



Appendix 1 -

National Non Domestic Rates (NNDR)

Discretionary Rate Relief Policy-

Rate Relief for Businesses

October 2014

Revised October 2016

1. Introduction

Local Authorities have the power to grant Discretionary Rate Relief to organisations that meet certain criteria. This traditionally related to Charitable bodies; Community Amateur Sports Clubs; Not for Profit Organisations together with Relief for Rural Businesses.

Discretionary Relief is normally awarded as a Top Up to Mandatory Relief or can be awarded in its own right.

In accordance with the Localism Act 2011 Discretionary Relief is now also available to any organisation (all businesses) subject to State Aid Rules and the assistance provides benefit to the council tax payers in its area.

Business Rates now form part of the Core funding of the Council and any relief granted reduces the income of the Council and impacts upon other service provision. The granting of any relief is therefore assessed against affordability to the Council; and how the business contributes to the Councils objectives as detailed in its Corporate Plan.

The Council is committed to encouraging Business Growth through additional employment opportunities for its residents and attracting new businesses into the Cannock Chase area and its town centres and these growth criteria will be the key factor in assessing applications.

2. Legislative Framework

Section 47 of the Local Government Finance Act 1988 provides local authorities with a discretionary power to award rates relief to organisations that are liable to pay non domestic rates

Section 69 amends section 47 of the Local Government Finance Act 1988 to replace the limited circumstances in which local authorities can currently give discretionary relief with a power to grant relief in any circumstances. This is subject to the condition that, except in the limited circumstances specified, the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area.

3. Purpose and Objectives

The purpose of this Policy is to specify how the Council will operate its discretionary powers under the Local Government Finance Act 1988 and to indicate the factors it will consider when deciding if relief can be awarded.

The policy is intended to provide a simple transparent process that aligns awards of discretionary rate relief with the council's corporate priorities.

Each case will be treated strictly on its merits and all customers will be treated fairly and equally when the scheme is administered

4. Award Criteria

The Councils Corporate Plan for 2015-2018 outlines the corporate priorities and the priority promises for this Authority. In determining whether any relief is in the best interests of tax payers the Council will make specific reference to the Priorities and actions contained within the plan.

Particular reference is made to the Prosperity; Economic Resilience Priority Development Plan and the four service aims:

- **Increase the employability of the District's workforce.**
- **Facilitate economic growth through job creation.**
- **Increase the economic, social and environmental prosperity of the District through the delivery of sustainable development.**
- **Improve town centres through regeneration and management**

A key action within the Priority Development Plan is Business Growth/ Inward Investment by securing relocations/ and or expansions of businesses in the area including targeting empty retail units in town centre locations.

The Council in considering relief will also have due regard to the impact of the Business on the other priorities of the Council notably:

- People: Active and healthy lifestyles
- Place: Improved living environment

Applicants should ensure that that they meet all such requirements and operate in an ethical, sustainable and environmentally friendly manner at all times.

5. Amount of Relief

The Discretionary Rate Relief for Businesses Scheme consists of two distinct schemes, Town Centres Retail Relief and Business Growth/Inward Investment for which funding has been separately identified. The schemes are described in the annexes to this policy.

The schemes may be amended from time to time and prospective applicants should check the criteria of a scheme and their eligibility for it with the Council before applying.

The amount of relief available for any scheme will be determined against the respective criteria and the supporting information contained within the application. The Council, like all other authorities, only has limited resources and government support in the form of grant funding will reduce year on year for the foreseeable future.

The amount of any award is at the discretion of the Council but is subject to limits to remain affordable to the Council and to avoid unfair competition

Relief is limited in accordance with European Union competition rules and in particular State Aid. European Union competition rules generally prohibit Government subsidies

to businesses subject to a De- minimis level. This presently amounts to 200,000 Euros over a three year period. Rate relief shall not be awarded in any circumstances where it appears that an award will result in the ratepayer receiving state aid that is above the current de minimis level.

Discretionary Rate Relief will be awarded after taking in to consideration all other reliefs an organisation currently receives or may qualify for.

The relief will be based upon the details as contained in the application unless the actual Rates Liability for the occupied property is lower than the application – in which case the lower liability will apply.

All awards will be made for a set period only, but subject to annual determination/ confirmation in accordance with the Councils budget determination.

