependents or any other reason which cannot be shown to be justified.

NAME OF NEW OR REVISED PROPOSAL *	Welsh Government High Street Rate Relief Scheme 2018/19
DIRECTORATE	Corporate Services
SERVICE AREA	Corporate Finance – Business Rates
CONTACT OFFICER	John Carpenter
DATE FOR NEXT REVIEW OR REVISION	Not applicable as one-off scheme

***Throughout this Equalities Impact Assessment Form, 'proposal' is used to refer to what is being assessed, and therefore includes policies, strategies, functions, procedures, practices, initiatives, projects and savings proposals.**

INTRODUCTION

The aim of an Equality Impact Assessment (EIA) is to ensure that Equalities and Welsh Language issues have been proactively considered throughout the decision making processes governing work undertaken by every service area in the Council as well as work done at a corporate level.

The form should be used if you have identified a need for a full EIA following the screening process covered in the [Equalities Implications in Committee Reports](#) guidance document (available on the [Equalities and Welsh Language Portal](#) on the Council's intranet).

The EIA should highlight any areas of risk and maximise the benefits of proposals in terms of Equalities. It therefore helps to ensure that the Council has considered everyone who might be affected by the proposal.

It also helps the Council to meet its legal responsibilities under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011, the Welsh Language (Wales) Measure 2011 and supports the wider aims of the Well-being of Future Generations (Wales) Act 2015. There is also a requirement under Human Rights legislation for Local Authorities to consider Human Rights in developing proposals.

Specifically, Section 147 of the Equality Act 2010 is the provision that requires decision-makers to have 'due regard' to the equality implications of their decisions and Welsh Language Standards 88-97 require specific consideration of Welsh speakers under the Welsh Language Standards (No.1) Regulations 2015.

The Older People's Commissioner for Wales has also published 'Good Practice Guidance for Equality and Human Rights Impact Assessments and Scrutinising Changes to Community Services in Wales' to ensure that Local Authorities, and other service providers, carry out thorough and robust impact assessments and scrutiny when changes to community services are proposed, and that every consideration is given to mitigate the impact on older people and propose alternative approaches to service delivery.

The Council's work across Equalities, Welsh Language and Human Rights is covered in more detail through the [Equalities and Welsh Language Objectives and Action Plan 2016-2020](#).

This approach strengthens work to promote Equalities by helping to identify and address any potential discriminatory effects before introducing something new or changing working practices, and reduces the risk of potential legal challenges.

When carrying out an EIA you should consider both the positive and negative consequences of your proposals. If a project is designed for a specific group e.g. disabled people, you also need to think about what potential effects it could have on other areas e.g. young people with a disability, BME people with a disability.

There are a number of supporting guidance documents available on the [Equalities and Welsh Language Portal](#) and the Council's Equalities and Welsh Language team can offer support as the EIA is being developed. Please note that the team does not write EIAs on behalf of service areas, the support offered is in the form of advice, suggestions and in effect, quality control.

Contact equalities@caerphilly.gov.uk for assistance.

PURPOSE OF THE PROPOSAL

1	<p>What is the proposal intended to achieve? <i>(Please give a brief description of the purpose of the new or updated proposal by way of introduction.)</i></p> <p>The Welsh Government (WG) has decided to fund a High Street Rate Relief Scheme from 1 April 2018 to 31 March 2019 which is aimed at helping certain business rate payers facing an increase in their rate liability as a result of the recent rating revaluation carried out by the Valuation Office Agency (part of Her Majesty's Revenue and Customs). WG has not carried out an equality impact assessment (EIA), hence the need for this assessment.</p> <p>WG is offering specific grant funding to each local authority in Wales and has issued a Guidance document which contains the requirements that need to be followed in administering the scheme. This rate relief scheme has to be adopted by each local authority wishing to award the relief and in this Authority's case a report is to be taken to Cabinet proposing the adoption of the WG scheme.</p>
2	<p>Who are the service users affected by the proposal? <i>(Who will be affected by the delivery of this proposal? e.g. staff members, the public generally, or specific sections of the public i.e. youth groups, carers, road users, people using country parks, people on benefits etc.)</i></p> <p>If this proposal is adopted, it will affect certain business rate payers that would otherwise have had to pay a higher amount in business rates for the financial year 2018/19.</p> <p>A ratepayer may apply for relief of up to £250 (Tier 1) or up to £750 (Tier 2) on a business rates bill for the financial year 2018/19 if they are an eligible high street retailer occupying qualifying premises with a rateable value of £50,000 or less on 1 April 2018, subject to State Aid limits.</p> <p>Properties that benefit from the relief will be occupied high street properties and must be wholly or mainly being used as a shop, restaurant, café or drinking establishment that is wholly or mainly providing a service to visiting members of the public (properties must be reasonably accessible to the public).</p> <p>Two tiers of relief are provided depending on the rateable value of the property, whether liability has increased on 1 April 2017 as a result of the rating revaluation and whether the business is already entitled to other Welsh Government support.</p> <p>Tier 1 Relief – £250 (or the total remaining amount payable if this is less than £250)</p> <p>Eligible ratepayers are high street retailers whose properties have a rateable value of between £6,001 and £12,000* for the financial year 2018/19 who are:</p> <ul style="list-style-type: none">• Receiving Small Business Rate Relief on 1 April 2018; and/or• Receiving Transitional Rate Relief on 1 April 2018.

