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Legal and Democratic Services



STRATEGY AND RESOURCES COMMITTEE

Thursday 29 April 2021 at 7.00 pm

Place: Remote Meeting

PLEASE NOTE: this will be a 'virtual meeting'.

The link to the meeting is: <https://attendee.gotowebinar.com/register/2448341229821781518>
Webinar ID: 566-599-083

Telephone (listen-only): 020 3713 5012, Telephone Access code:284-023-554

The members listed below are summoned to attend the Strategy and Resources Committee meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Councillor Eber Kington (Chairman)
Councillor Clive Smitheram (Vice-Chairman)
Councillor Arthur Abdulin
Councillor Steve Bridger
Councillor Kate Chinn

Councillor Nigel Collin
Councillor Hannah Dalton
Councillor David Gulland
Councillor Colin Keane
Councillor Barry Nash

Yours sincerely

A handwritten signature in black ink that reads "J.C. Beldan".

Chief Executive

For further information, please contact Democratic Services, email: democraticservices@epsom-ewell.gov.uk or tel: 01372 732000

Public information

Please note that this meeting will be a 'virtual meeting'

This meeting will be held online and is open to the press and public to attend as an observer using free GoToWebinar software, or by telephone.

A link to the online address for this meeting is provided on the first page of this agenda and on the Council's website. A telephone connection number is also provided on the front page of this agenda as a way to observe the meeting, and will relay the full audio from the meeting as an alternative to online connection.

Information about the terms of reference and membership of this Committee are available on the [Council's website](#). The website also provides copies of agendas, reports and minutes.

Agendas, reports and minutes for the Committee are also available on the free Modern.Gov app for iPad, Android and Windows devices. For further information on how to access information regarding this Committee, please email us at Democraticservices@epsom-ewell.gov.uk.

Exclusion of the Press and the Public

There are no matters scheduled to be discussed at this meeting that would appear to disclose confidential or exempt information under the provisions Schedule 12A of the Local Government (Access to Information) Act 1985. Should any such matters arise during the course of discussion of the below items or should the Chairman agree to discuss any other such matters on the grounds of urgency, the Committee will wish to resolve to exclude the press and public by virtue of the private nature of the business to be transacted.

Questions from the Public

Questions from the public are permitted at meetings of the Committee. Any person wishing to ask a question at a meeting of the Committee must register to do so, as set out below.

Up to 30 minutes will be set aside for written or oral questions from any member of the public who lives, works, attends an educational establishment or owns or leases land in the Borough on matters within the Terms of Reference of the Strategy and Resources Committee which may not include matters listed on a Committee Agenda.

All questions whether written or oral must consist of one question only, they cannot consist of multi parts or of a statement.

The question or topic may not relate to a specific planning application or decision under the Planning Acts, a specific application for a licence or permit of any kind, the personal affairs of an individual, or a matter which is exempt from disclosure or confidential under the Local Government Act 1972. Questions which in the view of the Chairman are vexatious or frivolous will not be accepted.

To register to ask a question at a meeting of the Committee, please contact Democratic Services, email: democraticservices@epsom-ewell.gov.uk, telephone: 01372 732000.

Written questions must be received by Democratic Services by noon on the tenth working day before the day of the meeting. For this meeting this is **Noon, 15 April 2021**

Registration for oral questions is open until noon on the second working day before the day of the meeting. For this meeting this is **Noon, 27 April 2021**

AGENDA

1. QUESTION TIME

To take any questions from members of the Public.

2. DECLARATIONS OF INTEREST

Members are asked to declare the existence and nature of any Disclosable Pecuniary Interests in respect of any item of business to be considered at the meeting.

3. NNDR EXPANDED RETAIL DISCOUNT AND NURSERY DISCOUNT 2021-22 (Pages 5 - 20)

This report details changes announced in the government's 2021 Spring Budget and for which the Council needs to agree its position.

