

Please reply to:

**London Borough of Sutton**

Revenues & Benefits

Resources Directorate

Civic Offices

St Nicholas Way

SUTTON

Surrey

SM1 1EA

Email:

businessrates@sutton.gov.uk

Website: [www.sutton.gov.uk/businessrates](http://www.sutton.gov.uk/businessrates)



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| **London Borough of Sutton** |
| **Resources Directorate** |
| **Julie Turner - Assistant Director Resources  (Interim),** **Business Services** |
|  |
| *Your Ref:* |  | *Direct Line:* | 0208 770 5000 |
| *My Ref:* |  |  |  |
|  |  | *e-mail:* | businessrates@sutton.gov.uk |
|  |  | *Date:* | As Postmark |
| *Please ask for:* | Customer Services |

**Revaluation Support Discretionary Rate Relief Scheme 2017/18**

**Address: «Property\_Address»**

In the 2017 Spring Budget, the Chancellor announced that a scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief following the revaluation of premises that occurred from 01 April 2017.

If you believe you may qualify for this relief please print, complete and return the enclosed application form (as a scanned document) via email to businessrates@sutton.gov.uk or post it to Business Rates, Civic Offices, St. Nicholas Way, Sutton, SM1 1EA.

The information on the completed application form will be used in accordance with the Council’s registration under the Data Protection Act 1998.

To protect public funds the council may use or share the information provided with other organisations that handle public funds to prevent and detect fraud.

Yours sincerely,

Revenues Team

**Eligibility Criteria – Revaluation Support Discretionary Rate Relief Scheme 2017/18**

The Council consulted on its proposed Revaluation Support Discretionary Rates Relief Scheme for 4 weeks from 10 July 2017 to 8 August 2017. Following the outcome of the consultation, the Council has decided on the following:

The premises must be a property:

* with a current rateable value less than £200,000, and
* there has been an increase in liability (before other reliefs are applied) of more than 12.5% between 2016-2017 and 2017-2018.
* is not among the type of retailer (see below) which the Council believes should not qualify for the relief, and
* the property is occupied and was occupied before 1 April 2017
* the relief will be offered for a maximum of 12 months

The following percentages (of the net increase for 2017/18) will be granted as a discount:

* + year 1, 100% and
	+ year 2, 50% (year 2, 100% support for qualifying businesses in CR4 post code)

Where a qualifying ratepayers 2017/2018 and/or 2016/2017 rates bill is reduced for any of the following reasons, the amount of their relief will be reduced or removed accordingly:

* a reduction in rateable value in the 2010 and, or 2017 rating lists
* the provision of a certificated value for the 2010 rating list or historical change
* the application of any additional rate relief or exemption
* vacation and/or re-occupation of the property
* any other reason affecting the award.

The types of property which can qualify for the relief are:

* Opticians
* Post offices
* Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
* Car/ caravan show rooms
* Second hand car lots
* Markets
* Petrol stations
* Garden centres
* Art galleries (where art is for sale/hire)
* Shoe repairs/ key cutting
* Travel agents
* Ticket offices e.g. for theatre
* Dry cleaners
* Launderettes
* PC/ TV/ domestic appliance repair
* Funeral directors
* Photo processing
* Tool hire
* Hair and beauty services
* Restaurants
* Sandwich shops
* Coffee shops
* Pubs
* Bars
* Offices
* Warehouses
* Children’s Nurseries
* Warehouses
* Workshops
* Stores
* Factories

This list is not definitive, and other businesses who are of a similar type to those listed above may also qualify for the local business rate relief.

**Exclusions. The following types of property uses are not eligible for this new discretionary relief scheme:**

Properties that are being used for the provision of the following services to visiting members of the public:

* Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, amusement arcades, pawn brokers)
* Other services (e.g. estate agents, letting agents, employment agencies, financial advisers, tutors).
	+ As the Council wishes to support small and medium sized enterprises, this exclusion does not include independent companies or sole traders offering these services to visiting members of the public, subject to no further exclusion applying (see below).
* Post office sorting office
* Takeaways (see definition and exclusions below)
* Properties that may bring the scheme / area into disrepute

This list is not exhaustive, and other businesses who are of a similar type to those listed above may not qualify for the local business rate relief.