Relief as stated previously is of a short term / transition nature and will normally be limited to a maximum of 24 months.

6. Applications for Discretionary Rate Relief

Application forms can be downloaded from the Council website.

Your application must illustrate a complete picture of the nature of your business and in particular, the benefit it has on the local community.

Evidence required will include:

- The Business Case for the proposal and why Business Rates relief is required including an explanation as to the difference the relief will make.
- Other funding streams explored including any outstanding decisions
- The organisation should provide a statement of their finances, showing income and expenditure or annual accounts, if easier.

The form must be completed by the ratepayer or a person authorised to sign on behalf of the ratepayer.

The Council will have the right to request any reasonable evidence in support of the application, and to verify the information by contacting third parties and any reference as included in the application.

All information supplied will be dealt with in the strictest confidence.

7. Payment of Relief for Businesses

Relief granted is in the form of a reduction to Non Domestic Rate liability. The relief will be credited direct to the organisation's Non Domestic Rate account and applied in accordance with the payment.

The applicant must inform the Council of any change in circumstances that affect the award of relief in particular of any further assistance given that impacts upon the financial standing of the company or eligibility for financial assistance including State Aid.

The Council will recover all overpayments of Discretionary Rate Relief through the organisation's Non Domestic Rate account.

Any business or company that ceases trading or moves outside the area will become liable for the full rates payable from the date of first occupation

8. Notifications

The Council will inform the organisation applying in writing of the outcome of their application for Discretionary Rate Relief.

Where the application is not successful, the notification will provide full reasons why we have decided not to award Discretionary Rate Relief and details of the applicant's right to ask us to look at the decision again.

Where the application is successful, the notification will include the following information:-

- The period of the award
- The percentage of the rate liability awarded for that period.
- The amount of Rate Relief to be awarded for the period.
- An amended Non Domestic Rate Demand.
- The right to ask us to look again at the decision.

9. Right of Appeal

The amount of any award is at the discretion of the Council and the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area

No formal right of appeal therefore exists however an applicant may put in writing a request for the decision to be reviewed.

Any request for such a review must be in writing, detailing the reasons why the decision should be reviewed, and must be received within one calendar month of the above notification.

This Officer will review all the evidence held and will make a decision within 14 days of referral or as soon as practicable thereafter.

10. Fraud

The Council is committed to the fight against fraud in all its forms. An organisation who tries to fraudulently apply for Discretionary Rate Relief by falsely declaring their circumstances or providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968. Where the Council suspects that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to criminal proceedings being instigated.

11. Publicity

The Council will include information about all forms of Discretionary Rate Relief within its Non Domestic Rate Demands and within the Business Support and Non Domestic Rate Section of the Council's website. A copy of this policy statement will be made available for inspection.

12. Review

This policy will be reviewed periodically, taking into account Council policies and priorities and any changes in legislation.

**ANNEX A – TOWN CENTRE BUSINESS RATES RELIEF SCHEME- Revised
October 2016**

The Council will operate a specific scheme to promote the occupation of empty retail units in town centre locations of Cannock, Hednesford and Rugeley. The Town Centre Business Rates Relief Scheme will have the following criteria:

(a) Essential Criteria

- (a) Must occupy a currently empty retail unit or business premises in one of the eligible streets shown in the District's 3 town centres (maps attached).
- (b) Must be a new business or an expansion of an existing one into additional or larger retail premises in the District's 3 town centres.
- (c) Must not be a business which is a Charity Shop, Betting Shop, Off licence; or located within a market or market type of operation (other incentives from the landlord should be available to support these type of new businesses).
- (d) Must not be a franchise, unless the applicant can demonstrate that they are wholly responsible for the costs associated with running the business, including the payment of rates and leasing costs.

Please note: No applications can be made in retrospect i.e. all applications need to be submitted prior to opening for business.

(b) Prioritisation

In considering applications that meet the above essential criteria, priority consideration will be given to the following factors:

1. Empty retail units or business premises in prominent ground floor locations in town centres
2. Empty premises within the main shopping streets within each town centre
3. Business relocations provided they are expansions and are considered to be of overall benefit to the town centre, e.g. moving from a secondary street to a main shopping street.
4. Small businesses (independent traders)
5. Level of financial contribution to be made by landlord e.g. rent free period.