4. MINUTES OF PREVIOUS MEETING (Pages 21 - 28)

The Committee is asked to confirm as a true record the Minutes and Restricted Minutes of the meeting of the Strategy and Resources Committee held on 30 March 2021 and to authorise the Chairman to sign them.

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NNDR EXPANDED RETAIL DISCOUNT AND NURSERY DISCOUNT 2021-22

Head of Service:	Judith Doney, Head of Digital and Service Transformation
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/a
Appendices (attached):	Appendix 1 – NNDR Expanded Retail Discount and Nursery Discount Schemes 2021-22

Summary

This report details changes announced in the government's 2021 Spring Budget and for which the Council needs to agree its position.

Recommendation (s)

The Committee is asked to:

- (1) Agree that the scheme set out in Annex 1 be adopted as the method of awarding the Expanded Retail and Nursery Discount to Business Rates payers in Epsom & Ewell, with effect from 1 April 2021 to 31 March 2022.**

1 Reason for Recommendation

- 1.1 The Council must adopt a local scheme for the administration of the Expanded Retail Discount and the Nursery Discount. Annex 1 of this report provides details of how the discount could operate locally. It incorporates the published Government guidance which is being used by all local authorities.
- 1.2 The implementation of the Expanded Retail Discount and Nursery Discount Scheme up to the 31 March 2022, will fulfil Epsom & Ewell Borough Council's legal obligations and support businesses within our local commercial areas.

2 Background

- 2.1 Within Epsom & Ewell there are approximately 1700 non-domestic properties. It is generally recognised that Business Rates is already one of the largest financial burdens for small local businesses.
- 2.2 The government have been under pressure from business groups to help businesses reduce this burden. This has become even more vital due to the effects of the pandemic lockdowns and the loss of a number of big high street brands this year. Both of these factors have placed even more pressure on those businesses trying to survive and increasing concern about the viability of high streets across the country.
- 2.3 Since 2019/20 the government has provided a Business Rates Retail Discount for retail properties, which for 2020/21 it expanded to include the leisure and hospitality sectors and increased to 100%. This equated to nearly £15million of rate relief been awarded to qualifying Epsom & Ewell businesses in 2020-21. On 3 March 2021 the government confirmed that the Expanded Retail Discount would continue to apply in 2021/22 at 100% for three months, from 1 April 2021 to 30 June 2021, and at 66% for the remaining period, from 1 July 2021 to 31 March 2022.
- 2.4 On 18 March 2020, the Government announced the business rates Nursery Discount 2020/21 as part of the response to the COVID-19 pandemic. This resulted in over £400K of rate relief been awarded to qualifying nurseries in Epsom & Ewell. At the Budget on 3 March 2021, the Chancellor announced that the Nursery Discount would continue to apply at 100% for eligible properties for the first three months of 2021 from 1 April 2021 to 30 June 2021. Subsequently, from 1 July 2021 to 31 March 2022, the Nursery Discount will apply at 66%.
- 2.5 Due to the current national situation, there was not enough time to lay new regulations, in order for discounts to be awarded to businesses from 01 April 2021. The government has therefore instructed Local Authorities to use their discretionary powers contained within S.47 of the LGFA1988, to award the discounts as soon as possible.
- 2.6 As the Council will be using its discretionary powers to make awards under this scheme, it is required that the scheme is agreed by the Council's Strategy and Resources Committee.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

- 3.1.1 The legislative nature of the Discount means that the council must implement an Expanded Retail Discount and Nursery Discount Scheme. Failure to implement a scheme as laid out by Central Government would put the funding of these discounts at risk.

3.2 Crime & Disorder

3.2.1 None arising from the contents of this report.

3.3 Safeguarding

3.3.1 None arising from the contents of this report.

3.4 Dependencies

3.4.1 None arising from the contents of this report.

3.5 Other

3.5.1 None arising from the contents of this report.

4 Financial Implications

4.1 Although we are required to use our discretionary powers to administer this discount, the government have made it clear that they do not want councils to be financially disadvantaged. They have confirmed that the full cost of awarding the discounts will be refunded to the council by way of a Section 31 grant. These grants are provided on an annual basis based on the NNDR government returns which are completed by the council.

