

**Forest Heath District Council
2017/18 Discretionary Rate Relief, following revaluation**

1. Guidelines Aim

These guidelines set out the Council's intentions for dealing with the new discretionary rate relief for businesses most affected by the 2017 Business Rates Revaluation and its mechanism for reducing the negative impact on those businesses. Awards of relief will be for one year only; the qualifying criteria will be reviewed in the final quarter of each year of the scheme to determine entitlement for the forthcoming financial year.

These guidelines aim to provide clarity around the process of administration of applications for this Discretionary Rate Relief, consistency in the application of the guidelines and to ensure maximum take-up from potential qualifying organisations, which will in turn make a contribution to achieving the Council's priorities for the area.

2. Award of Rate Relief

Business rate payments remain legally due and payable in accordance with the most recent bill, until such time as any relief is awarded.

The Non-Domestic (Business) Rates Team can provide assistance or advice to any organisation or business on the qualifying criteria and operation of the scheme.

Entitlement to discretionary relief is determined with reference to an increase in the bill due to the April 2017 revaluation. The funding for this relief is limited and therefore the business will be expected to apply for any other reliefs which may be applicable. These will be applied to the account first before any further relief is granted, limiting the increase in rates to the determined percentage for that year

All qualifying businesses and organisations are required to notify The Council of any change in circumstances that may affect their entitlement to Discretionary Rate Relief.

If an organisation moves address within the period that they are receiving rate relief (whether within or outside of the district), relief will not be carried forward to the new property as the business will have had an opportunity to consider the rates before moving. The relief is intended to cushion the effects of the revaluation only.

3. How Applications are Processed

The Non-Domestic (Business) Rates Team will administer the scheme.

The Business Rates Team will assess whether a business qualifies for relief and a Decision Notice will be issued by The Business Rates Team.

4. Notification of the Decision

Qualifying businesses will be notified of the amount of the Discretionary Rate Relief award by the issue of a new Rate Demand Notice. The rate relief will be awarded by means of a reduction in liability shown on the business rates bill issued to the ratepayer. Where this puts the account in credit for the year, a refund will be made by the Council.

There is provision for reconsideration of a decision by The Strategic Revenues Manager where the amount under consideration is less than £2000 or Section 151 Officer, in consultation with the Cabinet member where the amount would exceed £2000.

5. Timescales for New Applications

Period of Award

The award period will be for a period of no more than 12 months and in any case will end on 31 March of the relevant financial year. Continuation of relief will be subject to annual reviews of the scheme, until such time as the scheme ceases.

Annual Review of Relief Award

The Guidelines will be reviewed yearly and Qualifying businesses and organisations will have relief automatically granted for the next financial year. The amount will be shown on their annual rates bill.

6. Discretionary Rate Relief - Qualifying Factors for Businesses

All of the following criteria must apply for an application to be eligible:

<u>Rateable Value of property is less than £200,000</u>
<u>Increase in 2017/18 rates compared to 2016/17 is greater than 10%</u>
<u>Ratepayer must have been in occupation on 31/3/17</u>
<u>Scheme based on RV in Valuation List on 1/4/17 and rates payable on 31/3/17</u>
Properties empty on 31/3/17 will not qualify
In cases where there is a retrospective reduction to the RV, any overpayment of relief will be withdrawn.
Future increases in RV backdated to 1/4/17 will not be eligible for increases in the amount of relief awarded.
The Council will not normally award relief where the business operates at a regional or national level or is part of a franchise

This scheme has been designed to support those businesses facing the steepest increases due to the 2017 revaluation. The Council will award relief based on the above criteria but recognises that it has discretion to award relief where a business facing an increase in rates, does not satisfy

the above factors. The Council has complete discretion as to the parameters and application of the scheme.

7. Promoting and Communicating this Policy

Advice and information relating to this policy is available on the Council's website and from the Non-Domestic Rates Team at the Council.

Where possible, the Council will identify any new ratepayer who may qualify under this policy and grant relief where applicable.

8. State Aid

The award of discretionary rate relief is considered likely to amount to State Aid. State Aid is the means by which the European Union regulates state funded support to businesses. Discretionary Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations EC 1407/2013. The De Minimis Regulations allow an undertaking to receive up to €200,000 'de-minimis' aid over a rolling three year period.

Businesses receiving Discretionary Relief will be required to sign a declaration to confirm that, including any other relief award, they will not have received more than €200,000 in total of De Minimis aid within the current financial year, or the previous two financial years.

Further information on State Aid can be found at <https://www.gov.uk/state-aid>

9. Complaints and reconsiderations of refusal to award.

Although there is no legal right of appeal against the Council's decisions on discretionary rate relief, in keeping with good customer care practice and principles of transparency, these guidelines provide for a review/reconsideration of any decision.

Decisions on awarding discretionary rate relief are usually made on the basis of the relevant factors and an organisation asking for a reconsideration of a decision should be able to demonstrate that they do satisfy the factors detailed in this guidance that allow an award to be considered.

There is provision within this policy for a request for reconsideration of a decision to be made by the Strategic Revenues Manager or Section 151 Officer in consultation with the Cabinet Member (dependant on value).

Action	Timescale
<p>If the applicant wishes to ask for a reconsideration of a decision, the request should be made in writing to the Strategic Revenues Manager or Section 151 Officer and must demonstrate that some or all of the relevant factors contained within this document are met.</p>	<p>A request for reconsideration should be sent to the Council within 1 month of the date on the letter of refusal/award.</p>
<p>The Council will acknowledge receipt of a request for reconsideration in writing and advise the applicant of the date that the application will be reviewed by the Strategic Revenues Manager or Section 151 Officer in consultation with the Cabinet Member.</p>	<p>Letter advising the date of application review will be sent within one week of the receipt of appeal letter.</p>
<p>The Strategic Revenues Manager or Section 151 Officer in consultation with the Cabinet Member will review the appeal. A letter will be sent to the applicant advising the final decision of the Council.</p>	<p>The letter will be sent within one week of the final decision.</p>

