

DELEGATED DECISION

Resources

29 May 2020



Local Authority Discretionary Grant Fund

Report of Paul Darby Head of Finance and Transactional Services

Purpose of the Report

- 1 To consider proposals for an extended Discretionary Business Rates Grant scheme utilising the additional funding of £4,955,250 announced by the Government on 1 May 2020, in line with the guidelines issued on 13 May 2020 and updated on 22 May 2020. The extended grants scheme is aimed at small and micro businesses who were ineligible for support under the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund as they did not have their own business rates assessment.

Executive summary

- 2 In response to the Coronavirus, COVID-19, impact on small businesses the government have provided grant funding to support small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund (SBGF) and the Retail, Leisure and Hospitality Grant Fund (RHLGF). Local authorities are responsible for delivering grants to eligible businesses in line with national guidance and eligibility criteria.
- 3 On 1 May 2020, the Government announced additional grant funding for local authorities to establish local Discretionary Grants Funds. Government guidance was published on 13 May and updated on 22 May, with further guidance by way of published Frequently Asked Questions on 26 May 2020.
- 4 The Government's intention is that the Discretionary Grants Fund scheme is focused on small and micro businesses who were not eligible for the SBGF or the RHLGF. The initial floor funding allocation for Durham is £4,955,250. This is based on 5% of the estimated spending on the SBGF and RHLGF as at 4 May 2020.
- 5 Whilst the original SBGF and RHLGF is estimated to provide support to circa 8,855 small business there are a further circa 2,700 businesses that have not been support through these grants.

- 6 With the limited amount of grant provided the Council needs to develop a scheme that ensures we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund.
- 7 Whilst local authorities have some discretion over their local policy, the Government has set some national eligibility criteria that we must follow and made clear which businesses they expect us to support.
- 8 The Government have asked local authorities to prioritise the following types of businesses for grants from within this funding pot:
 - i) Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
 - ii) Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
 - iii) Bed & Breakfasts which pay Council Tax instead of business rates; and
 - iv) Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.
- 9 In considering the Councils local scheme we have followed this national guidance but also included provision for supporting the following
 - i) private nurseries that were not eligible for support under the SBGF or RHLGF to close the gap in terms of inequity of treatment under the national scheme;
 - ii) small manufacturing businesses with small retail outlets within the property that sell to the public, but which were not eligible under the RHLGF as the retail element was less than 50% of the floor space;
 - iii) businesses involved in the supply chain to the Retail Hospitality and Leisure Industry (wholesalers) but who were ineligible for support Grants Fund as they did not retail to the public.
- 10 It is estimated that the Councils Local Discretionary Grants Fund will provide support to 434 businesses at an estimated cost of £5.312m.
- 11 To implement this policy the Councils Discretionary Rates Relief and Business Rates Hardship Relief Policy has been updated and is attached at Appendix 3.

- 12 In adopting this policy the Council will reserve the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so in order to ensure we spend the full funding allocation but that we do not exceed this so far as is possible.

Recommendation(s)

- 13 It is recommended that the Corporate Director, Resources, utilising the delegated powers under Part 3 Paragraph 33, Table 7 of the Councils Constitution approve:
- i) The amendments to the Councils Discretionary Rate Relief Policy (as attached at Appendix 3) to facilitate the Local Authority Discretionary Grant Fund. The grants will follow the guidelines and priorities and eligibility criteria set by the government and will provide support to:
- B&Bs (excluding AirB&Bs) matching the level of support available to the B&Bs that were rated and received grants under the SBGF and RHLGF schemes – Grants of £5,000 will be provided
 - businesses in shared spaces and matching the support and qualification criteria in terms of type of businesses supported under the SBGF and the RHLGF schemes – Grants of £10,000 will be provided to small businesses and £5,000 will be provided to micro businesses (Small or micro businesses as defined under the companies Act 2006)
 - charities in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief in this category, and – matching the support that would otherwise have paid had they been eligible for SBGF or RHLGF – grants of £10,000 will be provided (No other charities are eligible for support);
 - regular market traders who reside within Durham County Council boundaries, who do not have their own business rates assessment and have relatively high ongoing fixed property-related costs – grants of a maximum £3,000 will be provided

The Durham Local Discretionary Grants Fund will also provide support to:

- private nurseries that were not eligible for support under the SBGF or RHLGF to close the gap in terms of inequity of treatment under the national scheme – a maximum payment of £5,000 is proposed based on affordability grounds;
 - small manufacturing businesses with small retail outlets within the property that sell to the public, but which were not eligible under the RHLGF as the retail element was less than 50% of the floor space - grants of £25,000 or £10,000 could be made in this regard to ensure some parity with the businesses that received support under the national scheme;
 - businesses involved in the supply chain to the Retail Hospitality and Leisure Industry (wholesalers) but who were ineligible for support Grants Fund as they did not retail to the public - grants of £25,000 or £10,000 could be made in this regard to ensure some parity with the businesses that received support under the national scheme.
- ii) Note that we reserve the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so in order to ensure we spend the full funding allocation but that we do not exceed this so far as is possible recognising that any overspend will fall on the Council to fund
- iii) Note that that the Discretionary Rate Relief Policy has also been amended / updated to reflect the announcements in the March 2020 budget and on 18 and 23 March 2020 and 1 May 2020 with regards to the extension of the national Retail Discounts Scheme and the introduction of the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund.