4.2 As both discounts were both already in place for the 2020-21, the Council has been able to automatically award the 100% discount to qualifying businesses for the 2021-22 year as part of our annual billing process, in line with government advice. It has been made it clear to ratepayers on their demand notices that this discount will reduce from 01 July 2021 and the Council will be issuing revised notices shortly before this date.

4.3 Special consideration will also need to be given to the cash caps and the effect on business eligibility when processing the discounts from 1 July 2021. In order to ensure these caps are not breached, businesses will be required to complete an application form declaring the continuation of awarding these discounts would not put them in breach of the cash cap limits.

4.4 Any deviation from the government guidance, including the potential widening of the criteria to other categories of business, would result in the Council being required to fund such discount itself.

4.5 **Section 151 Officer's comments:** By following the government's recommended guidance, the Council will award business rate discounts to eligible businesses and receive full funding for the discounts from central government.

5 Legal Implications

- 5.1 The Council is required to adopt an Expanded Retail Discount and Nursery Discount Scheme as set out by the government in their budget on 03 March 2021.
- 5.2 **Monitoring Officer's comments:** none arising from the contents of this report.

6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities:** The following Key Priorities are engaged: Opportunity & Prosperity.
- 6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** None for the purposes of this report.
- 6.4 **Sustainability Policy & Community Safety Implications:** None for the purposes of this report.
- 6.5 **Partnerships:** Locally the Council and our partners have already put much resource in to improving our commercial areas. Assisting with Business Rates liabilities where possible, supports this objective and helps to maintain diverse and healthy commercial sectors, which in turn bring people and additional revenue into the borough.

7 Background papers

- 7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- NNDR Retail Relief and Council Tax Long-Term Empty Premium – Strategy & Resources Committee 31 January 2019.

Other papers:

- Business Rates: nursery (childcare) discount 2021-2022 – local authority guidance - .gov.uk website
- Business Rates: expanded retail discount 2021-2022 – local authority guidance - .gov.uk website.



National
Non-Domestic
Expanded
Retail
Discount &
Nursery
Discount
Schemes
2021/22

Version number 1
March 2021

Tracking

Policy Title	National Non-Domestic Expanded Retail Discount 2021/22		
LT sign off	N/a		
Committee	Strategy and resources	Date approved	16 April 2021
Review due date	N/A	Review completed	N/A
Service	Digital & Service Transformation		

Revision History

Revision Date	Revisor	Previous Version	Description of Revision

Document Approvals

Each revision requires the following approvals:

Sponsor Approval		Name	Date
Head of Digital and Service Transformation		Judith Doney	

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Introduction

- 1.1. This document sets out Epsom & Ewell Borough Council's ('the Council') policy for awarding the Expanded Retail and Nursery (Childcare) Discount to Non-Domestic properties in the borough.
- 1.2. Since 2019/20 the government has provided a Business Rates Retail Discount for retail properties which for 2020/21 it expanded to include the leisure and hospitality sectors. On 3 March 2021 the government confirmed that the Expanded Retail Discount would continue to apply in 2021/22 at 100% for three months, from 1 April 2021 to 30 June 2021, and at 66% for the remaining period, from 1 July 2021 to 31 March 2022.
- 1.3. On 18 March 2020, the Government announce the business rates Nursery Discount 2020/21 as part of the response to the COVID-19 pandemic. At the Budget on 3 March 2021, the Chancellor announced that the Nursery Discount would continue to apply at 100% for eligible properties for the first three months of 2021 from 1 April 2021 to 30 June 2021. Subsequently, from 1 July 2021 to 31 March 2022, the Nursery Discount will apply at 66%.
- 1.4. As both the discounts are only a measure for 2021/22, the government is not changing the legislation relating to the discounts available to properties. Instead, the government will, in line with the eligibility criteria set out in the government guidance, reimburse local authorities that use their discretionary discount powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant discount.
- 1.5. It is for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to the government guidance, to grant discount under section 47. The government will fully reimburse local authorities for the local share of the discretionary discount, using a grant under section 31 of the Local Government Act 2003.

