

## West Devon Borough Council

### Business Rates – Locally Administered Business Rates Relief Policy – Year Two

Issue details	
<b>Title:</b>	<b>Locally Administered Business Rates Relief Policy – Year Two</b>
<b>Version number</b>	<b>Version 1.0</b>
<b>Officer responsible:</b>	<b>Isabel Blake Community of Practice Lead Specialist, Housing, Revenues &amp; Benefits</b>
<b>Authorisation by:</b>	<b>Full Council</b>
<b>Authorisation date:</b>	

## 1 Background

- 1.1 The Government in the Spring Budget of 2017, announced a fund to Local Authorities to help those who have had an increase in their Rates bill due to the 2017 revaluation.
- 1.2 The Government have allocated £300 million nationally over four financial years commencing on 1<sup>st</sup> April 2017.
  - 1.2.1 In 2017/18 West Devon Borough Council were allocated £112,000 but this has been reduced for 2018/19 to £54,000; 2019/20 - £22,000; 2020/21 - £3,000 to provide support under the scheme
- 1.3 The Government will fully fund West Devon Borough Council, and the major precepting authorities, their share of lost income from the awards under this policy by way of a Section 31 Grant. The Grant will have conditions attached to it:
  - 1.3.1 Any relief awarded above the allocated Grant amount will not receive full Government Funding.
  - 1.3.2 The Grant must be used to support only ratepayers facing an increase in their bills following Revaluation

## **2 What is WDBC's policy?**

- 2.1 West Devon's policy is to ensure that continued support is provided to those Businesses that have seen an increase in their bill due to the Revaluation by way of a payment to reduce their Business Rates. The reduction in the allocated amount for year 2 of the scheme means that most of the funding is being provided to Business straight away. There will be part of the Government Funding set aside for those who are suffering additional hardship through the increase in their Business Rates bills and make an application to the Rates Relief Panel for assistance. Any ratepayer who is suffering Hardship already has the ability to apply to the Council for assistance.

### **Initial lump sum payment**

- 2.2 The Council will make an award of up to £450 but no more than the actual 2017/18 increase in the rates bill to business who have seen an increase due to the revaluation. This is provided they fulfil the following criteria:
- The increase is based on the Rateable Value as at 31.03.2017 compared to the Rateable Value of the same property as at 01.04.2017.
  - The ratepayer was occupying the premises on 31.3.2017 and has done so continuously until at least 01.04.2018
  - The Rateable Value on 01.04.2017 was £12,000 or greater, but less than £200,000.
  - The ratepayer is a local business, wholly or predominantly based in West Devon.
  - The ratepayer was paying more on 01.04.2017 after all reliefs have been taken into account
  - The ratepayer must not be in receipt of a mandatory relief
- 2.3 The payment is made based on a daily charge, and will be adjusted down:
- If there is a change to the ratepayers circumstances where the property is vacated (the ratepayer ceases to be liable, or leaves the property empty)
  - If the ratepayer subsequently receives a reduction – such as small business rates relief, that reduces their bill.
  - If there is a reduction to the 2017 Rateable Value

### **Discretionary Applications**

- 2.4 The Council will make available a proportion of the Government Funding for applications from any ratepayer where there has been an increase in the rateable value of the property on 01.04.2017 compared to 31.03.2017 whether they were eligible for the lump sum payment or not. These applications will go before the Rate Relief Panel for consideration. Whilst any application will be considered it must meet the following criteria:

- There must have been an increase in the amount of rates payable (after mandatory reliefs have been taken into account) between the rates due on 31.03.2017 and 01.04.2017
- The ratepayer must be the same ratepayer and in continuous occupation since 31.03.2017
- It must be of benefit to local taxpayers to award the relief
- The ratepayer must provide goods or services to the benefit of the West Devon residents
- The ratepayer is suffering hardship due to the increase in the rates payable or it will affect their ability to provide goods or services to the residents of West Devon
- The ratepayer must supply any documentation to support their application that the Rate Relief Panel decide is required for them to make a decision

### **Changes of Circumstances**

- 2.5 Where a ratepayer has received a reduction under this policy, they will be required to notify the Council within 21 days of a change to their circumstances that will affect the amount of reduction they receive.
- A change would include, but is not limited to: a reduction in the 2017 Rateable Value of the property; vacating the property or leaving it empty; opening businesses outside of the West Devon area.
- 2.6 Failure to notify the Council of such a change may result in the amount of relief paid out under this policy being removed completely.