*A small number of ratepayers occupying properties with a rateable value of £12,000 or above who are receiving Transitional Rate Relief will qualify for Tier 1 relief where their use of the property and any other WG conditions are satisfied by properly completing and returning an application form.

Tier 2 Relief – £750 (or the total remaining amount payable if this is less than £750)

Eligible ratepayers are high street retailers whose properties have a rateable value of between £12,001 and £50,000 for the financial year 2018/19 who:

- Are not receiving Small Business Rate Relief or Transitional Rate Relief on 1 April 2018; and
- Have an increase in their rate liability on 1 April 2017 due to the 2017 revaluation.

WG has also laid down other conditions in its Guidance document, in particular:

- The amount of relief will be limited to the amount of rates actually payable.
- If a property is occupied after 1 April 2018 the ratepayer will not be eligible for this relief.
- If a property is vacated after 1 April 2018 the amount of relief will be reduced proportionately.
- Ratepayers occupying more than one property may apply for High Street Rate Relief on each of their eligible properties, subject to State Aid limits.
- Properties already receiving mandatory charitable rate relief are not eligible for High Street Rate Relief.
- State Aid 'de minimis' rules apply.

IMPACT ON THE PUBLIC AND STAFF

3	<p>Does the proposal ensure that everyone has an equal access to all the services available or proposed, or benefits equally from the proposed changes, or does not lose out in greater or more severe ways due to the proposals? <i>(What has been done to examine whether or not these groups have equal access to the service, or whether they need to receive the service in a different way from other people?)</i></p> <p>For those ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme, it is proposed that rate relief is applied directly to eligible ratepayers' bills. In these cases, an application form will not need to be completed for 2018-19.</p> <p>An application form will need to be completed in cases where a ratepayer did not receive High Street rate relief last year but meets the 2018-19 Scheme eligibility criteria.</p> <p>Those ratepayers that may be eligible to apply for this relief, and have not completed and returned an application form in 2017/18 will be sent an application form this year. Officers of the Authority will make the business community aware of the WG Scheme through its usual channels, such as its website, Town Centre Gazette and the 'Newline' publication.</p>
	<p>Actions required:</p> <ul style="list-style-type: none">• Award this relief to ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme;• Issue an application form to ratepayers that appear to be eligible to apply for this relief in 2018/19 but have not made an application previously;• Publicise the WG Scheme through the Council's usual channels.
4	<p>What are the consequences of the above for specific groups? <i>(Has the service delivery been examined to assess if there is any indirect effect on any groups? Could the consequences of the policy or savings proposal differ dependent upon people's disability, race, gender, sexuality, age, language, religion/belief?)</i></p> <p>The proposal is not aimed at a specific group within the eligible ratepayer group. No evidence has been identified to suggest that the WG scheme would have a differential impact on this group.</p> <p>The WG scheme proposal will assist those eligible ratepayers that:</p> <ul style="list-style-type: none">• Have completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme;• Are eligible to apply for this relief in 2018/19 and submit a properly completed application form within the time scales determined by WG.

	These cases will be processed in accordance with the WG Scheme, irrespective of people's disability, race, gender, sexuality, age, language, and religion/belief.
	Actions required: None.