Qualifying properties

Expanded Retail Discount

- 2.1. Properties which benefit from the discount will be those which for a chargeable day in 2021/22:
 - a. meet the eligibility criteria set out below
 - and**
 - b. the ratepayer for that chargeable day has not refused the discount for the eligible property. The ratepayer may refuse the discount for each eligible property anytime up to 30 April 2022. The ratepayer cannot withdraw their refusal for either all or part of the financial year.

- 2.2. For the purposes of section 47 of the 1988 Act, properties where the ratepayer has refused the discount are outside of the scheme and outside of the scope of the decision of which properties qualify for the discount and are therefore ineligible for the discount
- 2.3. Properties that meet the eligibility for Expanded Retail Discount will be occupied properties which meet all of the following conditions for the chargeable day are are wholly or mainly being used:
- (i) as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,
 - (ii) for assembly and leisure;
- or
- (iii) as hotels, guest & boarding premises and self-catering accommodation
- 2.4. We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

Properties that are being used for the sale of goods to visiting members of the public:

- Florists
- Grocers
- Stationers
- Newsagents
- Charity shops
- Markets
- Art Galleries which sell or hire art
- Second-hand car lots
- Bakers
- Greengrocers
- Off licenses
- Hardware stores
- Opticians
- Petrol stations
- Furnishing shops/display rooms
- Carpet shops
- Butchers
- Jewellers
- Chemists
- Supermarkets
- Post Offices
- Garden centres
- Car/caravan showrooms
- Double Glazing showrooms

Properties that are being used for the provision of the following services to visiting members of the public:

- Hairdressers
- Tanning shops
- Dry cleaners
- Funeral directors
- Car hire
- Employment agencies
- Nail bars
- Travel agents
- Launderettes
- Photo processing
- Betting shops
- Domestic appliance repair
- Beauty salons
- Ticket offices
- PC/TV repairs
- Tool hire
- Property Agents
- Shoe repairs/key cutting

Properties that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Coffee shops
- Takeaways
- Public Houses
- Sandwich shops
- Bars

Properties which are being used as cinemas

Properties that are being used as live music venues

Live music venues are properties wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Properties cannot be considered a live music venue for the purpose of business rates discount where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

Properties can be a live music venue even if used for other activities, but only if those other activities:

- (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members)
- or**
- (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.

2.5. We consider assembly and leisure to mean:

Properties that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).

- Sports grounds and clubs
- Nightclubs
- Stately homes & historic houses
- Tourist attractions
- Wellness centres, spas, massage parlours
- Museums and art galleries
- Sport and Leisure Facilities
- Theatres
- Gyms
- Casinos, gambling clubs and bingo halls

Properties that are being used for the assembly of visiting members of the public.

- Public halls
- Clubhouses, clubs and institutions

- 2.6. We consider hotels, guest & boarding premises and self-catering accommodation to mean:

Properties, where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, Guest and Boarding Houses
 - Holiday homes
 - Caravan parks and sites
- 2.7. In a similar way to other discounts (such as charity discount), this is a test on use of the property, rather than occupation. Therefore, properties which are occupied but not wholly, or mainly used for the qualifying purpose will not qualify for the discount. For the avoidance of doubt, properties which have closed due to the government's advice on COVID19 should be treated as occupied for the purposes of this discount.
- 2.8. The lists above are not intended to be exhaustive and may be added to. It is based on the types of uses that the Government considers to be retail use for the purpose of this discount.

