

# Hastings Borough Council

## Discretionary Business Rate Relief Scheme Policy

### April 2017

#### Purpose of the Policy

1. The purpose of this policy is to set the level of Discretionary Business Rate Relief to be granted to certain defined ratepayers within the Council's area.

Although funding is being allocated for four years, i.e. 2017/18 through to 2020/21, this policy is in respect of 2017/18 only. Due to potential changes which may affect Transitional Relief together with any other legislative changes, the policy will need to be reviewed annually.

#### Criteria

2. The scheme is designed to assist ratepayers who have suffered significant increases in rate liability due to the 2017 revaluation and the subsequent increase to their Rateable Value.
3. Relief will not be awarded where mandatory relief is already granted.
4. In assessing any potential entitlement to an award under this scheme, the Council will compare the net amount payable by the ratepayer as at 31st March 2017 (after any reliefs and reductions) and the net amount payable by the ratepayer at 1st April 2017, again taking into account any transitional relief and any other reliefs and reductions
5. Relief will only be given to premises which are liable for occupied rates. No relief within this scheme will be granted for unoccupied premises.
6. Relief will only be granted to ratepayers who were in occupation at 31st March 2017 and in occupation on 1st April 2017 and for each day subsequently.
7. Ratepayers taking up occupation after the 1st April 2017 will **not** be eligible for relief on the basis that new ratepayers would not have suffered from increases due to a revaluation.
8. Relief will be targeted to local businesses and not those businesses that are national or multi-national in nature. Local businesses are, for the purposes of this scheme, those which have premises wholly in the Council's area.
9. Relief may be awarded for more than one premise as long as **all** other criteria are met.
10. Relief will **not** be awarded where mandatory relief is awarded or where the ratepayer has applied for a reduction under S44a of the Local Government Finance Act 1988
11. Relief will **not** be awarded for hereditaments that are wholly or mainly used for:
  - Financial services e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers etc.;
  - Medical services e.g. hospitals, doctors, dentists etc.

- Professional services e.g. accountants, estate agents, tax advisers, insurance agents etc.

The above list is not exhaustive. A full list is attached. (Appendix 1a)

## **Applications for relief under this scheme**

12. The Council is keen to identify ratepayers who may qualify for the relief and as such will look to encourage qualifying ratepayers to apply. The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by the Council to support their application.

## **Amount of Relief**

### **Year 1 (2017/18) - £230,000 in total available**

13. Where the Rateable Value of a business is less than £100,000, and the business is not excluded from the scheme, the difference between the net amount payable in 2016/17 and the net amount payable in 2017/18 will be met in full.
14. For businesses with a Rateable Value between £100,000 and £150,000, and the business is not excluded from the scheme, a maximum amount of £3,500 will be awarded or the actual amount of the difference between the net amount payable in 2016/17 and the net amount payable in 2017/18, whichever is the lower amount.
15. For businesses with a Rateable Value of over £150,000, there will be no award of Discretionary Business Rate Relief.

## **Granting of Relief**

16. In all cases, the Council will notify the ratepayer of decisions made.
17. Where an application is successful, then the following will be notified to them in writing:
  - The amount of relief granted and the date from which it has been granted;
  - If relief has been granted for a specified period, the date on which it will end;
  - The new chargeable amount;
  - The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
  - A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.
18. Where relief is not granted then the following information is provided, again in writing:
  - An explanation of the decision within the context of the Council's statutory duty; and
  - An explanation of the appeal rights (see below)

## **Appeals**

19. Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Revenues and Benefits Manager.

Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.

20. Where the ratepayer continues to be aggrieved by the decision, the case will be referred to the Council's Chief Finance Officer (Section 151 Officer) for review.
21. Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

## **Review**

22. The policy for granting relief will be reviewed annually or sooner where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant Committee of the Council.
23. The Revenues and Benefits Manager will submit a report on a six-monthly basis to the Section 151 Officer summarising the position on applications received, granted and not granted.