

TELFORD & WREKIN COUNCIL

CABINET - 8TH DECEMBER 2008

**NATIONAL NON-DOMESTIC RATES RURAL RATE RELIEF
REVISION OF RURAL SETTLEMENT BOUNDARIES**

REPORT OF THE HEAD OF FINANCE

1. PURPOSE

- 1.1 To seek Member approval for the re-classification of rural settlement boundaries.
- 1.2 To seek Member approval of the rural settlements.
- 1.3 To seek revised delegated authority to the Head of Finance, or his nominated representative, to compile and publish the Rural Settlement List where there are no changes to the boundaries.

2. RECOMMENDATIONS

- 2.1 **That Members approve the revised settlement boundaries.**
- 2.2 **That Members approve the appended rural settlement list.**
- 2.3 **That Members approve that the Head of Finance, or his nominated representative, be granted delegated authority to compile and publish the Rural Settlement List annually where there are no changes to the boundaries.**

3. SUMMARY

- 3.1 Schedule 1 of The Local Government and Rating Act 1997 introduced a scheme of relief for village shops and post offices that are situated in rural settlements.
- 3.2 Section 42A of the Local Government Finance Act 1988 requires the Council to maintain and review the Rural Settlement List annually.

4. PREVIOUS MINUTES

- 4.1 Resources and Assets corporate board 17th February 1998. Appendix A

5. INFORMATION

- 5.1 The Council is required to maintain a list of rural settlements for which businesses within their boundaries may apply for Rural Rate Relief. The Council is required to review the list and publish it each year before the end of December in respect of the forthcoming financial year.

5.1.2 Approval is being sought to revise the boundaries of the Rural Settlements which, where practicable, will be mapped to parish boundaries. Parishes which are classed as Rural settlements are detailed in Appendix B. Appendix C provides further information on existing settlements and has been produced to illustrate how the grouping of settlements has been mapped to Parish boundaries.

5.1.3 Rural settlement boundaries are reviewed annually and minor changes were last made to the list which took effect from 1st April 2002 and formal approval is now being sought for current recommendations.

5.2 Background

5.2.1 From 1st April 1998 the Government introduced a scheme of relief to support key rural shops and post offices which are situated in rural settlements. The criteria for establishing whether a property will qualify for the scheme is as follows ;

5.2.2 It must appear to the relevant billing authority to be in a rural settlement that has a population of no more than 3000 on 31st December before the financial year in question;

and

In that financial year, it is wholly or partially within an area designated by the Secretary of State by order as a rural area.

5.2.3 The scheme was extended in 2001 to include public houses and petrol stations where the property is the sole such outlet in a designated settlement with a population below 3000.

5.2.4 The Council is required to maintain a list of rural settlements for which businesses within their boundaries may apply for Rural Rate Relief. The list should be reviewed annually and published in December in respect of the forthcoming financial year. Members last formally approved the draft rural settlement list at the Resources and Assets Corporate Board on the 17th February 1998. Only minor changes have been made to the list since 1998 and formal approval is now being sought for the recommended changes.

5.2.5 The Rural Settlement List will continue to be reviewed on an annual basis and will be brought before Members if changes are deemed necessary.

5.2.6 Parishes within Telford & Wrekin that have been designated by the Secretary of State as entirely rural are :-

Chetwynd Aston & Woodcote
Edgmond
Eyton Upon The Weald Moors
Lawley & Overdale
Preston Upon The Weald Moors
The Gorge
Waters Upton

Chetwynd
Ercall Magna
Kynnersley
Little Wenlock
Rodington
Tibberton & Cherrington
Wrockwardine

5.2.7 Parishes within Telford & Wrekin which have been designated by the Secretary of State as partly rural are :-

Church Aston
Lilleshall and Donnington

Hadley

5.2.8 It is proposed that rural settlement boundaries be mapped, where practicable, directly onto the parish boundary. Identifying which settlement a property falls within will be less confusing for tax payers as it is clearer which Parish a property is situated in.

5.2.9 If approved, the number of rural settlement boundaries within the Borough will reduce from 33 to 13.

5.2.10 A report recommending revised guidelines for the granting of discretionary rate relief for rural businesses, under the village shop rate relief scheme and the Rating Act 2001 is currently being prepared for Cabinet and is expected to be completed by February 2009. This report will incorporate details of a new appeals process for any decisions made.

5.3 Equality and Diversity

5.3.1 An Equality Impact Assessment will be carried out on the revised policy for granting of discretionary rate relief which is due to be completed by February 2009.

5.4 Environmental Impact

5.4.1 There is no environmental impact.

5.5 Legal Comment

5.5.1 Sections 42A and 42B of the Local Government Finance Act 1988 contain the provisions relating to Rural Settlement Lists. The legal position has been outlined in this report and there is no further legal comment to add at this stage.

5.6 Links with Corporate Priorities

5.6.1 Strengthening the Local Economy & the Skills of Local People.

5.6.2 Awarding discretionary rate relief to rural businesses directly supports the local economy.

5.7 Opportunities and Risks

5.7.1 By realigning settlement boundaries to Parish boundaries it will remove any confusion as to whether a property falls within a settlement which may further promote the rural rate relief scheme.

5.8 Financial Implications

The change of basis of defining rural settlements has no financial impact on the authority. Mandatory relief granted to rural business has no financial impact as this is offset against payments to the central NNDR pool.

The policy regarding the award of NNDR discretionary reliefs generally which include those granted to businesses in rural settlements will be the subject of a report to Cabinet during February 2009.

6 WARD IMPLICATIONS

6.1 District Wide Implications

7 BACKGROUND PAPERS

None

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