Nursery Discount

- 2.9. Properties that will benefit from the discount are those which are occupied by providers on Ofsted's Early Years Register and which are wholly or mainly used for the provision of the Early Years Foundation Stage.
- 2.10. To qualify for the discount the property should be wholly or mainly being used for the above qualifying purpose. In a similar way to other discounts (such as charity discount), this is a test on use rather than occupation. Therefore, properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the discount. For the avoidance of doubt, properties which have closed temporarily due to the government's advice on COVID-19 should be treated as occupied for the purposes of this discount.

Non-Qualifying properties

Expanded Retail Discount

- 3.1. The list below is of properties that do not qualify for Retail Discount and is based on the types of uses that the Government does not consider to be retail use for the purpose of this discount.

Properties that are being used for the provision of the following services or similar to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers)
- Post office sorting offices

Properties that are not reasonably accessible to visiting members of the public

Nursery Discount

- 3.2. Properties that are not those which are occupied by providers on Ofsted's Early Years Register and which are wholly or mainly used for the provision of the Early Years Foundation Stage.

Amount of discount available

- 4.1. Subject to the cash caps, the total amount of government-funded relief available for each property for 2021/22 under these schemes are:
- a. For chargeable days from 1 April 2021 to 30 June 2021 100% of the chargeable amount, and
 - b. for chargeable days from 1 July 2021 to 31 March 2022, 66% of the chargeable amount.
- 4.2. Subject to the cash cap, the eligibility for the discount and the discount itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2021/22:
- 4.3. Amount of relief to be granted = $V \times \text{percentage Expanded Retail Discount/Nursery Discount as found at paragraph 4.1 above}$, where:
- 4.4. V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants
- 4.5. This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.

- 4.6. Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties subject to the cash caps explained below

The cash caps

No cash caps will apply for the period between 1 April 2021 to 30 June 2021.

- 5.1. Under the cash caps, a ratepayer may only receive up to the following cash caps of Expanded Retail Discount or Nursery Discount in 2021/22 ignoring any relief for the period before 1 July 2021:
- a. £2 million for ratepayers meeting the eligibility for the closed cash cap test set out below
 - or**
 - b. £105,000 for all other ratepayers (subject to paragraphs 5.2 – 5.4).
- 5.2. No ratepayer can in any circumstances exceed the £2 million cash cap across all of their hereditaments in England. Where a ratepayer eligible for the closed cash cap also occupies hereditaments which do not meet the criteria for the closed cash cap and the value of the discount on the closed hereditaments is less than £2 million then they may also claim the discount on other eligible hereditaments but only up to the cap of £105,000 in respect of those other eligible hereditaments. For example, such a ratepayer whose rate bill from 1 July 2021 onwards on hereditaments eligible for the closed cash cap is £1 million and also occupies other eligible hereditaments with a rates bill of £3 million is able to claim up to £1,105,000 in discount from 1 July 2021 onwards (£1million on their closed hereditament and then up to the £105,000 cash cap on their other eligible hereditaments).
- 5.3. Where a ratepayer has a qualifying connection with another ratepayer then those ratepayers should be considered as one ratepayer for the purposes of the cash caps. A ratepayer shall be treated as having a qualifying connection with another:
- a. where both ratepayers are companies, and
 - (i) one is a subsidiary of the other, or
 - (ii) both are subsidiaries of the same company; or
 - b. where only one ratepayer is a company, the other ratepayer (the “second ratepayer”) has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.
- 5.4. In those cases where it is clear to the local authority that the ratepayer is likely to breach the cash caps then the authority should automatically withhold the discount. Otherwise, local authorities may include the discount in bills and ask the ratepayers, on a self-assessment basis, to inform the authority if they are in breach of the cash caps. Annex D of this guidance contains a sample cash cap ratepayer declaration, which local authorities may wish to use to discharge this responsibility

Eligibility for the Closed Cash Cap (£2 million)

