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## **GRANTING OF THE DISCRETIONARY BUSINESS RATES REVALUATION RELIEF POLICY**

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## **1. Purpose of the policy**

- 1.1 The purpose of this policy is to determine the level of Discretionary Business Rates Relief to be granted to certain defined ratepayers within Herefordshire Council's area.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires Hereford Council to grant discretionary relief for premises occupied by charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where Herefordshire Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where Herefordshire Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst Herefordshire Council is obliged to grant relief to premises, which fall within the mandatory category, the council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met.
- 1.5 This document outlines the following areas:
  - a. details of the criteria for receiving an award under the Discretionary Business Rates Relief Scheme;
  - b. Herefordshire Council's general policy for granting of all types of Discretionary Reliefs;
  - c. guidance on granting and administering the reliefs;
  - d. European Union requirements including provisions for State Aid; and
  - e. Herefordshire Council's Scheme of Delegation.
- 1.6 This document covers all aspects of the new Discretionary Business Rates Relief Scheme which is available from 1<sup>st</sup> April 2017. Where businesses apply for relief they will be granted (or not granted) relief in line with the following policy.

## **2. Discretionary relief – legislative background**

### **Introduction**

- 2.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to ‘top’ up cases where ratepayers already receive mandatory relief.
- 2.2 Over recent years, and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 2.3 The range of bodies, which are eligible for discretionary rate relief, is wide and has been developed by both Herefordshire Council and Central Government to address certain issues with business rates.
- 2.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council. Herefordshire Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information, evidence, certificates etc. as required in order to determine whether relief should be awarded.
- 2.5 Herefordshire Council is obliged to consider carefully every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority’s area. There is no statutory appeal process or Tribunal against any decision made by Herefordshire Council, although as with any decision of a public authority, decisions can be reviewed by judicial review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.
- 2.6 The granting of discretionary relief falls broadly into the following categories:
  - a. discretionary relief – charities who already receive mandatory relief;
  - b. discretionary relief – premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes recreation;
  - c. discretionary relief – granted under the Localism Act 2011 provisions;
  - d. local newspaper relief (from 1<sup>st</sup> April 2017 for a period of two years);
  - e. local public house relief (from April 2017 for a one year period);
  - f. supporting small businesses relief (from 1<sup>st</sup> April 2017 for a period of five years or until business pay their full rate charge or their transitional rate charge (calculated in accordance with the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016);
  - g. Discretionary Business Rates Relief Scheme (from 1<sup>st</sup> April 2017 for a period of up to four years); and
  - h. discretionary relief for hereditaments in rural settlements.

- 2.7 This policy document purely covers the granting of awards under the Discretionary Business Rates Relief Scheme (g. above) which covers a period from 1<sup>st</sup> April 2017 for up to four years. The decision to grant or not to grant discretionary relief is a matter purely for Herefordshire Council. The Council's policy for granting other reliefs can be found on its website [www.herefordshire.gov.uk](http://www.herefordshire.gov.uk)

### **The council's general approach to granting discretionary relief**

- 2.8 In deciding which organisations should receive discretionary rate relief, Herefordshire Council has considered the following factors and priorities:
- a. that any award should support business, organisations and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
  - b. it should help and encourage business, organisations, groups and communities to become self-reliant;
  - c. awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
  - d. local organisations will be given priority over national organisations. Where requested, the organisation will need to supply the Council with clear evidence of all financial affairs including, and most importantly, the amounts of monies raised, used and invested locally. This will be essential where the organisation is national in nature;
  - e. to enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which, without granting discretionary relief they would be unable to do;
  - f. to assist the Council in delivering services which could not be provided otherwise;
  - g. to assist the Council to meet its priorities in line with the Herefordshire Charter; and
  - h. to ensure that the financial impact of awarding discretionary business rate relief is justified in terms of the local outcomes achieved by the organisation receiving it.
- 2.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to Herefordshire Council, then there will be no requirement to grant discretionary rate relief for that amount.
- 2.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

### **The council's approach to granting government led discretionary relief schemes**

- 2.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered

under S47 of the Local Government Finance Act 1988 and guidance is often provided. Herefordshire Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximising any grants receivable. However, Herefordshire Council reserves the right to vary its approach where thought appropriate.

- 2.12 In the case of the Discretionary Business Rate Relief scheme, Central Government is keen that individual Councils develop their own scheme to meet local needs. Government has allocated funds to Herefordshire Council using a particular methodology, but it has been keen to point out that this should have no bearing on the actual scheme adopted by the Council.

### **3. Effect on the council's finances**

- 3.1 The granting of discretionary relief will, in the main, potentially involve a cost to Herefordshire Council. Since the change to the funding for non-domestic rating in April 2013, the effect of the relief is complex.
- 3.2 Any amounts granted prior to 1<sup>st</sup> April 2013 and continuing since that date will be included in Herefordshire Council's baseline within the Business Rates Retention Scheme. Any amounts granted for similar cases after 1<sup>st</sup> April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share namely 50% borne by Central Government, 49% by Herefordshire Council and 1% by the Hereford and Worcester Fire and Rescue Service. This also applies where mandatory relief is granted.
- 3.3 In March 2017, Central Government announced that it would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Government determined that Councils would be best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.
- 3.4 Where Central Government leads an initiative such as the Discretionary Business Rates Relief Scheme, grants are often made available. This is not automatic and Central Government will look to Herefordshire Council to adopt any recommended criteria when granting in these areas to ensure that any grant is paid
- 3.5 Every authority within England is to be provided with a share of the fund to support their local businesses. This is to be administered through billing authorities' discretionary relief powers under section 47 of the Local Government Act 1988. The full effects of the financial allocation are shown below.
- 3.6 The allocation of monies to authorities and the methodology of the funding award is completely separate to the scheme itself and government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.
- 3.7 The funding is not provided equally over the four-year period but in the following approximate proportions:
- year 1 (2017/18) 58%
  - year 2 (2018/19) 28%
  - year 3 (2019/20) 12%
  - year 4 (2020/21) 2%
- 3.8 Councils will be compensated for any relief granted under section 31 of the Local Government Act 2003. The government has decided that any underspend cannot be 'vired' from one year to the next.

- 3.9 A key criteria of reimbursement will be that all billing authorities will consult with major precepting authorities when formulating their schemes.
- 3.10 The financial effects to Herefordshire Council of the Discretionary Business Rates Relief Scheme are shown in the following table;

<b>Amount of discretionary fund awarded (£000s) – Herefordshire Council</b>			
2017-18	2018-19	2019-20	2020-21
435	212	87	12

- 3.11 The above is to be awarded up to the maximum level set by Central Government. It is possible for Herefordshire Council to grant more relief than that allocated by grant. However, once the maximum grant level has been reached, any additional amount granted is borne 49% by the Council, 1% by the Fire and Rescue Service and 50% by Central Government.



#### **4. Discretionary relief – EU state aid requirements**

- 4.1 European Union competition rules generally prohibit government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. Herefordshire Council must bear this in mind when granting discretionary rate relief.
- 4.2 Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 4.3 Relief will be state aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)<sup>1</sup>. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years).
- 4.4 Where the relief to any one business is greater than the De Minimis level, then permission will need to be obtained from the European Commission. In such cases the matter will be referred to the Department for Communities and Local Government (DCLG) for advice and then referred back to Herefordshire Council for consideration. It will be for the ratepayer to provide confirmation as to whether the state aid provisions apply to them.
- 4.5 In all cases, where discretionary relief is to be granted or where liability is to be reduced, when making an application, ratepayers will be required to provide Herefordshire Council with sufficient information to determine whether these provisions are applicable in their case.

