

Locally Administered Temporary Discretionary Relief Scheme

In what circumstances will relief be awarded?

- Relief will not apply to businesses with rateable value of £15,000 or less as eligible small businesses will be covered by small business rate relief. With effect from 1 April 2017 eligible small businesses with a Rateable Value (RV) of £12,000 or less will receive 100% small business rate relief, reducing on a sliding scale for eligible businesses with RV between £12,000 and £15,000.
- Relief will only be provided to occupied properties which have been occupied by the same ratepayer on 31st March 2017 and 1st April 2017.
- Relief will end when a property become unoccupied.
- New occupiers of properties will not receive relief, as this relief is designed to protect ratepayers from large RV increases from the revaluation. New occupiers will not have been affected by the revaluation.
- Relief will be awarded to local businesses only.
- Businesses must not receive more than €200,000 in state aid over a three years period– any relief granted under this scheme would count towards this limit.
- Charities already receive a minimum 80% mandatory rate relief and as such will be excluded from this discretionary rate relief.
- National businesses will be excluded from this relief. (National businesses are considered to be those organisations which have many premises in different billing authorities in England).
- Properties where the RV increases after 1 April 2017 will not receive relief as any revaluation after 1 April 2017 will be as a result of a material change, and not the effect of the revaluation. Any such business that qualifies for new discretionary relief will receive apportioned relief from 1 April 2017 up until the effective date of the material change.
- Any RV increases with effect from 1 April 2017 should have a zero impact on the award of relief as transitional relief will adjust to compensate for the increase.
- Any business that qualifies for new discretionary rate relief that has a reduction in RV with effect from 1 April 2017 will have new discretionary rate relief reduced accordingly, potentially to zero depending on the level of RV reduction.
- Proportional adjustments may apply to any actual or proposed relief due to an RV change (actual or certified for 31/3/17 or 1/4/17), or a gross liability reduction for 2017 due to the granting or implementation of other reliefs, exemptions, in year RV changes or the ending of liability.
- Locally administered temporary discretionary relief will only be awarded after all relevant reliefs and exemptions have been made.
- Under S47 of the Local Government Finance Act 1988, no discretionary award can be made where the ratepayer is the Council or a precepting body of the Council.

How will a decision be made?

The following process will be followed:

- Eligible Ratepayers will be identified by the Council using the above criteria.
- Awards will be made automatically, and there will be no requirement for an application form to be submitted.

Amount of award

- For 2017-18, a set percentage of 65% of the increase in business rates as a result of the revaluation will be awarded.
- Set percentages will be awarded during 2018-19, 2019-20, and 2020-21. This will reduce each year in line with the reductions in Government funding. Allocations for 2018/19, 2019/20 and 2020/21 will be made towards the end of the previous financial year, and are expected to be in the region of:
 - 2018/19: 20-40%
 - 2019/20: 8-20%
 - 2020/21: 1-5%
- Towards the end of each financial year, the Council will consider increasing the percentage awards which have been made to qualifying businesses throughout the year to ensure the Government funding is allocated to the maximum amount.

Period of award

The award will last for 4 years and will reduce in line with the Government funding reductions. Exact amounts awarded to businesses will be notified by means of their rates bill for the financial year in question.

Appendix B

Proposed Locally Administered Temporary Discretionary Relief Scheme - Geographical Analysis

Area	Number of businesses	Value	Percentage
Halesfield	70	£ 73,379.95	17.72%
Wellington	54	£ 68,612.18	16.57%
Newport	39	£ 45,386.12	10.96%
Stafford Park	27	£ 38,567.18	9.31%
Oakengates & Trench	31	£ 36,631.43	8.84%
Town Centre	15	£ 36,379.88	8.78%
Ketley	12	£ 25,424.64	6.14%
Madeley	27	£ 20,787.68	5.02%
Ironbridge & Coalbrooke	11	£ 18,616.45	4.49%
Rural Areas	10	£ 15,480.62	3.74%
Hadley	8	£ 9,200.39	2.22%
Dawley	9	£ 7,310.79	1.77%
Donnington & Muxton	7	£ 6,288.61	1.52%
Stirchley & Brookside	5	£ 5,665.57	1.37%
St Georges	3	£ 3,381.94	0.82%
Hortonwood	8	£ 3,057.17	0.74%