

Mid Sussex District Council

Discretionary Rate Fund Scheme

1. The scheme targets relief at independent small and medium sized business, with a rateable value below £100,000. To be eligible businesses need to be facing an increase in their bill in 2017/18 of £300 or more net of all other reliefs. The £300 threshold is suggested in order to target businesses hardest hit and takes into account administrative costs of paying what would be comparatively low levels of relief.
2. Businesses that have not occupied premises in the District for the full 2016/17 financial year (since at least 1 April 2016) and/or have left the District since 1 April 2017 will not be eligible. This complies with the spirit of the scheme and avoids the administrative burden of calculating pro-rata relief.
3. Multinational and national chain companies should be excluded from relief. It is considered that these businesses are better equipped to cope with the increase in business rates. They are likely to occupy premises around the country and in some areas business rates have fallen following the revaluation. This will also pick up on sectors of the economy that the Council would not wish to promote such as betting shops, which are normally national chain shops. Examples of national chain companies to be excluded include Boots, Barclays Bank, Sainsbury's, Tesco, WH Smith, Wetherspoons, Pizza Express and Vodafone.
4. Section 47 of the Local Government Finance Act 1988 excludes properties occupied by the billing and precepting authorities from discretionary business rate relief. Also excluded from the Council's fund scheme are premises occupied by wider public sector organisations, such as health, fire, police and local authorities.
5. The suggested scheme also sets aside £20,000 in 2017/18 to be used on an exceptional basis to target support to organisations that are facing hardship from the revaluation and contribute to the Council's business growth priorities. This could include supporting comparatively new businesses that have started up in the District. It is suggested that the decision to allocate this relief is to be taken by the Deputy Leader and Cabinet Member for Resources and Economic Growth. Such additional financial help may or may not be available in future years.
6. Providing discretionary rate relief to ratepayers is likely to amount to State Aid and comes under the De Minimis Regulations that only allow an undertaking to receive up to 200,000 euros of de minimis aid in a rolling three year period. By targeting relief at small to medium size independent businesses it is unlikely that ratepayers will be in receipt of other benefits that could be interpreted as State Aid to take them over the 200,000 euro limit. Ratepayers are expected to let us know if this is likely to be the case.
7. Any award will be made automatically by the Council and shown on the businesses rates bill.
8. A reducing level of help will be given in future years, up to the 31 March 2021..
9. If any relief is awarded from the fund a business ratepayer must inform the Council if there are any changes to your circumstances in writing which may affect your entitlement to this relief between 1 April 2017 to 31 March 2021.

10. If your 2010 or 2017 rateable value changes the amount of relief awarded may be recalculated to reflect this change.

11. There is no appeal or review against the Council's decision in either to award or not or the amount of any relief from the fund.