

Appendix A

2018 Local Discretionary Relief

In the budget in March 2017, the Chancellor announced a £300 million pot to be distributed to billing authorities over a 4 year period. Billing authorities have to devise their own scheme to help businesses with rateable values under £200,000. The relief is funded by S31 grant and is subject to State Aid rules. Billing Authorities must consult with major preceptors about the scheme.

A scheme has been devised across the County with billing authorities agreeing the principle qualifying criteria. The scheme solely for the 2018/19 year at this point allows for local variations.

Some of the grant will be retained initially, to allow for changes to rateable values and retrospective applications in respect of the 2017/18 scheme. Ratepayers may apply for discretionary reliefs up to 6 months after the end of the financial year the application relates to.

A change in ratepayer or the property becoming empty terminates entitlement to this discretionary relief.

Any dispute over the amount awarded will be considered by the Cabinet member with responsibility for Finance.

Qualifying Criteria

- i) The ratepayer must be in occupation on 31/03/2017. No relief will be awarded to those taking up occupation on or after 01/04/2017.
- ii) All other mandatory reliefs must have been applied for prior to an application for Local Discretionary Relief being considered.
- iii) The 2017 RV must be under £200,000. (This is based on the original funding allocation methodology).
- iv) A better buy calculation will be carried out to ensure no-one is disadvantaged if they are already in receipt of other spring budget reliefs.
- v) Where a property is formed following a split or merger after 31/03/2017 but qualified before the split or merger a new calculation will be carried out.
- vi) Officers will identify businesses entitled to relief. An application form will not be required. When an award is made a letter will be sent regarding State Aid limits demanding that the ratepayer inform the Council within 28 days if they believe they will exceed the limit.
- vii) Increases to the 2017 RV only will not affect the award.
- viii) Recalculations will be made where reductions in RV for either the 2010 or 2017 RV are made.

Exclusions

- i) Relief will not be awarded to precepting bodies (i.e. County, District or Parish Councils).
- ii) Awards will not be made to banks, building societies or other major financial institutions.
- iii) Awards will not be made to multi-national businesses or large chains.
- iv) Awards will not be made to the NHS.
- v) Awards will not be made to charities.

The calculation

The rates payable on 01/04/2018 must be £1,200.00 greater than those payable on 31/03/2017.

The relief awarded will be a percentage of the increase over £1,200.00

Example:

Annual Rates payable on 31/03/2017	£7,502.00	
Annual rates payable on 01/04/2018	£10,418.49	
Increase	£ 2,916.49	
Increase over £1,200	£ 1,716.49	
20% relief	£ 343.30	
25% relief	£ 429.12	
30% relief	£ 514.95	
35% relief	£ 516.49	(to

Below is the rates payable by this ratepayer since 2016/17

Year	Charge	Relief	payable
2016/17	£7,502.00		£7,502.00
2017/18	£8,608.25	£662.86	£7,945.69
2018/19	£10,418.49	@30% £514.95	£9,388.59