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<sup>1</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

## 5. Administration of discretionary relief – general approach

- 5.1 The following section outlines the procedures followed by officers in granting, amending or cancelling discretionary relief and reduction. This is essentially laid down by legislation<sup>2</sup>

### Applications and evidence

- 5.2 All reliefs must be applied for. Application forms are produced by Herefordshire Council both in hard copy and electronic format. To obtain a hard copy of this form please contact the business rates team at [businessrates@herefordshire.gov.uk](mailto:businessrates@herefordshire.gov.uk) electronic copies are available on the website at [https://www.herefordshire.gov.uk/business\\_rates\\_relief\\_and\\_exemptions](https://www.herefordshire.gov.uk/business_rates_relief_and_exemptions)
- 5.3 The relevant application form is included within Appendix A of this policy. Herefordshire Council will specify how applications are to be received and this may vary from time to time.
- 5.4 Organisations are required to provide a completed application form plus any such evidence, documents, accounts, financial statements etc. necessary to allow Herefordshire Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.
- 5.5 Applications should initially be made to the revenues and benefits section and will be determined in accordance with this policy.
- 5.6 Herefordshire Council will provide this service and guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties.**

### Granting of relief

- 5.7 In all cases, Herefordshire Council will notify the ratepayer of decisions made.
- 5.8 Where an application is successful, then the following will be notified to them in writing:
- the amount of relief granted and the date from which it has been granted;
  - if relief has been granted for a specified period, the date on which it will end;
  - the new chargeable amount;
  - the details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
  - a requirement that the applicant should notify Herefordshire Council of any change in circumstances that may affect entitlement to relief.

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<sup>2</sup> The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- 5.9 Where relief is not granted then the following information is provided, again in writing:
- an explanation of the decision within the context of Herefordshire Council's statutory duty; and
  - an explanation of the appeal rights
- 5.10 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the Council may backdate its decision.
- 5.11 A decision to award discretionary relief and how much relief is given is normally only applicable to the financial year for which the application is made. However, Herefordshire Council reserves the right to grant relief for any other period as appropriate. In relation to the Discretionary Business Rate Relief Scheme, awards will, in the main be granted from 1<sup>st</sup> April 2017.
- 5.12 A fresh application for discretionary relief will be necessary for each financial year or at such time-period as Herefordshire Council determines.

### **Variation of a decision**

- 5.13 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- where the amount is to be increased due to a change in rate charge or a change in Herefordshire Council's decision which increases the award – this will apply from a date determined by the Council as appropriate;
  - where the amount is to increase for any other reason it will take effect at the expiry of a financial year, and so that at least one year's notice is given;
  - where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; and
  - where the amount is to be reduced for any other reason, it will take effect at the expiry of a financial year, and so that at least one year's notice is given.
- 5.14 A decision may be revoked at any time, however, a one year period of notice will be given and the change will take effect at the expiry of a financial year.

## **6. Scheme of Delegation**

### **Granting, varying, reviewing and revocation of relief**

- 6.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 6.2 Herefordshire Council's Service Level Agreement with Hoople permits the Revenues and Benefits Manager to award, revise or revoke discretionary relief applications in line with the agreed criteria. However, any application which is considered to be of a significant nature will be subject to consultation with the S151 Officer of Herefordshire Council, and/or the relevant executive member prior to final determination.
- 6.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

### **Reviews**

- 6.4 The policy for granting relief will be reviewed annually or sooner where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of Herefordshire Council.
- 6.5 The Revenues and Benefits Manager will submit a report on a six-monthly basis to the S151 Officer summarising the position on applications received, granted and not granted.

### **Appeals**

- 6.6 Where Herefordshire Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Revenues and Benefits Manager. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 6.7 Where the ratepayer continues to be aggrieved by the decision, the case will be referred to the Section 151 Officer for review. Where appropriate, cases of this nature may also be referred to the executive member as appropriate.
- 6.8 Ultimately the formal appeal process for the ratepayer is judicial review although Herefordshire Council will endeavour to explain any decision fully and openly with the ratepayer.

## **7. Consultation**

- 7.1 Herefordshire Council has consulted with the major preceptors in relation to this scheme and has taken their comments into account when determining the eligibility criteria. This is an essential part of the Discretionary Business Rates Relief Scheme and is in line with the grant determination issued by the Department of Communities and Local Government (DCLG) No.31/3071.
- 7.2 The grant determination states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purposes of this scheme means:
- a. any major precepting authority; and
  - b. any combined authority.
- 7.3 In the case of the Council only the major precepting authorities have been consulted namely:
- a. West Mercia Police and Crime Commissioner; and
  - b. Hereford and Worcester Fire and Rescue Service.