- 5.5. Ratepayers that meet the eligibility criteria for the closed cash cap will be ratepayers who for a chargeable day occupy one or more hereditaments whose use on the chargeable day would, based on the law and guidance applicable on 5 January 2021, have meant that the business or activity would have been mandated to close by the government.
- 5.6. For the avoidance of doubt, hereditaments which have closed due to the government's response to coronavirus should be treated as occupied for the purposes of the closed cash cap.
- 5.7. If, under this eligibility test, a person would have been required to close its main, in-person service but could have adapted its business to operate takeaway, click and collect or online with delivery services, it will be considered closed and be eligible for the closed cash cap because its substantive business would have been mandated to close.
- 5.8. In cases where hereditaments would have remained open to provide services that can continue as they are exempt from the regulations (e.g. post office services, food banks) the ratepayer may still be eligible for the closed cash cap, because they would have been unable to provide their main in-person service.
- 5.9. The following hereditaments do not meet eligibility for the closed cash cap:
 - a. Hereditaments occupied by businesses and other ratepayers that would have been able to conduct their main service because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (e.g. accountants, solicitors).
 - b. Hereditaments whose occupiers may have chosen to close but not been required to.

Instalments

- 6.1. The standard payment arrangement for business rates is for the liability for the year to be paid in 10 or 12 instalments. However, for those eligible for the Extended Retail Discount or Nursery Discount for 2021/22, this would mean those ratepayers having to make instalments in the first three months of the year when 100% relief is available.
- 6.2. Therefore, authorities should ensure in line with this guidance and in accordance with Part 1, Schedule 1 of The Non-Domestic Rating (Collection and Enforcement) (Local Lists) (Regulations) 1989 (SI 1989/1058), as amended, that ratepayers eligible for the Extended Retail Discount are not asked to make an instalment in respect of 2021/22 for the three month period of 100% relief is available for.

- 6.3. We will provide an alternative installment arrangement for ratepayers which spreads the liability for the period from 1 July 2021 to 31 March 2022 over some or all of the remaining nine months of the year.

Splits, mergers and changes to existing properties

- 7.1. The discount will be applied on a day to day basis using the formula set out above. A new property created as a result of a split or merger during the financial year, or where there is a change of use, will be considered afresh for the discount on that day.

Other discretionary discounts reimbursed by Section.31 grants

- 8.1. If a property is eligible for discount under other schemes for which section 31 grant is payable, discount should be first awarded under those schemes.

Application process

- 9.1. For both the Retail and Nursery Discount entitlement is established based on information already held within the Council's Business Rates system for the period 01 April 2021 to 30 June 2021. Therefore, awards will be applied automatically where entitlement is found and this will be shown on the bill. Ratepayers may request we review their account where no automatic award has been made.
- 9.2. From 01 July 2021 all discounts will be removed from Business Rates accounts and revised notices will be issued. Businesses who feel they are still eligible to receive a discount after this date will have to complete an application form, declaring they are still eligible for discount and the awarding of which would not breach the cash caps limits outlined above. The application form for this period will be available on our website from mid-June 2021.
- 9.3. On receipt of a successful application, a ratepayer's Business Rates account will be amended and a further revised notice will be issued. Instalments remain payable as set out on the latest notice received, until a further revised notice is issued.
- 9.4. A ratepayer may refuse the either discount for each eligible hereditament anytime up to 30 April 2022. The ratepayer cannot withdraw their refusal for either all or part of the financial year. If you wish to refuse the discount, this must be done in writing to businessrates@epsom-ewell.gov.uk