**Further Exclusions**

* Properties that are operated by the same organisation / business. This applies where the business runs five or more properties in the U.K or in the U.K and overseas.
* Ratepayers in receipt of reoccupation relief in 2016/2017 and / or 2017/2018.
* Ratepayers occupying properties after 1 April 2017.
* Properties which were not on the rating list at 1 April 2017. (Relief will not apply where properties are entered into the list retrospectively).
* Properties which are unoccupied.
* Properties where any arrears due from 2016/2017 or earlier are not cleared by 30/09/2017 or do not have an active payment arrangement with the Council meaning they must not have been subject to continued recovery action by an Enforcement Agent.
* Large organisations such as Transport for London, the National Health Service and London Borough of Sutton.
* Where the award of relief would not comply with EU law on State Aid (see below).

Any multinationals or large businesses with high turnovers are more likely to be able to pay higher business rate bills than small and medium sized businesses and independents. Furthermore, such businesses are likely to occupy premises in other parts of the country which are seeing a decrease in their business rates bill following the revaluation. In addition, any inclusion of large will be excluded as they are likely to breach the state aid rules.

The Business Improvement District (BID) legislation currently requires businesses to pay the levy and any decision to waive or reduce the BID levy is to be made by the BID Board of Directors. Therefore, this relief will not be applied to any percentage payment towards a BID.

**Takeaways - definition and exclusions**

A takeaway is an establishment where hot food is prepared for consumption elsewhere. Such establishments, unless they operate a seated service (please see below), will be excluded from obtaining retail rate relief, reoccupation retail relief and local business rate relief.

* Pizza / pasta
* Kebabs
* Burgers
* Fried or coated chicken
* Ribs
* Indian / tandoori
* Chinese / noodle / wok
* Thai
* Korean
* Vietnamese
* Fish and chips
* Snack bars / kiosks

The above list is not exhaustive and is cited for illustrative purposes only; other premises being broadly comparable will be treated as such and excluded.

The council (where necessary) will visit to make a determination as to whether a premise will be excluded from obtaining the reliefs.

Premises operating a seated service with table seating of 10 or more will be categorised as a restaurant for the purposes of obtaining any retail rate relief, reoccupation retail relief and local business rate relief.

The above premises remain entitled to any statutory rate reliefs such as small business rate relief.

**Notice Periods**

The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require the council to provide ratepayers with at least one year’s notice in writing before any decision to revoke or vary a decision so as to increase the amount of business rates the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. Within the Government regulations, local authorities may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

Subject to a business being eligible to the Council's Revaluation Local Discretionary Rate Relief Scheme 2017/18 and 2018/19, the level of the award will be as set out in the scheme and will apply at that rate for the financial year of the award and will be revoked at the end of that financial year.

**State Aid (De Minimis Regulations EC 1407/2013)**

Including this support for pubs discretionary rate relief award, your organisation must not receive more than €200,000 in total of De Minimis aid within a rolling three year period (consisting of the current financial year and the two previous financial years). Similarly if your organisation’s circumstances change during this period and the State Aid you receive may exceed the €200,000 threshold for the relevant year and the two previous years, you must notify us immediately.

The application form requires your organisation’s confirmation that the granting of the Support for Public Houses (Pubs) Relief will not result in your organisation exceeding the State Aid threshold of €200,000 and an undertaking to inform us if your organisation’s circumstances change that may mean the State Aid threshold of €200,000 may be exceeded

Please visit [www.gov.uk/state-aid](http://www.gov.uk/state-aid) for further information regarding State Aid

Under European Commission rules, you must retain a copy of this letter and completed application for 3 years from the date shown above and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than 3 years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on De Minimis State Aid for the next three years.

**Application for:**



**Revaluation Support Discretionary Rate Relief Scheme 2017/18**

***Please read the eligibility criteria before completing***

**1) Details for which relief is being claimed (please complete each box)**

Account Number (can be found on your bill):

Ratepayer name:

Full address of property: (as on your bill):

**2) Declaration (please tick each box to confirm acceptance)**

I confirm that:

* My business meets the eligibility criteria as detailed in the application letter and is not excluded.
* This award shall comply with the EU law on State Aid on the basis that, including this award, my organisation shall not receive more than €200,000 in total of De Minimis aid within the current financial year or the previous two financial years. ((De Minimis Regulations EC) 1407/2013).
* If our circumstances change in the future so that our organisation no longer meets the qualifying criteria, I will notify the business rates team immediately so that the relief can be removed from the date the change occurred.

By signing the application form you agree that, to the best of your knowledge, the information contained on the form is complete and is not false. Wilfully making a false statement on the application form is an offence and may result in us taking action legal against you.

Name: Position in Organisation:

Date: Signature:

Telephone: Email address: