

**Cheltenham Borough Council Policy for
Local Discretionary Business Rates Relief Schemes
February 2019**

The policy sets out the Council's Local Discretionary Rate Relief Schemes for 2017/18 and 2018/19 under section 47 of the Local Government Finance Act 1988, as amended.

Section 1: Local Revaluation Support

The revaluation support scheme is available to businesses with increased rate bills as a result of the 2017 revaluation

Qualifying Conditions

Revaluation Support will only be awarded in respect of the rates payable for a property where the following conditions are met

- There has been an increase in the rates bill from 1st April 2017 compared to 2016/2017 bill, as a result of the 2017 revaluation
- The ratepayer must be in occupation and liable for business rates for the relevant property on 31st March 2017 and 1st April 2017
- The rateable value is less than 200,000
- The annual increase in rates bill for 2017/18 is more than £50.00 or 3% more, whichever is greater, when compared to the annual bill for 2016/17
- The property must be occupied, relief will not apply to empty properties
- The business must not occupy more than two properties anywhere in the UK. If a business occupies no more than two properties and both are in Cheltenham relief will be available in respect of both properties

Relief will not be awarded in the following circumstances

- The relevant property is empty or becomes empty
- The relevant property is not in the rating list on 31st March and 1st April 2017
- The ratepayer occupies the property on or after 1st April 2017
- The ratepayer is in receipt of mandatory, discretionary or CASC rate relief
- The rateable value is 200,000 or more, or increases to 200,000 or more
- New, split or merged properties in the rating list after 1st April 2017
- Where the rates payable increases due to the ratepayer ceasing to qualify for any other reliefs
- Where a business occupies more than two properties anywhere in the UK

- Educational establishments, sports centres, health centres/doctors surgeries and any publicly funded organisation will not be eligible

Relief will be recalculated in the following circumstances

- A change in rateable value in either the 2010 or 2017 rating lists
- The provision of a certificated value for the 2010 or 2017 rating list
- Any other reduction in the rates payable before revaluation support relief is applied
- Where there is an increase in rateable value after 1st April 2017 relief will not be awarded in respect of the rates payable attributable to the increase
- Any of the above conditions cease to be met

Revaluation support relief will apply to ratepayers receiving the national supporting small businesses and pub relief, provided the above conditions are met. Revaluation support will be calculated after the national reliefs have been applied

How will relief be calculated?

2017/18

Revaluation support will be calculated on the 2017/18 rates payable after transitional protection and any other reliefs have been applied. The 2016/17 bill will be based on the charge at 31st March 2017. The amount of relief will be as follows Revaluation support relief will apply to ratepayers receiving the national supporting small businesses and pub relief, provided the above conditions are met.

Level of Increase	Relief
Any increase over 3% or £50, whichever is greater	85% of increase

2018/19-2020/21

The scheme for 2018/19-2020/21 will provide continued support for businesses with increased rate bills as a result of the 2017 revaluation.

Qualifying Conditions

To qualify for relief in 2018/19-2020/21 businesses must be in receipt of relief in 2017/18 based on the conditions detailed in section 1 above

The level of relief in 2018/19-2020/21 will be a % of the net rates payable. **(This is to be determined by the Executive Director Finance and Assets, in consultation with the Cabinet member for Finance).**

In 2018/19 the relief will be applied after all other reliefs. In 2019/20 and 2020/21 it will be applied after all other reliefs apart from retail discounts.

Section 2: Supporting Small Businesses Relief

Relief will be awarded to ratepayers losing some or all of their small business rate relief in line with the detailed guidance issued by the Department of Communities and Local Government. State Aid rules as detailed in section 3 and will apply and the relief will be administered as detailed in section 4.

Section 3: State Aid

The award of Supporting Small Businesses, Pubs and Revaluation Support Relief must comply with EU law on State Aid. Businesses applying for, or in receipt of, relief must advise the Council if they have received any other State Aid that exceeds, in total, €200,000 in a 3 year period, under the De Minimis Regulations EC 1407/2013. The total amount of State Aid received includes any other discretionary business rates reliefs being granted in respect of all properties for which the business is responsible. Further information on State Aid law can be found at <https://www.gov.uk/state-aid>.

Section 4: Administration

- Cheltenham Borough Council will administer the schemes under The Local Government Finance Act 1988 as amended by The Localism Act 2011 and The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059)
- Entitlement to Retail Discounts, Revaluation Support and Supporting Small Business Relief will be dependent on the qualifying conditions being met.
- Relief awarded in respect of each financial year will end on 31 March in the relevant year
- Relief will be recalculated or cancelled to reflect a change in circumstances, change to entries in Rating List, or any of the conditions cease to be met.
- Decisions relating to the granting of reliefs will be delegated to the staff within the Revenues Service
- Reliefs may be granted automatically where information held on the business rate account confirms eligibility in line with the qualifying criteria. In these cases businesses will be asked to notify the council if they are in receipt of other State Aid

- Where sufficient information is not held businesses will be required to complete and submit an application form including a declaration in respect of State Aid
- There is no statutory right of appeal against a decision made by the Council in respect of Retail Discounts, Supporting Small Businesses, or Revaluation Support Relief. However, the Council will reconsider the decision if the ratepayer is dissatisfied with the outcome. The review will be carried out by the Executive Director Finance and Assets in consultation with the Cabinet Member Finance
- If an unsuccessful applicant requests a reconsideration they will need to continue to pay their rates bill. Once the reconsideration has been carried out, the ratepayer will be informed, in writing, of the decision.