

Hastings Borough Council Discretionary Business Rate Relief Scheme Policy April 2018

Appendix 1

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 has been allocated for four years, i.e. 2017/18 through to 2020/21, this policy is in respect of 2018/19 only and replaces the 2017/18 policy.

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 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 identified ratepayers during 2017/18 who qualified for assistance in year 1 of the scheme. Unfortunately as the amount of relief available in 2018/19 (year 2) is reduced to £112,000 (£230,000 in year 1), the policy needs to be reviewed to reflect the decreased amount of grant available.
13. There will be no requirement to complete an application form. Current recipients will be automatically awarded relief in 2018/19 at a reduced level as per the details below.

Amount of Relief

Year 2 (2018/19) - £112,000 in total available

14. All current recipients of the relief, provided they still meet the criteria, will automatically be awarded an amount that is equivalent to 45% of the amount they were granted in respect of 2017/18.

Granting of Relief

15. The Council will issue the ratepayer with a revised bill in early April 2018.
16. A letter will accompany the bill which will include:
 - any planned review dates;
 - the appeal rights, and
 - a State Aid De Minimis declaration to be signed by the ratepayer.

State Aid De Minimis

17. State Aid is financial support provided to business organisations by the State.
18. Any business rate relief awarded is included in the De Minimis Threshold which is currently around £175,000 (200,000 euros).

Appeals

19. Where the council receives an appeal from the ratepayer regarding the amount of any discretionary relief, the case will be reviewed by the Revenues and Benefits Service Manager.

The ratepayer will be notified of the outcome.

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 the 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 Service Manager will submit a report on a six-monthly basis to the Section 151 Officer summarising the position on how much has been granted.