



## CABINET – 24TH MARCH 2021

**SUBJECT: WELSH GOVERNMENT RETAIL, LEISURE & HOSPITALITY RATE RELIEF SCHEME 2021/2022**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

### 1. PURPOSE OF REPORT

- 1.1 The Welsh Government (WG) has announced a new temporary business rate relief scheme, the 'Retail, Leisure and Hospitality Rate Relief Scheme' for the financial year 2021/22 only.
- 1.2 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.
- 1.3 This report recommends that the Council endorses the new relief scheme in accordance with the WG guidance set out in Appendix 1.

### 2. SUMMARY

- 2.1 The report provides details of the new 'Retail, Leisure and Hospitality Rate Relief Scheme' offered by WG for 2021/22 only.
- 2.2 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. RECOMMENDATIONS

- 3.1 Cabinet is asked to:
  - 3.1.1 Endorse the 'Retail, Leisure and Hospitality Rate Relief Scheme 2021-22' (the 2021/22 Scheme), 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.
  - 3.1.2 Note that the Head of Financial Services & S151 Officer will use delegated powers to award the relief.
  - 3.1.3 Support the proposal set out in paragraph 5.6 that in order to maximise take-up by ratepayers and minimise administration costs for the Authority, the rate relief will be applied directly to eligible ratepayers' bills based on records already held by the Council's Business Rates Team.
  - 3.1.4 Note that Officers of the Authority will make the business community aware of the 2021/22 Scheme through its usual channels, including its website and social media. In addition, Cabinet

is asked to agree that where a business is not granted relief through the process set out in paragraph 5.6, they will be asked to submit an email explaining how they satisfy the scheme criteria to enable the Business Rates Team to determine their eligibility or otherwise.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 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.

#### **5. THE REPORT**

- 5.1 WG has announced the 'Retail, Leisure and Hospitality Rate Relief Scheme 2021/22' (the 2021/22 Scheme). It is intended that the relief under the 2021/22 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 grant offer.
- 5.2 Appendix 1 of this report is a guidance document issued by WG which in effect prescribes the detailed criteria and conditions for the 2021/22 Scheme. The 2021/22 Scheme is aimed at businesses in Wales in the retail, leisure and hospitality sectors, for example shops, pubs and restaurants, gyms, performance venues and hotels.
- 5.3 The 2021/22 Scheme aims to provide support for eligible occupied properties by offering a discount of 100% on the non-domestic rates bill for a property, to all eligible premises. The scheme will apply to all eligible ratepayers with a rateable value of £500,000 or less.
- 5.4 As this is a temporary measure for 2021/22 only, WG will provide 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.
- 5.5 WG will reimburse local authorities for the relief that is provided in line with the WG guidance via a grant under section 31 of the Local Government Act 2003 and section 58A of the Government of Wales Act 2006. WG has estimated the grant for Caerphilly CBC to be £8.9m and it is anticipated that the full cost of the scheme can be met through this allocation.
- 5.6 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 based on records already held by the Council's Business Rates Team.
- 5.7 Alongside this proposed approach, Officers will make the business community aware of the 2021/22 Scheme through its usual channels, including its website and social media. In addition, where a business is not granted relief through the process set out in paragraph 5.6, they will be asked to submit an email explaining how they satisfy the scheme criteria to enable the Business Rates Team to determine their eligibility or otherwise.
- 5.8 Full details of the Scheme, including the qualifying criteria, are included in the guidance set out at Appendix 1.

#### **Conclusion**

- 5.9 The report provides 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.

- 5.10 The Authority must formally adopt the new scheme set out in the guidance at Appendix 1 in order to obtain the WG grant funding. In order to implement the new scheme, Cabinet is asked to endorse the recommendations set out in paragraphs 3.1.1 to 3.1.4 of this report.

## **6. ASSUMPTIONS**

- 6.1 It is assumed that the recommendations in the report will maximise the use of the grant funding in terms of the amount of rate relief awarded, whilst minimising the staff/administrative costs incurred in awarding the rate relief.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The adoption of the 2021/22 Scheme will support eligible businesses by reducing the amount of business rates payable which in turn may help create employment opportunities and increase entrepreneurial activities which is a key theme of 'A Foundation for Success 2018-2023' – Regeneration Strategy.

## **8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 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.
- A prosperous Wales – maximising the take-up of this WG business rate relief scheme will minimise the amount of rates payable by eligible businesses which helps them to continue trading.
  - Long Term – It is hoped that eligible local businesses will be able to continue trading which will enable future generations to benefit in the long-term from a diverse range of businesses, which should also improve the economic, social, environmental and cultural well-being of residents.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 An Equality Impact Assessment (EIA) screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore a full EIA has not been carried out.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 There are no direct financial implications 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 'Retail, Leisure and Hospitality Rate Relief 2021/22' grant offer.
- 10.2 Based on an initial WG assessment of qualifying businesses for the 'Retail, Leisure and Hospitality Rate Relief Scheme 2021/22', the funding available to Caerphilly CBC is £8.9m. It is anticipated that the full cost of the scheme can be met through this allocation.

## **11. PERSONNEL IMPLICATIONS**

- 11.1 There are none in respect of this report.

## 12. CONSULTATIONS

12.1 There are no consultation responses that have not been reflected in this report.

## 13. STATUTORY POWER

13.1 Local Government Finance Act 1988, Government of Wales Act 2006 and Local Government Act 1972, 2000 and 2003. The decision as to whether to adopt the WG 'Retail, Leisure and Hospitality Rate Relief Scheme 2021/22' may be taken by Cabinet. The Head of Financial Services & S151 Officer will use delegated powers to award the relief.

## 14. URGENCY (CABINET ITEMS ONLY)

14.1 Due to the requirement for Cabinet to endorse the 'Retail, Leisure and Hospitality Rate Relief Scheme 2021-22' prior to the production and posting of the new year annual rate demand notices in late March 2021, this decision cannot be subject to call in procedures. The Mayor has been consulted on this matter and has agreed that the decision proposed is reasonable in all the circumstances and that it can be treated as a matter of urgency.

Author: John Carpenter, Finance Manager (Revenues)  
Tel: 01443 863421

Consultees: Christina Harrhy, Chief Executive  
(Email: [harrhc@caerphilly.gov.uk](mailto:harrhc@caerphilly.gov.uk))  
Richard Edmunds, Corporate Director for Education and Corporate Services, (Email: [edmunre@caerphilly.gov.uk](mailto:edmunre@caerphilly.gov.uk))  
Stephen Harris, Head of Financial Services & S151 Officer  
E-mail: [harrisr@caerphilly.gov.uk](mailto:harrisr@caerphilly.gov.uk)  
Rob Tranter, Head of Legal Services and Monitoring Officer  
(Email: [trantrj@caerphilly.gov.uk](mailto:trantrj@caerphilly.gov.uk))  
Cllr Eluned Stenner, Cabinet Member for Finance, Performance & Customer Service  
(Email: [stenne@caerphilly.gov.uk](mailto:stenne@caerphilly.gov.uk))

Appendices:

Appendix 1 – Retail, Leisure and Hospitality Rates Relief in Wales 2021-22 – Guidance