

## **Draft Local Discretionary Rate Relief Scheme 2017/18**

The Local Discretionary Business Rate Relief Scheme will apply for the year 1 April 2017 to 31 March 2018 only. Under the scheme relief will only be provided where a qualifying ratepayer's net bill has increased by 3% or more, due to the 2017 revaluation.

Where a qualifying ratepayer's 2017/18 and, or 2016/17 rates bill is reduced for any of the following reasons, the amount of their relief will be reduced or removed accordingly:

- a reduction in rateable value in the 2010 and, or 2017 rating lists
- the provision of a certificated value for the 2010 rating list or historical change
- the application of any additional rate relief or exemption
- vacation and re-occupation of the property
- any other reason

**To qualify for relief a ratepayer must be in occupation of a property with a rateable value of up to £150,000 and will fall into one of the categories listed below:**

- Shops or kiosks (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, chemists, newsagents, hardware stores, supermarkets)
- Post offices (not sorting offices)
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Second hand car lots
- Garden centres
- Art galleries (where art is for sale/hire)
- Shoe repairs/ key cutting
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Hair salons/barbers and pet grooming facilities
- Restaurants
- Sandwich shops
- Workshops providing a service to the public

**Please note that the following types of uses are not eligible for local discretionary business rate relief:**

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, amusement arcades, pawn brokers)
- Estate agents, letting agents, employment agencies
- Professional Services (e.g. solicitors, accountants, insurance agents/financial advisers, tutors)
- Fast food outlets
- Beauticians/tanning salons and tattoo shops
- Vape lounges
- Doctors, dentists, vets and GP surgeries
- Gyms and leisure centres
- Telecommunications network facilities
- Storage and warehousing
- Educational establishments

**For properties where any of the following apply, the ratepayer will not be eligible for local discretionary business rate relief:**

- Where the business runs three or more properties in the borough or across the UK
- Ratepayers in receipt of small business rate relief support which limits increases on small properties caused by the loss of small business rates relief to £600.
- Ratepayers occupying properties after 1 April 2017'
- Properties which were not on the rating list at 1 April 2017.
- Empty property
- Rate payers with any unpaid arrears
- Large organisations such as Transport for London, NHS
- Where the award of relief would not comply with EU law on State Aid.

Ratepayers will be required to confirm that they have not received any other State Aid that exceeds in total €200,000, including any other rates relief (other than exemptions, transitional or mandatory reliefs) being granted for premises other than the one to which the declaration relates, under the De Minimis Regulations EC 1407/2013.

Under the European Commission rules, you must retain this guidance for three years and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this guidance longer than three years for other purposes). Furthermore, information on this aid must be supplied to any other public

authority or agency asking for information on 'De Minimus' aid for the next three years.

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

### **How the Local Discretionary Business Rate Relief will be calculated**

Discretionary business rate relief is calculated after any or all of the following have been applied:

- Exemptions and other reliefs
- Transitional arrangements

and before the application of the Business Rates Supplement. The Discretionary business rates relief does not apply to the supplement (BRS).

The amount of relief will be awarded based on the increase in the net rates bill as detailed below. .

% Increase in rates payable	% Reduction
3-4	2
5	4
6	5
7-9	6
10-14	8
15-19	10
20+	20

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