Appeals process

- 10.1. There is no statutory right of appeal against a decision regarding Retail Discount, since it is a local discretionary discount. Decisions can be challenged by way of judicial review in the normal way, but are unlikely to be set aside unless the decision was so unreasonable that no reasonable person could have reached it ('Wednesbury Rules').
- 10.2. However, the Council recognises that ratepayers should be entitled to have a retail discount decision reviewed if dissatisfied with the outcome. Only the ratepayer, or authorised agent may appeal against the decision not to award discount or the level of discount awarded. Appeals must be made within four weeks of the notification of decision.
- 10.3. The appeal process for this discount will follow our current appeal procedure for discretionary rate discount:-
 - Appeals must be in writing specifying reasons why a decision should be amended and supported by relevant new or additional evidence.
 - An appeal will be deemed to be discontinued if further evidence requested from the ratepayer has not been received within four weeks of the request.
 - Appeals against decisions made under delegated authority by Revenues Manager will be considered by Head of Revenues and Benefits and the Chief Finance Officer.

State aid / UK subsidy limits

- 11.1. For 2020/21 and the first three months of 2021/22, the Government have confirmed that subsidy limits based on EU State Aid do not apply to discounts awarded under this scheme.
- 11.2. Whilst the UK left the EU on 31 January 2020, the Withdrawal Agreement negotiated by the Government and the EU provides that during a transition period State aid rules continued to apply and will be subject to control by the EU Commission.
- 11.3. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years)

**Minutes of the Meeting of the STRATEGY AND RESOURCES COMMITTEE held on
30 March 2021**

PRESENT -

Councillor Eber Kington (Chairman); Councillor Clive Smitheram (Vice-Chairman);
Councillors Arthur Abdulin, Steve Bridger, Kate Chinn, Nigel Collin, Hannah Dalton,
David Gulland, Colin Keane and Barry Nash

In Attendance: Paul Cuttle (Director, Grant Thornton)

Officers present: Kathryn Beldon (Chief Executive), Lee Duffy (Chief Finance Officer),
Viv Evans (Interim Head of Planning), Mark Shephard (Head of Property and
Regeneration), Shona Mason (Head of Human Resources and Organisational
Development), Brendan Bradley (Chief Accountant), Sarah Keeble (Democratic
Services Officer) and Tim Richardson (Committee Administrator)

76 QUESTION TIME

No questions were submitted or asked by members of the public.

77 DECLARATIONS OF INTEREST

No declarations of interest were made in relation to items of business to be
discussed at the meeting.

78 EXTERNAL AUDIT UPDATE

The Committee received a report presenting the external auditor's Annual Audit
Letter for the year ended 31 March 2020; the Housing Benefit Certification Letter
for 2019/20; and the External Audit Plan for 2020/21. In accordance with audit
regulations, these items must be presented to Committee.

The Committee received a verbal introduction from the representative from the
Council's External Auditor Grant Thornton.

The following matters were raised by the Committee:

- a) **VAT:** Following a question from a Member, the Officer confirmed that due
to the complex nature of rules regarding VAT, it is common for HMRC to
release clarification regarding how they interpret these rules. They may
then ask organisations to renew their processes in line with this updated
clarification. When HMRC asked all election authorities to review their
VAT treatment on elections, it transpired that Epsom and Ewell had been

reclaiming VAT twice. Therefore, the Council now has to repay the over-claimed VAT to HMRC. It was noted that this would be picked up with the External Audit team at the final audit.

- b) **Delays due to Covid-19:** Members noted possible delays to the Audit as a result of Covid-19. The External Audit representative confirmed that although the pandemic had presented some challenges, the Grant Thornton team hold the resource and intent to complete this Audit without any major issues. It was noted that the Epsom and Ewell External Audit is one that would be looked at completing early in the cycle of prioritisation.
- c) **Housing benefit:** Members noted the net £490 overpayment of Housing Benefit. The Officer noted that although this sum is below the DWP threshold and therefore not recoverable from recipients, it will be claimed back direct from DWP.