The level of any Small Business Rate Relief Scheme discount and any other discounts that the new business may be entitled to will be taken into account in determining the level of additional business rates discount under this scheme.

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The Council will give priority to premises where the landlord is prepared to provide a financial contribution to the new or expanding business in the form of a rent free period or similar.

Subject to criteria being met above and the number of priority factors shown in the application, the Council will provide 100% discount on business rates for either a 12 month or 24 month period OR a maximum £10,000 contribution towards business rates, whichever is the lower.

For example, where the annual business rates payable for a unit is £7,000 the Council Scheme will meet this in full for the first year of trading; where the annual business rates for a unit is £17,000 the Council Scheme will meet £10,000 of this amount with the owner of the business being responsible for the balance of the £7,000 in that year.

In all cases, the maximum award from the Council under this scheme will be £10,000 for each application meeting the essential criteria.

If other discounts are available, such as Small Business Rate Relief, this will be applied first before any discount achieved through an approved application.

ANNEX B – BUSINESS GROWTH /INWARD INVESTMENT (Revised October 2016)

As part of the application, the applicant must clearly demonstrate why they believe it is in the interests of the local council tax payer for the relief to be granted. Applications should support Cannock Chase Council's economic development priorities as set out in the Cannock Chase Corporate Strategy.

Each case will be considered on its merits and the degree to which it demonstrates the benefits to both the community and the council tax payer.

The criteria for awarding relief in this context are:

- The establishment of a new business or company within the Cannock Chase District.
- The evidence of financial need i.e all other avenues of funding have been explored and refusal of support would result in the applicant not moving into the District or if already in the District to larger premises.
- The creation of new or additional employment opportunities for the residents of Cannock Chase.
- The relocation of an existing business to a larger premise within the district.
- Please note: no applications can be made in retrospect i.e. all applications need to be submitted and approved prior to any relocation or investment in new premises.

In considering grant relief under this Scheme, the Council will have due regard to the following criteria:

- (i) in circumstances of exceptional benefit to the local economy.
- (ii) evidence of financial need
- (iii) if the proposal is affordable to the Council;
- (iv) the difference the relief will mean to the business and
- (v) the impact of the business on the local community.
- (vi) Whether the organisation provides a significant number of jobs which may be applied for by Cannock Chase residents and whether the organisation undertakes to advertise all of its vacancies locally and to pursue other measures which are likely to result in the recruitment of local people.
- (vii) Whether the organisation currently has or plans to provide skills and training for its staff, particularly to upskill its staff and where possible provides apprenticeship opportunities.
- (viii) Whether the organisation provides inward investment from a country outside the United Kingdom and is one of the initial companies from that country locating in Cannock Chase.

An applicant may not be expected to deliver against all of these criteria but will be required to demonstrate that they will make a significant impact on the economy of the

District and bring community benefit through their combined delivery against these criteria.

Dialogue will need to take place with the Council's Economic Development service before an application is made in order to assess against these criteria.

Following this dialogue, a Business Case proposal is submitted for rates relief to the Head of Economic Development. This will be formally reviewed in conjunction with the Head of Finance and the Portfolio Holder (Councillor) for Economic Development prior to a decision. The outcome should normally be notified within four working weeks of the submission of the business case proposal.

The provision of Rate Relief is one of short term assistance to a company to enable sustainable economic growth to take place. The ratepayer must demonstrate that any business / operation is financially viable in the medium and long term and has financial need for this assistance i.e. all other avenues of funding have been explored and refusal of support would result in the applicant not moving into the District or if already in the District to larger premises..

Consideration will be given to whether the organisation provides residents with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation. However, the impact on other businesses in the area which provide the same or similar services or facilities including whether the award of relief could have an anti-competitive effect on other businesses.

The relief applies to sustainable business growth and should the business cease trading or move out of the area within five years of the relief being paid the amount of assistance granted will be required to be repaid to Cannock Chase Council

Subject to the criteria above being met assistance will be in the form of a reduction in Rates Payable based upon occupation of a premises and will be limited to 50% of Business Rates Growth (Business Rates Growth for this purpose relates to the Rates Payable for a business moving into the area or difference in rates payable between the "new" premise and the previous occupation for businesses expanding or moving within the area)for up to a 24 month period.