5	<p>In line with the requirements of the Welsh Language Standards. (No.1) Regulations 2015, please note below what effects, if any (whether positive or adverse), the proposal would have on opportunities for persons to use the Welsh language, and treating the Welsh language no less favourably than the English language.</p> <p><i>(The specific Policy Making Standards requirements are Standard numbers 88, 89, 90, 91, 92 and 93. The full detail of each Standard is available on the Equalities and Welsh Language Portal)</i></p> <p>The Council is required to ensure it complies with requirements under the Welsh Language Standards. The duties which come from the standards mean that organisations should not treat the Welsh language less favourably than the English language, together with promoting and facilitating the use of the Welsh language (making it easier for people to use in their day-to-day-lives).</p>
	<p>Actions required: None</p>

INFORMATION COLLECTION

6	<p>Is full information and analysis of users of the service available?</p> <p><i>(Is this service effectively engaging with all its potential users or is there higher or lower participation of uptake by one or more groups? If so, what has been done to address any difference in take up of the service? Does any savings proposals include an analysis of those affected?)</i></p> <p>All ratepayers (service users) who appear to the Council to be eligible to apply for relief under the WG scheme will be identified by data analysis of the business rates database to ensure take-up of the assistance available under the scheme is maximised. Beyond this, no detailed analysis has been undertaken.</p>
	<p>Actions required:</p> <p>Eligible ratepayers to be identified in accordance with the WG scheme requirements.</p>

CONSULTATION

7	<p>What consultation has taken place? <i>(What steps have been taken to ensure that people from various groups have been consulted during the development of this proposal? Have the Council's Equalities staff been consulted? Have you referred to the Equalities Consultation and Monitoring Guidance?)</i></p> <p>WG developed this rate relief scheme and has laid down guidance containing various criteria which must be satisfied; therefore the Council was not at liberty to carry out a consultation on its development.</p> <p>The Council's Senior Policy Officer (Equalities and Welsh Language) has been consulted and the Equalities Consultation and Monitoring Guidance considered.</p>
	<p>Actions required:</p> <p>None.</p>

MONITORING AND REVIEW

8	<p>How will the proposal be monitored? <i>(What monitoring process has been set up to assess the extent that the service is being used by all sections of the community, or that the savings proposals are achieving the intended outcomes with no adverse impact? Are comments or complaints systems set up to record issues by Equalities category to be able analyse responses from particular groups?)</i></p> <p>As this is a WG scheme, the Council will be required to provide certain information to WG about the number of ratepayers receiving this relief and the amount of relief awarded. This information may be used by WG to inform future policy decisions regarding the provision of this type of rate relief.</p>
	<p>Actions required:</p> <p>None.</p>

<p>9</p>	<p>How will the monitoring be evaluated? <i>(What methods will be used to ensure that the needs of all sections of the community are being met?)</i></p> <p>As above, WG may use information reported to them by each local authority to inform future policy decisions regarding the provision of this type of rate relief.</p> <p>No evidence has been identified to suggest that the implementation of this WG scheme would have a differential impact on this group.</p>
	<p>Actions required:</p> <p>No actions required, as the proposal does not impact all sections of the community.</p>

<p>10</p>	<p>Have any support / guidance / training requirements been identified? <i>(Has the EIA or consultation process shown a need for awareness raising amongst staff, or identified the need for Equalities or Welsh Language training of some sort?)</i></p> <p>No</p>
	<p>Actions required:</p> <p>None</p>

11	<p>Where you have identified mitigating factors in previous answers that lessen the impact on any particular group in the community, or have identified any elsewhere, please summarise them here.</p> <p>N/A</p>
-----------	--

12	<p>What wider use will you make of this Equality Impact Assessment? <i>(What use will you make of this document i.e. as a consultation response, appendix to approval reports, publicity etc. in addition to the mandatory action shown below?)</i></p> <p>It will be used to support the proposal to adopt the WG scheme going before Cabinet in September 2018.</p>
	<p>Actions required:</p> <ul style="list-style-type: none"> • EIA, when completed, to be returned to equalities@caerphilly.gov.uk for publishing on the Council's website.

Completed by:	John Carpenter
Date:	August 2018
Position:	Council Tax & NNDR Manager
Name of Head of Service:	Nicole Scammell