

**Discretionary Relief Policy Variation 2018/2019****Introduction:**

1. In the March 2017 Autumn Statement, the Chancellor announced measures to assist businesses with the impact of the 2017 revaluation of commercial properties.
2. Billing Authorities were expected to deliver these measures using their discretionary relief powers under Section 47 of the Local Government Finance Act 1988. The Government will compensate Local Authorities through Section 31 of the Local Government Act 2003.
3. Fareham will be awarded maximum of £311,000 of this funding which is to be split over a 4-year period, as follows:

<b>Amount of Discretionary Relief Pot Awarded</b>				
58% in year 2017/18	28% in year 2018/19	12% in year 2019/20	2% in year 2020/21	Total
£182,000	£88,000	£36,000	£5,000	£311,000

4. The Government has allocated funding based on the total increase in 2017 bills, excluding the impact of reliefs for every rateable property:
  - Where the Rateable Value is less than £200,000
  - Where the increase in the 2017 bill is more than 12.5% (before reliefs).

**Conditions to grant Relief**

5. Eligibility for relief will be assessed by comparing the 2016 Business Rate liability less any entitlement to reliefs and exemptions and the 2017 rate liability less any entitlement to reliefs and exemptions.
6. Fareham's scheme should be easy to administer as this will allow relief to be awarded swiftly to those businesses who are most affected.
7. To qualify for relief:
  - The property must be occupied by the same ratepayer from 31 March 2017 and also on 01/04/2018.
  - Relief will be effective from 1 April 2018 to occupied business properties meeting the scheme criteria only.
  - Relief will be recalculated if:
    - The occupier vacates the premises
    - If there is a change in the business information which indicates that relief should not have been granted
    - If there was a change of occupier.
  - Whilst relief will need to be considered for all cases that meet the designed criteria, every effort will be made to target relief to local businesses and not those that are national or multi-national in type.

## **The Scheme**

8. The Government has provided funding to assist ratepayers where the rate bill has increased by 12.5% or above and where the Rateable Value is below £200,000. The numbers of properties in this category are relatively low, so only a portion of the total award, a maximum of £58,000, will be distributed to these ratepayers, the relief will be shared amongst all ratepayers in this category, the share being proportionate to the % rise in each case.
9. Ratepayers will be required to again pay at least the first £600 of the increase in 2018/2019.
10. In addition to the above, the remaining award for 2018/20188 (at least £30,000) will used to assist local ratepayers or ratepayers suffering e hardship due to the revaluation. The Council will consider which properties should receive relief and the £ award on a case by case basis,

### **Applications for relief:**

11. Whilst we wish to make the award of the funding simple, a simple application form should be completed by the bill payer in each case to ensure that the award is State Aid compliant.

Applicants may also be required to provide any evidence considered necessary to assist the decision making.

A fresh supplication may be required annually or when considered necessary.

### **Awarding Relief:**

12. The ratepayer will be notified of the decision made regarding relief and a revised Business Rate bill will be issued where appropriate.

### **Additional Reliefs:**

13. In the Budget statement the Government also made provision for an additional £1,000 relief to all pubs with a Rateable Value below £100,000 and a scheme of additional Small Business Rate Relief for ratepayers facing large increases as a result of the loss of Small Business Relief in the 2017 Rating List.

In all cases, discretionary relief will calculated after the award of all reliefs.

### **Appeals:**

14. Where an appeal is received from a ratepayer, this will at first be considered by the Local Taxation Manager and the ratepayer will be advised of the outcome.

Where the ratepayer continues to be aggrieved by the decision, a further appeal may be made to the Head of Finance and Audit.

In the event of a further dispute, a formal appeal can only be made by Judicial Review