### **Award Period**

- 2.7 The award of relief under this policy will be for a maximum of one year and only for the 2018 Financial Year (i.e. maximum period 01.04.2018 – 31.03.2019).

### **Review of local scheme**

- 2.8 The 2018/19 scheme will be reviewed at the end of March and any Government Allocation not awarded will be shared between those businesses whose award was limited to £450.00 but their 2017 increase was greater than that amount
- 2.9 The eligibility criteria for year three and four will be identified to ensure it still best meets the needs of local ratepayers, especially those that saw the greatest increase in their rates bills
- In years three and four of the scheme, Government Funding reduces by 80% and 98% respectively from the original award, so the scheme may alter to require all applications to be considered by the Rate Relief Panel

### **3 Administering the scheme**

- 3.1 Locally Administered Business Rates Relief Awards for Year Two will be made automatically to those business identified as qualifying. Business will be notified of the award and its criteria and given the opportunity to decline the award

There is no requirement to pay a fee to make an application for discretionary relief.

- 3.2 The Council will identify entitlement to a lump sum payment and an award will automatically be made to those who qualify by way of a reduction in their business rates bill. They will be notified the basis of the award in that:

- They are in occupation of the premises
- They are a business wholly or predominantly based in West Devon
- They will notify the Council within 21 days of any change in their circumstances
- The payment will not breach State Aid rules

- 3.3 Once the relief is awarded, a revised Business Rates bill issued.

3.3.1 This relief will be awarded by an officer of the Council and will not need to go back to the Rates Relief Panel for confirmation

3.3.2 Should the eligibility for relief change, due to a change in circumstances, an officer of the Council will be responsible for calculating the reduction in award

- 3.4 Discretionary Payment awards under this policy will be put before the Rates Relief Panel for a decision on whether to award any relief and if so, what amount

3.4.1 Should the eligibility for relief change, due to change in circumstances, an officer of the Council will be responsible for calculating a reduction in any discretionary award made by the panel

#### **Publicity of reductions and reliefs**

- 3.5 The Council will publicise this and all other reliefs through its website and other media to ensure ratepayers are aware of all the reliefs that they may be entitled to claim.

3.5.1 All Businesses entitled to reliefs will be published on the Council's website in accordance with current Freedom of Information requirements

## **Right to appeal**

- 3.6 If the ratepayer is not satisfied with an award in accordance with this policy, they may request a review in writing stating their reasons for appeal.

3.6.1 All appeals will be put before the Rates Relief Panel for a review of the decision.

- 3.7 There will be no further review of the decision by the Council once the Rate Relief Panel has reconsidered a decision under point 3.6

## **4 Equality impact considerations** – the policy is high relevance to equality if it has a big impact on residents and users of the service

### **Low**

- 4.1 This Equality Impact Assessment considers the impact of this policy on the relevant protected characteristics, as defined by the Equality Duty, which are:
- Age (including children and young people)
  - Disability
  - Gender reassignment
  - Pregnancy and maternity
  - Race
  - Religion or belief
  - Sex
  - Sexual orientation
  - Marriage or civil partnership status (in respect of the requirement to have due regard to eliminate discrimination)
  - An additional WDBC local factor of community considerations such as socio-economic factors, criminal convictions, rural living or Human Rights
- 4.2 This policy has a positive or neutral impact on all protected characteristics.
- 4.3 The protected characteristics which are positively impacted are local factor of community considerations. This is because the policy will reduce the outgoings (through the rates bill) of local businesses. When considering discretionary applications, the Rate Relief Panel will have the interests of local taxpayers in mind.

## **5 Related Policies/Strategies, Procedures and Legislation**

- 5.1 **Related policies**  
None

## **5.2 Legislation**

Local Government Act 1988 – Section 47

## **6 Policy date for review**

- 6.1 This policy will be reviewed in its effectiveness in meeting the needs of local businesses who have suffered an increase in their rates bills, and a new policy for Years Three and Four put before the HUB Committee early in the 2019/20 Financial Year.

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