Background

- 14 On 17 March 2020 the Chancellor announced that grants of £10,000 were to be paid to all businesses in receipt of Small Business Rate relief; plus those retail, hospitality and leisure businesses operating from premises with a rateable value up to £15,000 would also be eligible for a £10,000 grant and those occupying a premises with a rateable value between £15,000 and £51,000 would be eligible for a £25,000 grant.
- 15 The Council received a grant of £107.236 million on 1 April 2020 to fund the estimated costs of these grants, though grants had already started being made to businesses in advance of receiving the Government funding.
- 16 On 1 May 2020, the Government announced that additional funding was to be provided to extend the Business Rates Grant scheme. This was confirmed on 2 May 2020 and followed up by letter on 6 May 2020. The guidance was published on 13 May 2020, 22 May 2020 and FAQ followed on 27 May 2020
- 17 The national funding announcement equated to an additional 5% uplift to the £12.33 billion funding announced for the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) and equates to up to £617 million nationally.
- 18 The floor funding provided for individual authorities is set at 5% of the local authority forecast of actual spending on the SBGF and the RHLGF schemes based on their return to MHCLG on Monday 4 May 2020. If actual spending on the national schemes subsequently exceeds the forecast at 4 May, local authorities will have their allocation increased such that they are permitted to spend up to 5% of their actual spending. It will not be reduced if actual spending is below the forecast at 4 May 2020.
- 19 For Durham, at 4 May 2020 we were forecasting our total spending would be £99.150m, meaning that our initial / floor allocation will be £4,955,250. At 27 May 2020 we are estimating that we will pay £98.840m under the initial scheme, below the forecast we submitted to MHCLG on 4 May 2020.
- 20 For authorities like Durham where they expect to spend less than the grant they received to fund the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF), they are required to use the headroom in the funding they received for these schemes to fund the new Discretionary Grants. Where this headroom is insufficient the Government will provide additional grant to local authorities.

- 21 The Government will require Councils to refund any surplus / unspent grant from the initial allocation after they have made payments under the Discretionary Fund and there is to be a reconciliation process in the coming months once these schemes have been completed.
- 22 The Government have stated that they are committed to meeting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs. No details have been provided yet for this new scheme.

National Guidance

- 23 Whilst local discretion can be applied to the scheme according to the local economic needs of an area, there is national guidance. The Government have stated that the grants should be primarily and predominately aimed at small and micro businesses (as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006). The businesses need to demonstrate:
- i) that they have relatively high ongoing fixed property-related costs
 - ii) that they have suffered a significant fall in income due to the Covid-19 crisis
 - iii) that they occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000
- 24 The mandatory criteria for the scheme are:
- i) Businesses which have received cash grants from any central government Covid-19 related scheme are ineligible for funding from the Discretionary Grants Fund (this includes SBGF and RHLGF). However, businesses which have received funding via the Self-Employed Income Support Scheme (SEISS) or the COVID-19 Job Retention Scheme (furloughing) can receive grants under the Discretionary Grants Fund.
 - ii) Only businesses which were trading on 11 March 2020 are eligible for this scheme.
 - iii) Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.
- 25 In extending the scheme the Government are stating that their intention is that support is given to those businesses that “fell through the cracks” of the initial national schemes – which focussed on small businesses in receipt of small business relief and those in the retail, hospitality and

leisure industries occupying a rated business premises at 11 March 2020.

- 26 The Government have stated that authorities should prioritise the following types of businesses for support under the new local discretionary scheme:
- i) Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
 - ii) Bed & Breakfasts which pay Council Tax instead of business rates;
 - iii) Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.
 - iv) Regular market traders who do not have their own business rates assessment;
- 27 The Government have stated that there can be three levels of grant payments:
- i) The maximum grant allowable will be £25,000 - to mirror the Retail, Hospitality and Leisure Scheme for businesses occupying premises with a rateable value between 15 to 51K;
 - ii) Grants of £10,000 – to mirror the support available to businesses occupying a premises with a rateable value below £15,000; and
 - iii) Local authorities will have discretion to make payments of any amount under £10,000 to businesses it identifies that are not covered by the national guidelines and it will be for councils to adapt this approach to local circumstances.