Application forms for assistance via the Rate Relief to Support Business Growth & Inward Investment Scheme can be accessed [here](#). Business rate relief is now for a term of up to 24 months.

The form must be completed by the ratepayer or a person authorised to sign on behalf of the ratepayer (e.g. accountant/agent).

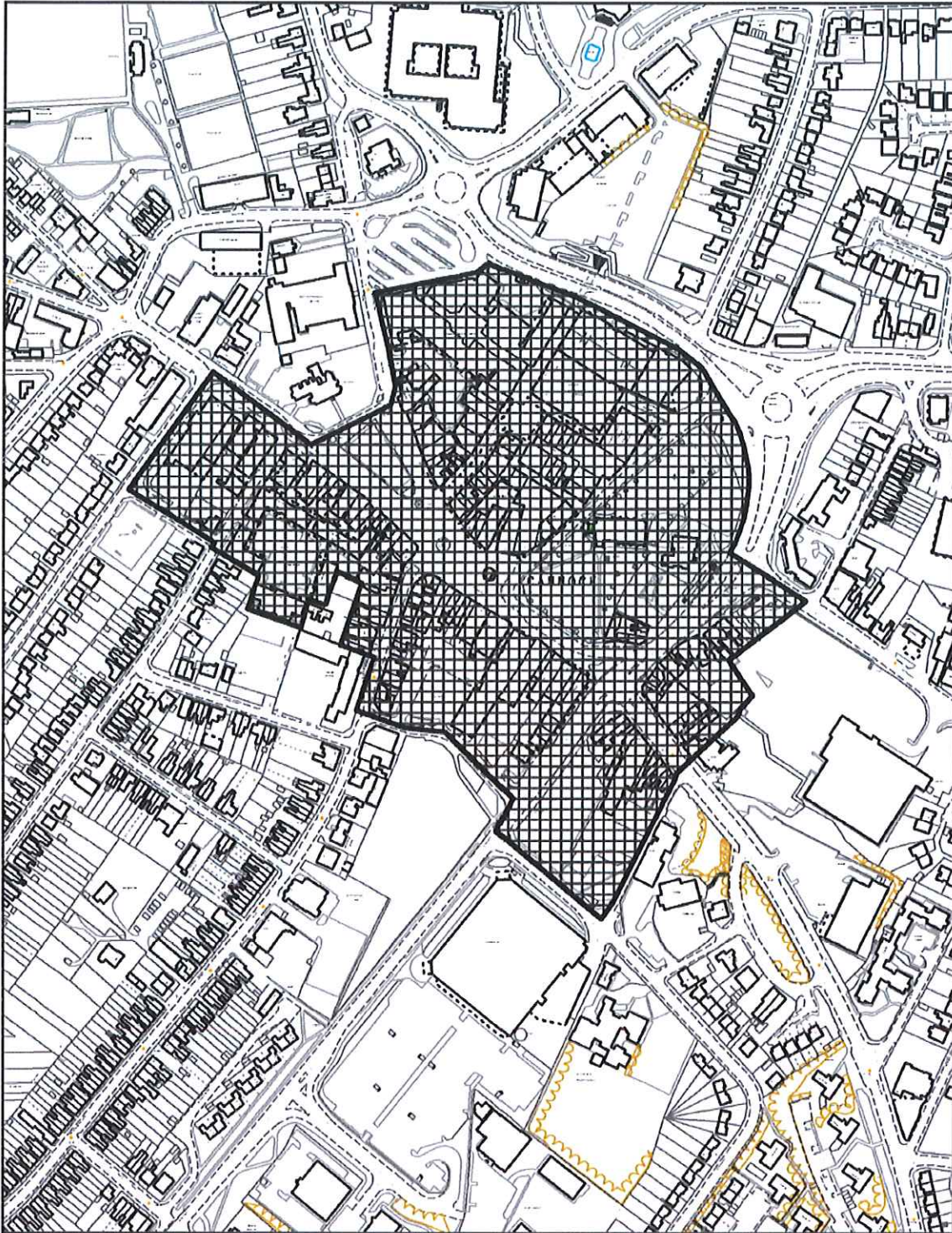
Applications for support will be dealt with in the strictest confidence and will be determined in accordance with the Council's Discretionary Rate Relief Policy (October 2014 – revised October 2016). As such approved applications will be subject to conditions which the Council will apply to all approvals. For example, any business or company that ceases trading or moves outside the district will become liable for the full rates payable from the date of first occupation. Applicants will be required to sign a declaration on the application form accepting such conditions as part of any subsequent approval.

