

Portfolio holder decision – Portfolio holder for Finance and Corporate – 28 October 2024

Review of National Non-Domestic Rates Rate Relief Policy

Purpose	For Decision
Classification	Public
Executive Summary	The National Non-Domestic Rate Relief policy was reviewed fully in 2023 by Task and Finish Group and approved by Council. However, the government have announced and legislated two new mandatory rate reliefs, Improvement Relief and Heat Network Relief, and changes to Rural Rate Relief. The policy has been updated to include these new rate reliefs and changes and include some minor amendments.
Recommendation	To approve the National Non-Domestic Rates Rate Relief Policy
Reasons for recommendation	To approve the updated policy following changes to legislation that introduce two new mandatory rate reliefs for business liable to pay business rates, and changes to Rural Rate Relief.
Wards	All wards
Portfolio Holder	Councillor Jeremy Heron – Finance and Corporate
Strategic Director	Alan Bethune – Strategic Director Resources and Transformation
Officer Contact	Ryan Stevens Service Manager – Revenues, Benefits and Customer Services 02380 285693 Ryan.stevens@nfdc.gov.uk

Introduction and background

1. The Non-Domestic Rating (Improvement Relief) (England) Regulations 2023 and Non-Domestic Rating Act 2023 provide for two mandatory new rate reliefs for eligible businesses in occupation of a property. The National Non-Domestic Rates Rate relief policy has been updated to include these two new rate reliefs to ensure it is up-to-date and details the circumstances where the relief can be awarded, as well as changes to how Rural Rate Relief is administered.
2. The new rate reliefs and changes are:
 - **Improvement Relief**

This rate relief is available where certain improvements have been made to a property a business occupies and will ensure no ratepayer will face a higher business rates bill as a result of qualifying improvements to their property. The award is 100% rate relief and is awarded for a period of 12 months from the date the improvements are completed and notified to the Council from the Valuation Office Agency.
 - **Heat Network Relief**

This rate relief of 100% supports the governments decarbonation agenda and is awarded where an eligible property supplies heating from a low carbon source to other properties, such as shops, offices, and public buildings.
 - **Rural Rate Relief**

The government have announced that the previous 50% discretionary rate relief for specified properties in rural settlements is now mandatory, meaning the mandatory rate relief is increased from 50% to 100%.
3. As the policy was being updated, the opportunity was utilised to make some minor amendments to the policy, following a change in legislation and delegation to make amendments, in consultation with the Portfolio Holder, where there are prescribed legislative changes.

Corporate plan priorities

4. The new rates reliefs, although mandatory, support business who are improving their premises without having to pay additional business rates, and support using low carbon sources for heat provision.

Options appraisal

5. The new rate reliefs and changes to existing rate reliefs are mandatory where the qualifying criteria is met and prescribed in legislation.

Consultation undertaken

6. Consultation undertaken with the Portfolio Holder Finance and Corporate, and with the Revenues Manager.

Financial and resource implications

7. Any awards of rate relief awarded are fully funded from government. The administration of these new rate reliefs is anticipated to be minimal and have no impact on resources or workloads.

Legal implications

8. The Policy need to be updated to reflect the new mandatory rate reliefs and the changes to Rural Rate Relief. A failure to update the Policy would mean that it does not reflect the changes and would not comply with the national framework.

Risk assessment

9. A risk assessment is not required.

Environmental / Climate and nature implications

10. The Heat Network rate relief supports reducing carbon emissions.

Equalities implications

11. There are none.

Crime and disorder implications

12. There are none.

Data protection / Information governance / ICT implications

13. There are none.

Conclusion

14. The policy has been updated to include two new mandatory rate reliefs introduced by the government. The opportunity to make some minor amendments to the policy has been undertaken following reflection and operation of the policy since being approved.

Portfolio holder endorsement

15. I have agreed to the recommendations of this report.

Sign: Jeremy Heron

Date: 28 October 2024

Appendices

Appendix 1 – National Non-Domestic
Rate Relief Policy

Background Papers:

There are none

Date on which notice given of this Decision – 28 October 2024

Last date for call in – 4 November 2024