

Discretionary Relief Policy Variation 2019/2020**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:

Amount of Discretionary Relief Pot Awarded				
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

Conditions to Grant Relief

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).
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 is easy to administer as it 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 1 April 2018.
 - Relief will be effective from 1 April 2018 and following years, 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.

Fareham's 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.
9. We already know that the numbers of properties in this category who accepted relief is relatively and in addition, Fareham's share of the grant in both 2019/2020 and 2020/2021 has also greatly reduced.
10. So, in 2019/2020 the total award, a maximum of £36,000, will be distributed to the ratepayers that fit the above category, the relief will be shared amongst all ratepayers in this category, the share being proportionate to the % rise in each case. Ratepayers will be required to again pay at least the first £600 of the increase in 2019/2020. Every effort will be made to target relief to local businesses and cases will be considered independently.
11. In 2020/2021 the total award, a maximum of £5,000, will be used by Officers to assist the hardest hit Ratepayers, distributed on a case by case basis.

Applications for relief

12. 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 application may be required annually or when considered necessary.

Additional Reliefs:

Newspaper Relief

13. The Government has made provision for the continuation of an additional £1,500 Business Rates Discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per property. This relief has now been extended until 31 March 2020.

Retail Relief

14. In October 2018 the Government announced further provisions of relief. Assistance will be given to retail-type premises via an annual business rate discount amounting to one third of the bill. The relief is payable on all occupied shops, pubs & restaurant type businesses, where the property has a Rateable Value below £51,000 in 2019/2020 and 2020/2021 and must be applied after mandatory reliefs and other discretionary reliefs.
15. The Government has published guidance on the sort of business that would be entitled to relief in these circumstances. Based on these criteria, we estimate that there are 694 retail type properties with a Rateable Value below £51,000. In addition to these, the number of claims could increase as the relief must be based on the actual use made of the property, not the description of the property shown in the Rating List.

Awarding Relief

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

Appeals

17. 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