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The level of support awarded will be determined by virtue of benefit to the District and affordability to the Council.



**THE TOWN CENTRE BUSINESS RATES RELIEF
SCHEME ELIGIBLE AREA - CANNOCK**

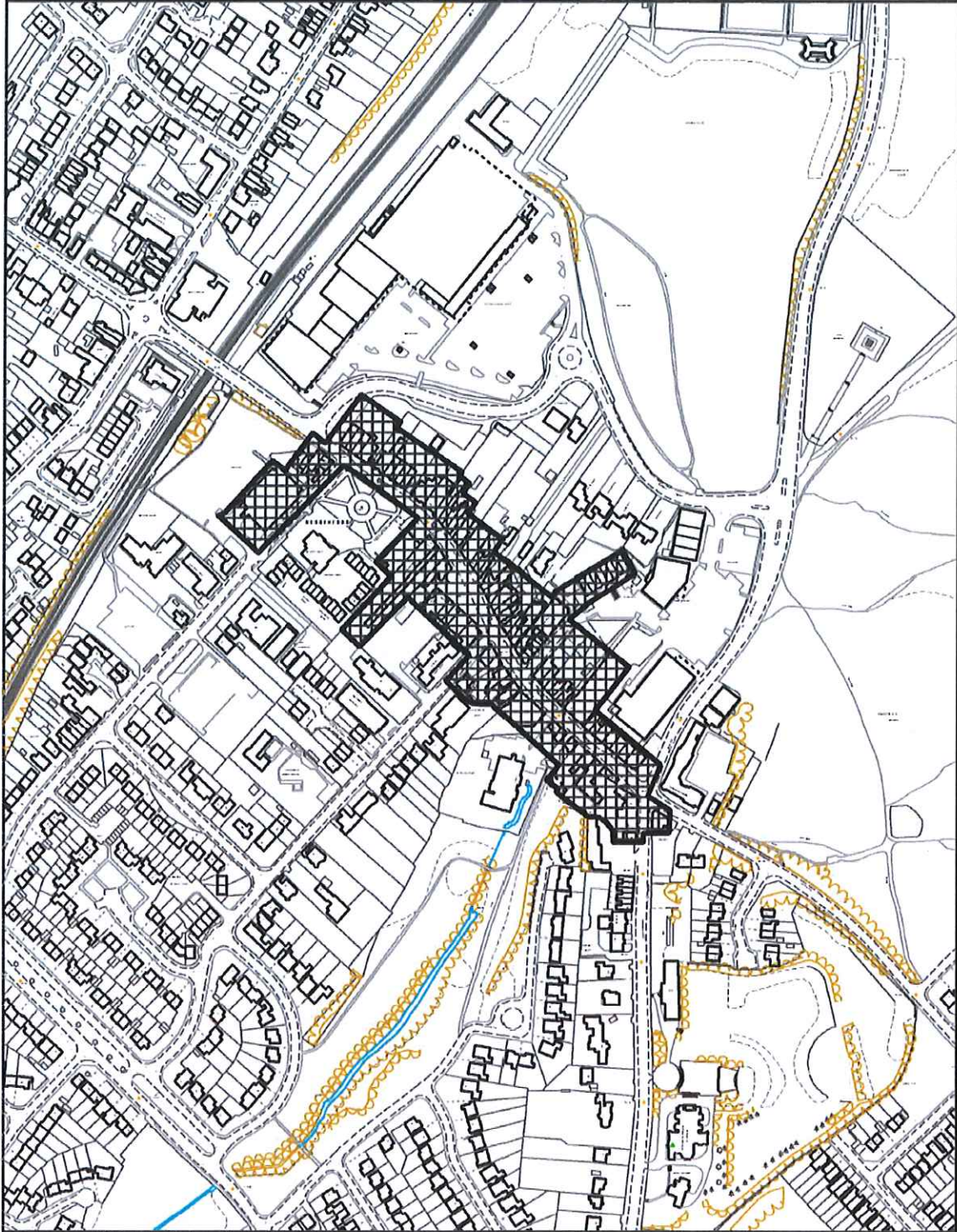


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THE TOWN CENTRE BUSINESS RATES RELIEF SCHEME ELIGIBLE AREA - HEDNESFORD

