

Havant Borough Council

Local Discretionary Business Rate Relief Scheme

Introduction

This document sets out the Council's local discretionary business rate relief scheme for the financial years 1 April 2017 to 31 March 2021.

1) The Local Discretionary Relief Scheme

The Local Discretionary Business Rate Relief Scheme will apply for the four years 1 April 2017 to 31 March 2021 only. Under the scheme relief will only be provided where a qualifying ratepayer's bill has increased due to the 2017 revaluation.

The amount of relief will be recalculated each year, due to demand and annual allocated grant. It is therefore likely that the minimum threshold and percentage of relief could change from year to year to meaningfully target businesses where the revaluation has had a greater impact.

The recalculation will be delegated to the Head of Customer Services in consultation with the relevant Portfolio Holder and Head of Finance.

The Relief the Council is able to offer under the scheme will be limited to the funding provided as detailed below:-

Amount of discretionary grant

	2017-18	2018-19	2019-20	2020-21	Total
Havant	£175k	£85k	£35k	£5k	£300k

Where a qualifying ratepayer's 2017/18 rates bill is reduced for any of the following reasons, the amount of their relief will be reduced or removed accordingly:

- a reduction in rateable value in the 2017 local rating list
- the application of any additional rate relief or exemption
- vacation of the property by the occupier
- any other reason

There will be no recalculation of relief if there is a change in the 2016/17 rate liability. Also no further relief will be granted if the 2017 rateable value is increased after 1st April 2017.

2) Further Exclusions - Where any of the following apply, the ratepayer will not be eligible for local discretionary business rate relief:

- The Ratepayer is a 'precepting' authority i.e. a body that levy's Council Tax such as Hampshire County Council, Police Authority etc.
- Ratepayers in receipt of Supporting Small Business Relief
- Ratepayers occupying properties after 31 March 2017
- Properties which were not on the rating list as at 1 August 2017.
- Properties which are unoccupied.
- The Ratepayer is entitled to full Small Business Rate Relief
- The Ratepayer is entitled to Enterprise Relief
- The increase in Rates between 2016/17 and 2017/18 is less than £600 pa
- Where the award of relief would not comply with EU law on State Aid.
- The Rateable Value is greater than £200,000 in the 2017 Rating Local List
- No relief will be backdated to prior years

3) Calculation of Relief and Process

Relief will be calculated as a percentage (30% in year 1) of the difference between the net rates bills for 2016/17 and 2017/18.

Example

2016 RV	2017 RV	RV Increase	% increase	2016 amount charged	2017 amount charged	Increase	30% Reduction on increase	Revised Rates Bill for 2017
45,750	65,000	19,250	42.08%	£22,737.75	£26,254.09	£3516.34	£1054.90	£25,199.19

Process

Wherever possible, Ratepayers will be identified through our Business Rates Database and the relief calculated and allocated automatically without the requirement of an application form.

A revised Business Rate bill will sent to the ratepayer together with a covering letter detailing the relief, explaining that the relief is for one year and requesting confirmation from the Ratepayer where the granting of the relief would **not** comply with EU Law on State Aid.

As detailed in part 1, the amount of relief will be recalculated each year, due to demand and annual allocated grant. The recalculation will be delegated to the Head of Customer Services in consultation with the relevant Portfolio Holder and Head of Finance.

This is a discretionary scheme and therefore there is no right of appeal on any decision made.

End of Year

As any unspent grant will be returned to Central Government, a review will be undertaken each February to identify any qualifying cases that would benefit from additional support. This will ensure that the maximum benefit can be achieved under the scheme. This review will be delegated to the Head of Customer Services in consultation with the relevant Portfolio Holder and Head of Finance.

Notice Periods

As the funding decreases substantially across the 4 years any award will be for the maximum of one year and it will be made clear to the rate payer that their support will be revoked after a maximum of 12 months.

This is in accordance with the Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059)