

**Appendix A**

**Babergh & Mid Suffolk District Council  
Local Rate Relief Policy**

**1. Introduction**

- 1.1. At the Budget on 8 March 2017, the Chancellor announced that the Government 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.
- 1.2. Babergh and Mid Suffolk have received a share of this money in order to support local businesses.
- 1.3. The granting of this relief will be administered through the Council's discretionary relief powers under section 47 of the Local Government Finance Act 1988.
- 1.4. Babergh and Mid Suffolk Councils will adopt the scheme as set out in this document.

**2. Available relief**

- 2.1. Relief will be made available to those ratepayers who are facing an increase in their bills following revaluation. The relief will limit the increase to 12.5% when compared to the 2016/17 charge (before reliefs).

**3. Criteria for awarding relief**

- 3.1. The rateable value of the property on the 1<sup>st</sup> April 2017 is less than £200,000.
- 3.2. The increase in the rateable property's 2017/18 bill is more than 12.5% compared to the 2016/17 bill before reliefs.
- 3.3. The property is not an excepted hereditament. Defined as a property occupied by a billing authority or a precepting authority.
- 3.4. The ratepayer must be in occupation on the 31<sup>st</sup> March 2017.
- 3.5. Relief is granted for occupied properties only.
- 3.6. When awarding relief the Council will award other available reliefs first.
- 3.7. Past payment history at the property may be taken into consideration.
- 3.8. If an organisation moves address within the period that they are receiving rate relief, relief will not be carried forward to the new property.

- 3.9. In future years if the ratepayer is successful in having their rateable value reduced through an appeal, any overpayment will be recovered.
- 3.10. Future increases in rateable value backdated to the 1<sup>st</sup> April 2017 will not be eligible for increases in the amount of relief granted.
- 3.11. Any relief granted is subject to state aid rules.
- 3.12. The Council would not normally award relief where the business operates at a regional or national level or is part of a franchise.
- 3.13. These factors are not restrictive and nothing in them shall be taken as restricting the Council's ability to depart from its general Guidelines as to the granting of relief if it sees fit to do so bearing in mind the facts of each case.
- 3.14. The awarding of relief is limited to the availability of Central Government funding. Once the funding has been allocated no further relief will be granted.

#### **4. Duration of awards**

- 4.1. The initial award of discretionary local rate relief will be made for a fixed period ending on 31<sup>st</sup> March 2018. The only exception is where the business rates liability of a ratepayer ends before this date.
- 4.2. Awards will be reviewed each year and reduced in line with the reduction in funding from the Government. For each year the relief will be for a fixed period ending on 31<sup>st</sup> March.

#### **5. Administration of applications for relief**

- 5.1. A completed state aid declaration of any other De Minimis State Aid received is required, together with any evidence deemed necessary by the Councils to assist in making a decision.
- 5.2. The Council's Shared Revenues Partnership (SRP) will administer all applications for local rate relief and determine the amount of discretionary relief to be awarded.
- 5.3. Decisions regarding applications for discretionary local rate relief will be notified to the ratepayer in writing within 28 days of the decision, or as soon as reasonably practicable. Unsuccessful applicants will be given reasons for any refusal to award relief.

#### **6. State Aid**

- 6.1. Local rate relief shall not be awarded in any circumstances where it appears that an award will result in the ratepayer receiving state aid that is above the current de minimis level. Each application must be accompanied by a statement signed by the appropriate person representing the business setting out the amount of state aid, including but not limited to discretionary rate relief, which the ratepayer has received within the previous three years. Applications shall not be considered until this statement is received.
- 6.2. Rate relief for charities and non-profit making bodies is not normally considered to be state aid, because the recipients are usually not in market competition with other businesses. However, if the charity or non-profit making body is engaged in commercial activities or they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 6.3. To find further information on state aid please visit [www.gov.uk/state-aid](http://www.gov.uk/state-aid).

## **7. Decisions and reviews**

- 7.1. Each application will be decided on its individual merits however in determining relief the Councils will take into consideration
  - This policy
  - Any guidance issued by the Department for Communities and Local Government
  - Relevant legislation
  - The impact of granting a relief if it was to go against the authority's wider objectives for the local area
  - Other reliefs / grants awarded to the ratepayer

## **8. Right of appeal**

- 8.1. There is no statutory right of appeal against a decision made by the Council in respect of discretionary local rate relief. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. This review will be carried out independently by the Revenues Operations Manager in consultation with the Councils' Section 151 Officer.
- 8.2. If an unsuccessful applicant decides to request a review, they will still need to continue to pay their rates bill. Once the review has been conducted, the ratepayer will be informed in writing whether the original decision has been revised or upheld. Notification of the decision will be made within 28 days, or as soon as reasonably practicable.
- 8.3. The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.

## **9. Requirements to make payment of amounts falling due**

- 9.1 Ratepayers must continue to pay any amount of rates that fall due whilst an application is pending. In the event that payments are not received as due the Council may continue with its normal enforcement procedures.