

# Discretionary Revaluation Support Information

The Government have undertaken a national revaluation on all commercial premises in England and Wales. From 1 April 2017, all premises in the district were assigned a new 'rateable value' by the Valuation office agency. This is used to calculate the level of business rates charged to the occupier. The last revaluation was in 2010.

In the Government's spring budget 2017, the chancellor announced £300m of extra funding for local authorities to provide discretionary relief to those businesses facing increases in their business rate bills following the revaluation. This is described as revaluation support.

This is in addition to the pre-existing scheme of support for businesses affected by revaluations, called transitional relief. This limits the increases and reductions that businesses experience following a revaluation over a 5 year period.

The revaluation support scheme is scheduled to run for 4 years only and the amount of funding that this Council has been allocated is shown in the table below. The award will only be granted up to the end of the financial year 2017/18 and you will need to reapply for the following year.

Financial Year	Funding EHC
2017/18	£328k
2018/19	£159k
2019/20	£66k
2020/21	£9k

The qualifying criteria is as follows:

Qualifying criteria	Detail
<b>RV(Rateable value) less than £200k at 1.4.2017</b>	Aggregate of RV for all business owned – locally/nationally/internationally must be less than £200,000.
<b>There must be an increase greater than 12.5% as a result of revaluation and nothing else.</b>	The increase will be calculated after all other reliefs have been awarded.
<b>Awards will only be made to occupied properties.</b>	For those applicants who occupied during 2016/17, their part year liability will be annualised before comparing with the 2017/18 liability to ensure they comply with the 12.5% increase requirement.
<b>Type of Business</b>	All businesses that meets the core criteria are eligible for relief. All small business rates relief cases (SBRR) which fall under the 'supporting small business' scheme are excluded from this scheme.

Qualifying criteria	Detail
<b>Awards</b>	<p>Funds will be allocated in proportion to the total increase in £, of all the qualifying applicants.</p> <p>The % to be granted will be determined once all qualifying applicants have been approved.</p> <p>Total assistance is limited to the funding allocated for 2017/18 etc.</p>
<b>Application Process</b>	<p>All applicants will be required to complete an application form including a state aid declaration, by the closing date advertised each year.</p> <p>A new application will be required each year.</p> <p><i>Applicants are advised that relief is only awarded up to the end of the financial year in question and they will need to reapply for relief for future years. This will meet the requirements of Regulation 2 to SI 1989/1059 as there will be no revocation and 12 months' notice to end the relief awarded is not required.</i></p>
<b>Changes in circumstances</b> (A) What happens when the RV goes down or other reliefs are subsequently granted?	<ol style="list-style-type: none"> <li>1. If RV reduces or other reliefs are granted, leading to a less than 12.5% increase on 2016/17 then all revaluation support will be removed.</li> <li>2. If RV reduces or other reliefs are granted, but retains an increase in excess of 12.5%, - entitlement will be recalculated on initial allocation %</li> </ol>
<b>Changes in circumstances</b> (B) What happens if RV goes up	<p>Nothing – there are no spare funds to award after the initial allocation.</p>
<b>Changes in circumstances</b> (C) New occupier	<p>Revaluation support ends, as this occupier has not experienced the increase – pro rata award to original applicants occupation</p>
<b>Changes in circumstances</b> (D) Property becomes empty	<p>Revaluation support ends – pro rata award to original applicants occupation</p>
<b>How long to award for</b>	<p>Award for a full year only – until there is;</p> <ul style="list-style-type: none"> <li>• a change of occupier</li> <li>• the property becomes empty or change in RV or state aid excludes from entitlement</li> </ul>
<b>State Aid rules</b>	<p>Applicants must make a declaration to confirm compliance with state aid de minimis requirements. Applicants must provide details of all awards of state aid at time of application to us, and must notify us if they later exceed state aid levels.</p>

## State Aid Law

State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the support for ratepayers will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013).

De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). There are certain types of undertaking that are excluded from receiving De Minimis aid. Any aid to be considered De Minimis is required to be converted into Euros.

To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation).

If you think you may qualify for this relief, please complete the application form and return it to the address shown overleaf. Alternatively you may obtain a form from our website, which you should print and complete ensuring it is signed. **Please ensure you complete the form fully and also sign and declare any state aid that you have received over the last 3 years.**

Please note the following:

1. If your RV reduces or other relief is granted, leading to an increase a less than 12.5% on 2016/17, then all revaluation support will be removed
2. If your circumstances change and the property becomes empty or you leave the property, the award will be pro rata

*All ratepayers to be advised that relief is only awarded up to the end of the financial year in question and they will need to reapply for relief for future years. This will meet the requirements of Regulation 2 to SI 1989/1059 as there will be no revocation and 12 months' notice to end the relief awarded is not required*



# Discretionary Revaluation Support Application Form

**Business rates account number**

**Business name, include trading as name if applicable**

**Property address**

**Correspondence address**

if different to above

**Telephone number**

**Email**

**Please confirm that the property is occupied**

**No**

**Yes**

Confirmation of eligibility (see notes below)

1. I can confirm that the business, whose account number I have detailed above is eligible for this relief
2. I can confirm that the business complies with State Aid De Minimis Regulations EC 1407/2013 (see below)
3. I can confirm that I am authorised to sign on behalf of the company

Full name:

Signature:

Day

Month

Year

Position

**Please complete, print and return this form as soon as possible to:**

**The Revenues Service, Council Offices, Wallfields, Pegs Lane, Hertford SG13 8EQ**

**Alternatively click the send button below. This will open your email application and attach as a new message.**

**If you have a query about this form, please use the number below:**

**01279 655261 Ext 7223 or**

**email: [business.rates@hertspartnership-ala.gov.uk](mailto:business.rates@hertspartnership-ala.gov.uk)**



# Discretionary Fund Relief

## 1. Qualifying Criteria

- The property is occupied
- The Rateable Value is below £200,000
- The net Business rates payable in 2017/18 has increased by more than 12.5%
- The property is not in receipt of the “Supporting Small Business Rate Relief”

## 2. Additional Information

- Relief is granted for the 2017/18 financial year only
- If the property becomes empty relief will stop
- If your Rateable Value is reduced on appeal, the amount of relief will be altered in relation to the Rateable Value reduction. If your Rateable Value increases for any reason, it will not be possible to adjust the amount of Relief awarded as this is based on a formula involving all those eligible
- You will be notified of the amount of any award granted by being issued with an amended bill.

## 3. Appeal

- If you do not agree with our decision you can Appeal by email stating the reason for your Appeal. Please email your Appeal to [sandra.huntingford@hertspartnership-ala.gov.uk](mailto:sandra.huntingford@hertspartnership-ala.gov.uk)

## 4. Compliance with State Aid rules

Awards such as other Business Rates Relief are required to comply with the EU law on State Aid. If your business has received any other De Minimis State Aid, you must confirm that the award of any other State Aid does not exceed the €200,000 a business can receive under the De Minimis Regulations EC 1407/2013. The €200,000 limit is over a three year period relating to the current and previous two financial years.

In terms of declaring previous De Minimis aid, we are only interested in public support which is De Minimis Aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

**This scheme is due to run for four years. The Council may require separate applications to be made each year; however it is the responsibility of business owners to advise the Council immediately should the level of State Aid received exceed the maximum allowed under the De Minimis Regulations.**

If you have a query about this form, please contact Sandra Huntingford Tel 01279 502063