## **8. Decisions by Herefordshire Council under this scheme**

- 8.1 Decisions by Herefordshire Council are made directly in line with the Scheme of Delegation as outlined within section 6 of this policy. Any decision to award relief under this scheme will follow the core principles of Herefordshire Council's Discretionary Relief Policy as defined by section 2.8.
- 8.2 It should be noted that, whilst the funding from Central Government for Discretionary Business Rate Relief Scheme is limited, the decision of Herefordshire Council whether to award any relief under this scheme cannot not take account of the level of any funding.

### **Discretionary Business Rate Relief Scheme – Herefordshire Council's policy for granting discretionary relief.**

#### **Applications for relief under this scheme**

- 8.3 Herefordshire Council is keen to identify ratepayers who may qualify for the relief and as such will look to encourage certain ratepayers to apply. The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by Herefordshire Council to support their application.
- 8.4 Herefordshire Council has decided that relief under the scheme will be awarded using the following criteria:
- a. The scheme is designed solely to assist ratepayers who have suffered significant increases in rate liability due to the revaluation and the subsequent increase to their rateable value;
  - b. Relief will not be awarded where mandatory relief is granted and in line with legislative requirements, no relief can be granted to any precepting authority;
  - c. Relief will only be granted to those hereditaments whose rateable value at 1st April 2017 is greater than £12,000 and less than £200,000;
  - d. In assessing any potential entitlement to an award under this scheme, Herefordshire Council will compare the following:
    - i. The rate liability of the ratepayer at 31st March 2017 for the 2016/17 financial year after any reliefs and reductions; and
    - ii. The rate liability of the ratepayer at 1st April 2017 for the 2017/18 financial year taking into account any transitional relief or discretionary relief granted under any other provision;
  - e. Relief will only be given to premises which are liable for occupied rates. No relief within this scheme will be granted for unoccupied premises or where the premises becomes re-occupied;
  - f. Relief will only be granted to ratepayers who were in occupation at 31<sup>st</sup> March 2017 and in occupation on 1<sup>st</sup> April 2017. Relief will cease at any point the hereditament becomes unoccupied and will not be re-granted;
  - g. Ratepayers (including previous ratepayers) taking up occupation after the 1<sup>st</sup> April 2017 will not be eligible for relief on the basis that new ratepayers would not have suffered from increases due to a revaluation;

- h. Relief will be targeted to local businesses and not those business that are national or multi- national in nature. Local businesses are, for the purposes of this scheme, those which have premises wholly in Herefordshire Council's area;
- i. Relief will not be granted in respect of premises in crown occupation;
- j. Relief may be awarded for more than one premises as long as all other criteria are met;
- k. Relief (or further relief) will not be awarded where the hereditament has an increase in rateable value after the 1<sup>st</sup> April 2017 which increases the rate charge above the 1<sup>st</sup> April 2017 value.
- l. Where a ratepayer is in receipt of any award under this policy, the authority will not consider any application for relief under section 44A of the Local Government Finance Act 1988 for the same hereditament.

### **Amount of relief**

8.5 The amount of relief is tapered and will be calculated as follows:

- **2017/18**

Where the increase in rates payable as calculated in 8.4d is greater than 9%, the award shall reduce the increase to 9% (for the sake of clarity all ratepayers receiving this relief will be expected to pay the first 9% of the increase.

The intended future year's policy will be along the following lines

- **2018/19**

Award = 2017/18 award x 50% (for clarity this will be half of the relief awarded in 2017/18)

- **2019/20**

Award = 2018/19 award x 50% (for clarity this will be half of the relief awarded in 2018/19)

- **2020/21**

Award = 2019/20 award x 10% (for clarity this will be 10% of the relief awarded in 2019/20)

8.6 It should be noted in exceptional circumstances where the ratepayer falls outside of the criteria in paragraph 8.4 but where the ratepayer can demonstrate that they are experiencing severe financial difficulties they have the option to submit an application for a hardship claim in accordance with the Hardship Policy.

