

East Suffolk Shadow Authority

Agenda
Item
12

SHADOW COUNCIL

Monday 3 December 2018

DISCRETIONARY BUSINESS RATES RELIEF (REP 10(SH))

EXECUTIVE SUMMARY

1. The purpose of this report is to seek approval for an agreed set of East Suffolk discretionary business rates reliefs that can be applied from 1st April 2019. The discretionary business rates reliefs attached at Appendix A to this report build on the discretionary business rates reliefs that operated under Suffolk Coastal and Waveney District Councils during 2018/19, with the differences resolved.
2. The Shadow Authority is asked to approve the East Suffolk discretionary business rates reliefs detailed within Appendix A.

Is the report Open or Exempt?	Open
Wards Affected:	All Wards across East Suffolk
Cabinet Member:	Councillors Stuart Lawson and Bruce Provan Cabinet Members with Responsibility for Resources Councillors Geoff Holdcroft and Michael Ladd Cabinet Members with Responsibility for Economic Development
Supporting Officer:	Simon Taylor Interim Chief Finance Officer 01394 444570 simon.taylor@eastsuffolk.gov.uk

1 INTRODUCTION

1.1 Suffolk Coastal and Waveney District Councils have been working in partnership for a number of years and since the issuing of joint East Suffolk Business Plan in 2015, the discretionary business rates reliefs have been gradually aligned where possible.

1.2 For the 2018/19 financial year, there are three areas within the discretionary business rates reliefs that are still to be aligned, which are:

- Waveney reliefs were capped to £5,000 and Suffolk Coastal reliefs were not;
- Waveney has Enterprise Zones within Lowestoft and Beccles; and
- Waveney has a policy to promote economic growth through use of the Localism Act by adopting a Local Discretionary Rate Relief which gives the Council the ability to grant rate relief where it sees fit so long as it is in the interests of the Council Tax payers.

2 PROPOSED EAST SUFFOLK DISCRETIONARY BUSINESS RATES RELIEFS

2.1 The East Suffolk Discretionary Business Rates Reliefs detailed in Appendix A adopts all of the aligned reliefs of the predecessor Councils and deals with the three areas of difference as follows:

£5,000 Cap

2.2 It is proposed that the East Suffolk Discretionary Business Rates Relief scheme does not include a cap and therefore 100% relief can be granted to businesses if the Council wishes to do so. This proposal will allow East Suffolk Council to continue to support the local businesses that already receive more than £5,000 in discretionary relief in line with the priorities of the East Suffolk Business Plan.

Enterprise Zones

2.3 Within Lowestoft and Beccles, 46.2 hectares of employment land has Enterprise Zone status. These sites currently enjoy free business rates up to £275,000 over a 5 year period providing occupation is achieved prior to 1st April 2018 in the original area or 1st April 2022 in the extended area.

2.4 Enterprise Zone business land and property opportunities are as follows:

- Longfields Court, Mobbs Way, Lowestoft - Nine brand new commercial units
- Mobbs Way, Lowestoft - Industrial units, trade counter and showroom
- Mobbs Way, Lowestoft - Two detached offices
- Phoenix Park, South Lowestoft Industrial Estate - Up to 17 Brand new commercial units
- Riverside Road, Lowestoft - 4.5 hectares
- Ellough Business Park, Beccles - 17 hectares (units available)

2.5 It is proposed that the East Suffolk Discretionary Business Rates Relief scheme includes Enterprise Zone Rates Relief as this is funded by Central Government. A Enterprise Zone Briefing Note is enclosed at Appendix C to this report.

Promote Economic Growth through Local Discretionary Rate Relief

2.6 The aim of the policy at Appendix B on promoting economic growth through the Local Discretionary Rate Relief is to support potential inward investors locating within the district, and Lowestoft in particular, as well as to encourage businesses seeking to expand and remain.

This in turn supports the vision and the economic strategy element of the East Suffolk Business Plan and the actions relating to business support and training.

- 2.7 Any application received will be considered favourably where a business can provide significant employment opportunities, benefit the local supply chain and align with the key growth sectors identified within the East Suffolk Growth Plan of Energy, Tourism, Ports and Logistics and ICT.
- 2.8 Additional consideration will be given to applications which propose locating in Lowestoft and in particular within the strategic sites identified within the [Lake Lothing and Outer Harbour Area Action Plan](#) and those with Enterprise Zone status.
- 2.9 Other considerations will include:
- Demonstrating that your businesses presence will act as an anchor for attracting similar businesses, this may be related to your size, status and the particular sector you are operating within.
 - Demonstrating that your business will commit to upskilling its current and future workforce.
 - Demonstrating that serious consideration has been given to relocating to one of Waveney's Enterprise Zone sites, where businesses are eligible for 100% business rate relief (up to the state aid limit). A strong and compelling case will need to be provided as to why relocation onto one of these sites is not considered a viable proposition.
- 2.10 It is proposed that East Suffolk Council continues to promote the economic growth policy through its ability to grant Local Discretionary Rate Relief within the District and Lowestoft in particular.

3. HOW DOES THIS RELATE TO EAST SUFFOLK BUSINESS PLAN?

- 3.1 It is a statutory requirement for each Council to set and review on an annual basis their discretionary business rates relief scheme and therefore does not link directly to the East Suffolk Business Plan.

4. FINANCIAL AND GOVERNANCE IMPLICATIONS

- 4.1 The proposal to adopt the predecessor Councils discretionary business rates relief scheme does not present any financial or governance implications.

5. OTHER KEY ISSUES

- 5.1 There are no other key issues to report.

6. CONSULTATION

- 6.1 The following member working groups have been consulted regarding the proposals in this report and were in agreement with its recommendation to the Shadow Authority for approval:
- Finance Member Working Group;
 - Policy and Service Alignment Member Working Group; and
 - Member Programme Board.

7 OTHER OPTIONS CONSIDERED

- 7.1 No other options were considered as the proposals within section two are considered the best options to benefit local businesses, the Council and the wider community.

8 REASON FOR RECOMMENDATION

- 8.1 All Councils have a statutory responsibility to set and review on an annual basis their discretionary business rates reliefs scheme.

RECOMMENDATIONS

That the Shadow Authority adopts on behalf of the East Suffolk Council, the East Suffolk Discretionary Business Rates Reliefs as set out in Appendix A and the Local Discretionary Rate Relief Policy at Appendix B to come into effect from 1st April 2019.

APPENDICES

Appendix A	East Suffolk Discretionary Business Rates Reliefs
Appendix B	Local Discretionary Rate Relief Policy
Appendix C	Enterprise Zones Briefing Note

BACKGROUND PAPERS - none