

Gloucester City Council

Report to:	Cabinet	Date:	9 February 2022
Subject:	Business Rates – Retail, Hospitality and Leisure Relief 2022-23		
Report Of:	Cabinet Member for Performance and Resources		
Wards Affected:	All		
Key Decision:	Yes	Budget/Policy Framework:	No
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Appendices:	1. Business Rates– Retail, Hospitality and Leisure Relief 2022-23		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The Chancellor of the Exchequer announced in the Autumn 2021 budget that the Government will provide additional business rates support for eligible retail, hospitality and leisure businesses in England, occupying a qualifying property. This report proposes an additional retail, hospitality and leisure discount scheme, commensurate with the budget announcement of 27 October 2021, for business rates discounts to be applied to eligible retail, hospitality, and leisure businesses from 01 April 2022.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that the Business Rates Retail, Hospitality and Leisure Relief scheme 2022-23 (Appendix 1) be the approved scheme for Gloucester City for 2022-23.

3.0 Background and Key Issues

- 3.1 The Government announced in the budget that in recognition of ongoing difficulties and longer-term challenges faced by the retail, hospitality and leisure sectors, a temporary business rate relief for 2022-23 was to be introduced to support local high streets as they adapt and recover from the pandemic:

- The Retail, Hospitality and Leisure business rates relief 2022-23 will be granted to all eligible businesses

- The relief will be a reduction of 50% from the business rate bill - up to a maximum cash cap per business of £110,000
- For the Retail, Hospitality and Leisure Relief 2022-23, businesses may choose to opt out of support by providing billing authorities notification of their request to refuse support, per eligible hereditament.

3.2 The Government is not changing the current legislation around reliefs available to properties – this measure is temporary for 2022-23 only.

3.3 Cabinet is being asked to approve a local scheme for delivery of the Retail, Hospitality and Leisure business rates relief scheme as detailed in appendix 1.

3.4 The Government will reimburse the Council for retail discount granted under the local scheme for each property awarded the discount in 2022-23. Mandatory reliefs will be applied first.

4.0 PROGRESS

4.1 The Business Rates Retail, Hospitality and Leisure relief scheme proposes discounts for qualifying occupied retail properties.

4.2 The schemes will provide a 50% discount from an eligible business's rate bill for the period 01 April 2022 – 31 March 2023.

4.3 Some businesses may already have their business rates bill reduced. Retail, Hospitality and Leisure Relief will be applied after mandatory reliefs and Section 31 funded discretionary reliefs have been applied.

4.4 The full eligibility criteria and arrangements for administering the scheme are detailed in appendix 1 for retail.

4.5 Gloucester City Council will delegate authority to Civica Revenues and Benefits to initially administer the retail discount. A report will be run to identify qualifying retail premises – as outlined at Appendix 1. Where there is a clear eligibility to Retail, Hospitality and Leisure business rate relief, it will be applied to the eligible business's rates bill. Any businesses over which there may be uncertainty about account eligibility will be issued with an application form to apply for the Retail, Hospitality and Leisure business rate relief.

4.6 Should there be any dispute over eligibility then an appeal can be made, and considered by the Section 151 Officer

5.0 Reasons for Recommendations

5.1 The 2022-23 Retail, Hospitality and Leisure business rate relief is part of the Governments wider response to Coronavirus business support.

6.0 Future Work and Conclusions

6.1 The impact of these changes will be monitored

7.0 Financial Implications

- 7.1 The full cost of granting Business Rates Retail, Hospitality and Leisure Relief will be met by Central Government and will be reclaimed by the local authority via the usual standard process.

8.0 Legal Implications

- 8.1 [Section 47 of the Local Government Finance Act 1988](#) (as amended by the Localism Act 2011) gives discretionary powers to Local Authorities to grant relief to reduce business rates bills.
- 8.2 The cost of relief to the Local Authority can be recovered from the Government by way of grant under [section 31 of the Local Government Act 2003](#).
- 8.3 To access the funding, the Local Authority is required to establish a discretionary scheme for administering the relief under Section 47 – local scheme is at Appendix 1.

9.0 Risk & Opportunity Management Implications

- 9.1 There are no risks associated as the scheme has full backing and funding from Central Government.

There are potentially positive impacts from the introduction of the scheme. Eligible local businesses such as shops, restaurants, cafes, cinemas, live music venues, drinking establishments, leisure and hospitality businesses, gyms and theatres will see their business rates bills halved by the government funding for the 2022-23 financial year.

10.0 People Impact Assessment (PIA):

- 10.1 None

11.0 Other Corporate Implications

- 11.1 Not applicable.

Sustainability

- 11.2 Not applicable

Staffing & Trade Union

- 11.3 Not applicable

Background Documents:

[Local Government Finance Act 1988 \(S47\)](#)

[Local Government Act 1988 \(S31\)](#)

[Government Guidance Retail, Hospitality & Leisure Relief 2022-23](#)

Appendix 1 – Local Scheme for Retail, Hospitality and Leisure Relief 2022-23



Appendix A -
Business Rates - Retail