### **Variation and amendment of relief under the scheme**

8.7 As with all reliefs, the amount of relief awarded under the Discretionary Businesses Rates Relief Scheme will be recalculated in the event of a change of circumstances. In effect, relief is calculated on a daily basis in line with the ratepayer's liability on that day. This will include, for example, a backdated change to the rateable value of the hereditament. This change of circumstances could arise during the year in question or during a later year.

- 8.8 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) requires Herefordshire Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, Herefordshire Council may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.



## **9. Reporting changes in circumstances**

- 9.1 Where any award is granted to a ratepayer, Herefordshire Council will require any changes in circumstances which may affect the relief to be reported as soon as possible and in any event not more than 21 days from the happening of the event. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the council as eligible for relief.
- 9.2 Where a change of circumstances is reported, the relief will, if appropriate be revised or cancelled. Where any award is to be reduced, Herefordshire Council will look to recover the amount from the date the change of circumstances occurred.
- 9.3 Where a change in circumstances is not reported and it is subsequently identified that it would have reduced the relief awarded, Herefordshire Council reserve the right to remove any award completely.

## **10. Fraud**

- 10.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

## Appendix A – Application for Discretionary Business Rates Revaluation Relief

In the 2017 Spring Budget the government announced business rate relief schemes to help businesses facing increases in their rate bills as a result of the revaluation that took effect from 1<sup>st</sup> April 2017. One of these schemes enables councils to design their own scheme whereby they can consider awarding a discount to businesses facing increases in their bills in 2017/18 when compared to 2016/17 and the increase is due to the 2017 revaluation. Hereford Council has now agreed its scheme and has identified your business as potentially qualifying for the discount. To apply for the discount please complete and return the application form below.

Note that the key features of the scheme are:-

- ❖ only businesses seeing increases in their bills as a result of the revaluation will be entitled
- ❖ the relief will be a percentage discount applied to the net charge. The discount will be based on the increase in the property's NNDR bill for 2017/18 when compared to 2016/17
- ❖ the scheme will apply only to properties with a rateable value no less than £12,000 and no greater than £200,000
- ❖ all types of business will be considered for relief
- ❖ properties unoccupied at 1<sup>st</sup> April 2017 will be excluded.

### State Aid

The award of the local discount is classed as State Aid and the Local Authority must therefore comply with European Commission State Aid legislation. The application form requires your organisation's confirmation that the granting of local discount will not result in your organisation exceeding the State Aid threshold of €200,000 over the last 3 years (De Minimis Regulations EC 14/07/2013).

Further information on state aid law can be found at <https://www.gov.uk/guidance/state-aid>

Please complete the application form at the end of this document and return to [businessrates@herefordshire.gov.uk](mailto:businessrates@herefordshire.gov.uk), or hard copies can be returned to:

Hoople Ltd  
c/o Herefordshire Council  
Revenue and Benefits Service  
Plough Lane  
Hereford HR4 0LE

**PLEASE NOTE ALL FIELDS ON THE ATTACHED FORM ARE MANDATORY. YOUR APPLICATION WILL BE REFUSED IF YOU FAIL TO COMPLETE THE FORM IN FULL.**

Note: for other support that Herefordshire Council provides for businesses, please go to [www.herefordshire.gov.uk/business\\_rates\\_relief\\_and\\_exemptions](http://www.herefordshire.gov.uk/business_rates_relief_and_exemptions)

## Discretionary Business Rates Revaluation Relief Scheme

### Eligibility Criteria

- ❖ The Discretionary Business Rates Revaluation Relief Scheme applies for the year 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018 only. Under the scheme relief will only be provided where a qualifying ratepayer's bill has increased due to the 2017 revaluation. The property must be entered in the Rating List and be situated wholly in the Herefordshire Council area.
- ❖ Revaluation relief will be made available for businesses and organisations that are facing an increase in their business rate bills in excess of 9%, after all relevant eligible rate reliefs have been awarded following the April 2017 revaluation process.
- ❖ Qualifying businesses will receive revaluation relief to cap their bill increase to 9%
- ❖ Relief is available to all businesses with a ratable value as at 1<sup>st</sup> April 2017 of between £12k and £200k and in occupation of the property both on 31<sup>st</sup> March 2017 and on 1<sup>st</sup> April 2017
- ❖ Relief will be targeted to local businesses and not those businesses that are national or multi-national in nature

