

NATIONAL NON DOMESTIC RATE – SMALL BUSINESS RATE RELIEF – FOOT AND MOUTH DISEASE

1 SUMMARY

- 1.1 This report follows on from the Officers Correspondence item in the Members' Bulletin dated the 7 June 2001 which referred to representations made to the Department of the Environment Transport and Regions and a response received from Sir Teddy Taylor MP who had been passed a copy of the representation.

2 INTRODUCTION

- 2.1 Members are reminded that on the 22 March 2001, Central Government announced three measures to assist small businesses affected by the outbreak of Foot and Mouth Disease through the non-domestic rating system.
- 2.2 The three main areas were:-
- An extension of the deadline for the submission of Rating Appeals against Rateable Values.
 - The option for Local Authorities to consider deferring existing Rate payments for affected businesses.
 - Increased Central Government contribution from 75% to 95% for the cost of granting hardship Rate Relief to small businesses in accordance with Section 49 Local Government Finance Act 1988.
- 2.3 Apart from the option to defer existing rate payments, Rochford is excluded from receiving additional financial help as the Council was not included in the 151 Local Authorities in England which are listed by the Government for assistance.
- 2.4 As a result and following the report made to the Finance & General Purposes Committee on the 12 April 2001, the Head of Revenue and Housing Management has made representations to the Department of the Environment Transport and Regions expressing deep concern that Rochford has been excluded from the list of Local Authorities eligible for further assistance. It was drawn to the Minister's attention that Rochford was one of the first areas where the Foot and Mouth Disease was announced, being within the Rural Parish of Canewdon.

- 2.5 Members will be aware from the copy letter received from the Under Secretary of State at the Department of the Environment Transport and Regions which was issued in the Members' Bulletin on the 7 June 2001 that the Government is aware that there may be a case for looking at this list again as their knowledge of the wider economic impact of the Foot and Mouth Disease improves.
- 2.6 They have asked the Local Government Association to pass detailed reports on the scale of the demand for Hardship Relief and the Head of Service reports that a response has been sent from Rochford to this Association.
- 2.7 The Head of Service had originally intended reporting on the number of financial assistance requests received from Businesses. However, in view of the lack of response from Central Government it is felt that, as the financial implications are unclear, that this report should be delayed until the financial position emerges.
- 2.8 All four cases who have made application for financial relief to date will be notified of the situation and have already been offered the opportunity to have their Business Rate payments deferred for the time being.

3 RESOURCE IMPLICATIONS

- 3.1 None at present.

4 LEGAL IMPLICATIONS

- 4.1 Section 49 Local Government Finance Act 1988 provides Local Authorities with the powers to reduce or remit Business Rate liability.

5 PARISH IMPLICATIONS

- 5.1 None at present.

6 RECOMMENDATION

It is proposed that the Committee notes progress to date.

S J Clarkson

Head of Revenue and Housing Management

Background Papers:

Letter dated 11 May 2001 from the under Secretary of State from the Department of the Environment Transport and Regions.

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