Following consideration, it was resolved unanimously that the Committee:

- (1) **Received the Annual Audit Letter for 2019/20**
- (2) **Received the Housing Benefit Certification for 2019/20**
- (3) **Received the External Audit Plan for 2020/21**

79 EPSOM & EWELL BOROUGH COUNCIL'S DIVERSITY, EQUITY AND INCLUSION FRAMEWORK 2021-2024

The Committee received a report providing details of the consultation undertaken on the Council's draft Diversity, Equity and Inclusion Framework and the final Diversity, Equity and Inclusion Framework 2021-2024 for approval.

The following matter was raised by the Committee:

- a) **Survey responses:** Members noted the number of survey responses received from the public. It was noted that this number (146) was typical of a consultation undertaken of this nature. Following a question from a Member, the Officer noted that work was being done to widen conversations within the community in order to broaden the range of local engagement with the Framework.

Following consideration, it was resolved unanimously that the Committee:

- (1) **Reviewed the findings of the consultation undertaken on the draft Diversity, Equity and Inclusion Framework 2020-2024.**
- (2) **Approved the Diversity, Equity and Inclusion Framework 2021-2024.**

80 VAT ON ELECTION EXPENSES

The Committee received a report seeking authorisation to use £50,903 from the Council's VAT reserve to fund the repayment to HMRC of over recovered VAT on the cost of holding elections.

Following consideration, it was resolved unanimously that the Committee:

- (1) Agreed that £50,903 can be transferred from the VAT reserve to fund repayment to HMRC of over recovered VAT.**

81 LOCAL PLAN RESOURCES

The Committee received a report seeking approval for the additional resources required to have an up-to-date Local Plan in place by the Government deadline of December 2023.

The following matters were raised by the Committee:

- a) Recruitment:** Members noted the 3 x employment posts advertised. Following a question from a Member, the Officer noted that the positions were budgeted as 3-year fixed-term contracts. The Officer agreed to discuss with Human Resources whether this may be the most appropriate offer of contract, or if permanent positions or another alternative may be more suitable.
- b) New Homes Bonus Grant:** Members noted the proposed use of the New Homes Bonus Grant to mitigate the additional spend. The Officer confirmed that this allocation of money was deemed appropriate to fund the development of the New Local Plan, as these are unringfenced funds, which were originally awarded to the Borough due to its historic performance of granting planning permission for new homes.
- c) Budget:** Following a question from a Member, the Officer noted that the proposed budget was realistic in terms of delivering the Local Plan.

Following consideration, the Committee unanimously resolved:

- (1) To approve the increase in budget of £712,000, as set out in section 2.23.2 of this report, for additional activities identified in the preparation and adoption of a new Local Plan.**
- (2) To approve the reallocation of resources and additional funding of £29,583 to complete existing workstreams as set out in sections 2.23.1 and 2 of this report.**
- (3) To approve the use of New Homes Bonus Grant totalling £741,583 currently held in the Corporate Projects Reserve to fund the increased cost of delivering the Local Plan.**

82 MINUTES OF PREVIOUS MEETING

The Minutes of the Special Meeting of the Strategy and Resources Committee held on 16 March were agreed as a true record and the Committee authorised the Chairman to sign them.

83 EXCLUSION OF PRESS AND PUBLIC

Under Section 100(A)(4) of the Local Government Act 1972, the Committee passed a resolution to exclude the public from the meeting for Part Two of the Agenda on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended) and that pursuant to paragraph 10 of Part 2 of the said Schedule 12A the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

84 REVIEW OF TOWN HALL ACCOMMODATION

The decision for this item is recorded in a separate (not for publication) restricted Minute.

85 RELEASE OF RESTRICTIVE COVENANT

The decision for this item is recorded in a separate (not for publication) restricted Minute.

86 POTENTIAL REGENERATION OPPORTUNITIES

The decision for this item is recorded in a separate (not for publication) restricted Minute.

87 24 SOUTH STREET

The decision for this item is recorded in a separate (not for publication) restricted Minute.

The meeting began at 7.00 pm and ended at 9.01 pm

COUNCILLOR EBER KINGTON (CHAIRMAN)

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