

Errata Sheet

Executive 6th November 2017

Report 3: Business rates – Discretionary rate Relief Scheme

4.6 Proposals for the Revaluation Discretionary Rate Relief Scheme

4.7 The proposed scheme for Harborough is based on the following key principles

- ✓ Include only the properties with rateable values less than £199,000 (focusing on Small Businesses – this was the threshold in the governments consultation) where there has been an increase in RV over 12.5% .The new transitional relief (TR) scheme reduces down the rates payable by phasing in rateable value increases over the life of the 5 year rating list. If there is still an amount to pay after the TR scheme is applied then they should be included in the list of potentially eligible ratepayers under the new DR scheme;
- ✓ Only apply to occupied properties (as at 1st April 2017).
- ✓ District, County Council and Parish/Town council accounts excluded;
- ✓ Ratepayers in receipt of mandatory and/or discretionary relief excluded;
- ✓ Ratepayers in receipt of Small Business Rate Relief excluded;
- ✓ Excluding those accounts that will benefit from the budget change which supports those ratepayers that have lost or have reduced small business rate relief or rural rate relief because of the revaluation i.e. increase no more than £600 in year;
- ✓ Exclude certain Valuation Office property codes/descriptions (**Appendix B**)

4.8 This has identified an estimated 518 properties as being eligible under this grant. The total relief for these properties under the scheme is estimated to be £330,100.33. It has been possible to grant 100% of the increase in rates payable to these cases. This is within the £370k allocation and therefore provides headroom for in year adjustments and challenges. In order for a business to be awarded the relief they need to confirm in a state aid declaration that they are not ‘caught’ by state aid rules under the de-minimus rule which enables government bodies (including Councils) to provide support that does not exceed 200,000 euros over a three year period. It is anticipated that the size of businesses identified for this relief will not be caught by state aid rules. If however, there are any businesses subject to the state aid rules the onus is on the ratepayer to return a state aid declaration form advising the council of the amounts awarded. If it exceeds the legal thresholds, the Discretionary Rate Relief will be removed.

- 4.9 Any residual amount in funding from identified businesses will be retained in case of any changes in rateable value and any backdating by the valuation office. There would also be the possibility that additional amounts could be granted in hardship cases. Under this scheme these would be delegated to the S151 Officer to approve after receiving advice from the Revenues Operational Manager.

APPENDIX B

Excluded Valuation Office Categories

CODE	PROPERTY DESCRIPTION
CA	ADVERTISING RIGHT & PREMISES
CL	CLUBS, COMMUNITY CENTRES ETC
CS1	BANK & PREMISES
EL	SCHOOL & PREMISES
EL1	COLLEGE & PREMISES
EP	SCHOOL AND PREMISES
EU	UNIVERSITY & PREMISES
EX	OTHER EDUCATIONAL
MH	SURGERY & PREMISES
MH1	HEALTH CENTRE & PREMISES
MP	POLICE STATIONS
MS1	FIRE STATION & PREMISES
MT1	COMMUNICATIONS TATION & PREMISES
NX	OTHER PUBLIC UTILITIES