### Ratepayers will be excluded from relief where any of the following apply: -

- ❖ The ratepayer was not in occupation of the property on 1<sup>st</sup> April 2017.
- ❖ The property for which the ratepayer is making the application in respect of was not entered in the rating list as at 1<sup>st</sup> April 2017.
- ❖ The property for which the ratepayer is making the application in respect of was unoccupied on 1<sup>st</sup> April 2017.
- ❖ Relief will not be available to unoccupied premises or where the premise becomes re-occupied, on the basis that new ratepayers would not have suffered from increases due to a revaluation.
- ❖ Businesses and organisations where the net liability bills following revaluation after eligibility for other relief scheme has:-
  - decreased;
  - remained the same; or
  - the increased liability is below 9%
- ❖ Other businesses excluded will be those already receiving mandatory relief in line with legislative requirements.
- ❖ Relief will not be awarded where the property has an increase in ratable value after 1<sup>st</sup> April 2017
- ❖ Relief will not be available where the business falls under the "state aid" rules.
- ❖ Relief is not available to any precepting authority.

Application for Discretionary Business Rates Revaluation Relief

1. Account Details for which local discount is being claimed

Account Reference	
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Ratepayer	
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2. Property for which local discount is being claimed

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3. Declaration

I confirm that:

- Agree to the terms and conditions of the Discretionary Business Rates Revaluation Relief Policy [www.herefordshire.gov.uk/business\\_rates\\_discretionary-business-rates-revaluation-relief-policy](http://www.herefordshire.gov.uk/business_rates_discretionary-business-rates-revaluation-relief-policy)
- The granting of this local discount will not result in our organisation exceeding the State Aid threshold of €200,000 during the last 3 years (De Minimis Regulations EC 14/07/2013)
- If circumstances change in the future so that the organisation no longer meets the qualifying criteria, I will notify Herefordshire Council immediately so that the local discount can be removed from the date the change occurred. By signing the form, I agree that, to the best of my knowledge, the information contained on the form is complete and is not false, and understand that willfully making a false statement on the application form is an offence and may result in legal action being taken.

Name:

Signature:

Position in Organisation:

Telephone:

Email:

Date:

Note: Under the European Commission rules, you must retain the demand that confirms the level of discount for three years and produce it on any request by the UK public authorities or the European Commission (you may need to keep this longer than three years for other purposes). Furthermore, information on state aid must be supplied to any other public authority or agency asking for information on 'De Minimus' aid for the next three years.

Please return the completed form to: [businessrates@herefordshire.gov.uk](mailto:businessrates@herefordshire.gov.uk)  
(Please check all parts have been completed).

**This page is for internal publication only.**

### Document Classification

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<i>Title</i>	Granting of the Discretionary Business Rates Revaluation Relief Policy

### Consultation Log

<i>Date sent for consultation</i>	
<i>Consultees</i>	Report decision process

### Approval Log

		Date
<i>To be agreed by</i>	Section 151 Officer	July 2017
<i>To be approved by</i>	Cabinet member corporate strategy and budget	September 2017
<i>To be reviewed by:</i>	Head of Corporate Finance	September 2020

### Version Log

<i>Version</i>	<i>Status</i>	<i>Date</i>	<i>Description of Change</i>	<i>Reason For Change</i>	<i>Pages affected</i>
1	<i>Draft</i>	<i>July 2017</i>	<i>First draft</i>		<i>All</i>
2	<i>Draft</i>	<i>July 2017</i>	<i>Amendments</i>		<i>Various</i>
3		<i>July 2017</i>	<i>Sign off</i>		<i>All</i>
4		<i>Aug 2017</i>	<i>Revisions AB</i>		
5		<i>Aug 2017</i>	<i>Revisions AB</i>		