



**REPORT of
INTERIM CHIEF FINANCE OFFICER**

**to
STRATEGY AND RESOURCES COMMITTEE
25 JANUARY 2025**

BUSINESS RATE AND COUNCIL TAX DISCRETIONARY POLICIES 2025 / 26

1. PURPOSE OF THE REPORT

- 1.1 For Members to consider the updated Discretionary Non-Domestic Rate Relief Scheme at **APPENDIX 1**, which updates and replaces the Council's existing policy to reflect changes announced by Central Government.
- 1.2 For Members to consider the updated Empty Homes and Second Homes Premium Policy at **APPENDIX 2**, which updates and replaces the Council's existing policy to reflect legislative changes.

2. RECOMMENDATIONS

To the Council:

- (i) That the proposed Discretionary Non-Domestic Rate Relief Scheme at **APPENDIX 1** be approved;
- (ii) That the proposed Empty Homes and Second Homes Premium Policy at **APPENDIX 2** be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 The Government has announced that eligible ratepayers will receive 40% Retail, Hospitality and Leisure relief on their business rates bills for the year 2025 / 26.
- 3.2 The Government has removed the business rate charitable relief from private schools from April 2025.
- 3.3 The amended policy at **APPENDIX 1** provides for the granting of reliefs in line with the published guidelines and prevents 'inadvertent' claims for discretionary relief.
- 3.4 Legislation now provides for changes to the Council Tax Empty and Second Home charges, specifically for some exceptions from the premium. The levying of the increased charges was previously endorsed by Members*.
- 3.5 The amended policy at **APPENDIX 2** provides a framework for the administration of premiums, including these mandatory exemptions, which are broadly in line with those provided for under local discretion within the policy for 2024 / 25.

4. CONCLUSION

- 4.1 The proposed Discretionary Non-Domestic Rate policy at **APPENDIX 1** will enable additional financial support for eligible businesses.
- 4.2 The proposed Empty Homes and Second Homes Premium Policy at **APPENDIX 2** will enable a transparent and consistent approach to charges for empty properties and second homes across the District.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2025 - 28

5.1 Growing our economy

- 5.1.1 Discretionary policies provide a framework for administration and ensure compliance with statutory obligations.

5.2 Delivering good quality services.

- 5.2.1 Discretionary policies provide for transparency in the way in which services are delivered, supporting quality and consistency in administration.

6. IMPLICATIONS

- (i) **Impact on Customers** – Eligible ratepayers will receive a rates bill reduction. Customers with second homes or empty properties who are not exempt will be required to pay empty or second home premiums.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk (including Fraud implications)** – The policies provide for transparency and consistency in the application of local discretion. Clarification around backdating arrangements limits the financial risk or retrospective amendment.
- (iv) **Impact on Resources (financial)** – Minimal.
- (v) **Impact on Resources (human)** – None. The additional schemes will be delivered within existing resources.

Background Papers: *Minute No. 525 - Strategy and Resources Committee 26 January 2023

Enquiries to: Michelle LaMarre, Head of Revenues and Benefits.