

Medium Term Financial Strategy - Addendum



Report of the Cabinet Member for Finance and Commissioning

Date:	14 February 2023
Agenda Item:	4
Contact Officer:	Simon Fletcher / Anthony Thomas
Tel Number:	01543 308001 / 01543 308012
Email:	Simon.fletcher@lichfielddc.gov.uk Anthony.thomas@lichfielddc.gov.uk
Key Decision?	YES
Local Ward Members	Full Council

Cabinet

1. Executive Summary

- 1.1 In the autumn budget, the Chancellor announced the extension of the business rates Retail Discount scheme for 2023/2024.
- 1.2 This delivers a 75% business rates relief up to £110,00 per business and the extension to the Supporting Small Business relief to ensure no small business faces a bill increase greater than £50 per month in 2023/2024 as a resulting of losing some or all of their small business rate relief or rural rate relief due to an increase in rateable value following a revaluation on 1 April 2023.
- 1.3 Confirmation of the schemes was issued 18 November 2022, with further guidance regarding the administration, and funding on the 21 December 2022.

2. Recommendations

That Cabinet recommend to Council for approval:

- 2.13a To delegate to the Cabinet Member for Finance and Commissioning and the Assistant Director – Customer, Resident and Business Services to award Retail Discount and Supporting Small Business Relief to businesses which are eligible during 2023/24.

3. Background

Retail Discount and Supporting Small Business Relief

- 3.16a In the autumn budget, the Chancellor announced the extension of the business rates Retail Discount scheme for 2023/2024. This delivers a 75% business rates relief up to £110,000 per business and the extension to the Supporting Small Business relief to ensure no small business faces a bill increase greater than £50.00 per month in 2023/2024 as a resulting of losing some or all of their small business rate relief or rural rate relief due to an increase in rateable value following a revaluation on 1 April 2023. Confirmation of the schemes was issued 18 November 2022, with further guidance regarding the administration, and funding on the 21 December 2022.
- 3.16b Business rates may be reduced where a property is eligible for business rate relief. There are different types of relief that may be awarded based on criteria laid down in the Local Government Finance Act (LGFA) 1988 and subsequent statutory instruments. In addition to mandatory reliefs, the Local Authority has the discretion to award additional relief, using discretionary powers under section 47 of the LGFA. Where new temporary reliefs are introduced by the government, they will use section 47 to apply them wherever it is appropriate to do so, rather than introducing new legislation.
- 3.16c The government will fully reimburse councils using grants paid via Section 31 of the Local Government Act 2003.

3.16d The recommendation is to award both reliefs from 1st April 2023 to all businesses that satisfy the relevant criteria. We estimate that 412 businesses will benefit from **£3,168,250** Retail Discount and 138 businesses will benefit from **£433,040** Supporting Small Business Relief. The government expects local authorities to notify those eligible ratepayers on their annual bills for 2023/24.

Alternative Options	See main report.			
Consultation	See main report.			
Financial Implications	See main report.			
Approved by Section 151 Officer	Yes			
Legal Implications	See main report.			
Approved by Monitoring Officer	Yes			
Contribution to the Delivery of the Strategic Plan	See main report.			
Equality, Diversity and Human Rights Implications	See main report.			
EIA logged by Equalities Officer	Yes			
Crime & Safety Issues	See main report.			
Environmental Impact (including Climate Change and Biodiversity).	See main report.			
GDPR / Privacy Impact Assessment	See main report.			
	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
	See main report.			
	Background documents See main report			
	Relevant web links See main report			