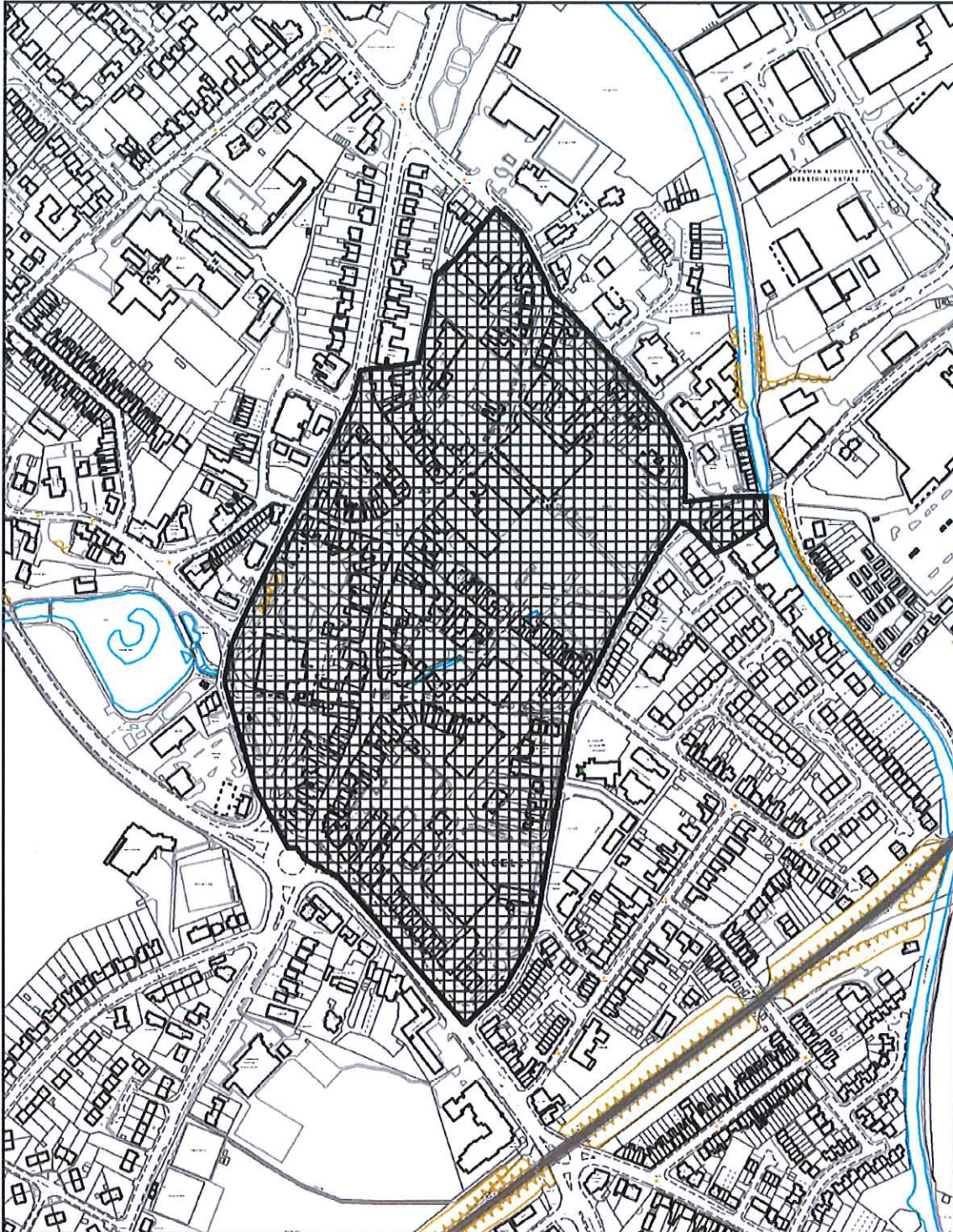


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