Local Scheme – Policy Considerations

- 28 In developing the Councils local scheme, a number of key factors were considered:
- i) Funding is very limited, and the scheme needs to be affordable within the resources available;
 - ii) The policy needs to be clear and robust with no room for ambiguity to ensure that businesses are treated equitably and fairly;
 - iii) Needs to follow Government guidance in terms of targeting support those micros and small businesses that were ineligible for support under the current scheme.

- iv) We need to carefully track and monitor expenditure against the scheme and consider tightening or loosening the policy to ensure we spend the full grant allocation for the benefit of local business and the economy in county Durham; and
 - v) Communication of the policy is critical to ensuring that those businesses who are eligible to receive support access it but equally that the Council does not face unfair criticism of its approach from those businesses that will be ineligible;
- 29 With the limited amount of grant funding provided, other local authorities are considering limiting the period a business can make an application for the grant. Following discussions with other local authorities it would appear that others are looking to:
- i) Have an open-ended application time period which will be closed as soon as the grant has been spent
 - ii) Have a first come first paid scheme until the grant fund is spent
 - iii) Have a time limited period for applications, for example from 1 to 12 June 2020
- 30 Whilst this is not an option that is being recommended in Durham, a phased approach to the administration of the grants could be beneficial. The businesses that have already been identified as potentially eligible will be targeted first, with details published on the website and a targeted media / communications following.
- 31 Consideration has been given to augmenting the funding provided by Government but given the significant financial challenges the Council is facing this is not feasible and is not something that any other local authority is considering at this time either.
- 32 Whilst 8,855 businesses in county Durham are expected to benefit from the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes, there are circa 2,700 businesses (excluding Council and other statutory bodies) that were ineligible, and which could be considered for support. Many of these will be accessing other Government COVID-19 support schemes.
- 33 An analysis of the types of businesses / premises that were not eligible to be supported under the current grant regime (excluding Council and other statutory bodies) is attached at Appendix 2. The analysis is limited to the business type / category of premises used by the VOA when they brought it into the rating list.
- 34 With the very limited funding, and following discussion with colleagues in Business Durham and Economic Development, the Councils scheme

has been designed to follow the Government guidance and therefore targets support in line with the following policy guidelines:

- i) that our scheme ensures we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund;
- ii) we have an online application process and that this is not time limited or implemented on a first come first served basis, but that we consider a phased approach to targeting businesses that we believe are eligible for support under the Councils local scheme;
- iii) we implement a robust communications campaign when we launch the policy to manage expectations;
- iv) we ensure we exclude businesses who are eligible for support under the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes;
- v) we do not support businesses operating from a domestic premises (other than B&Bs in council tax – but not AirB&Bs);
- vi) we exclude statutory bodies and other precepting bodies;
- vii) we do not support businesses occupying a premises with a rateable value in excess of £51,000 **unless** they are not for profit organisations involved in the Retail, Hospitality and Leisure Industry or where that property is a shared use space (e.g. an incubator / business start-up space).
- viii) we follow Government guidelines and support businesses with relatively high ongoing fixed property-related costs - Business will need to provide evidence of rent/lease/mortgage/rates/insurance costs of a minimum of £200 per calendar month
- ix) we follow Government guidelines and support businesses which can demonstrate that they have suffered a significant fall in income due to the Covid-19 crisis – Business will need to demonstrate a minimum of 25% reduction in income.
- x) we follow the Government guidance on targeting support to B&Bs but exclude airB&Bs – mirroring the level of support available to the B&Bs that were rated and received grants of £10,000 under the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes. The B&Bs must be
 - i. registered for council tax

- ii. mainly used as guest or boarding premises
 - iii. able to provide evidence of planning permission for change of use
 - iv. able to provide evidence of a fire certificate obtained when setting up the B&B to get business insurance policy and public liability cover
 - v. able to provide evidence that the business is registered with local Environmental Health Office when setting up the B&B
- xi) we follow the Government guidance on supporting businesses in shared spaces – in doing so we mirror the qualification criteria in terms of type of businesses supported under the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes. This will include qualifying businesses occupying shared spaces in units in industrial parks, science parks and incubators which do not have their own business rates assessment – The following eligibility criteria will apply:
- a. Small business, as defined under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year
 - Turnover: Not more than £10.2 million
 - Balance sheet total: Not more than 5.1 million
 - Number of employees: a headcount of staff of less than 50 Grants of £10,000 will be provided
 - b. Micro business, as defined under the Companies Act 2006, a business must satisfy two or more of the following requirements —
 - Turnover: Not more than £632,000
 - Balance sheet total: Not more than £316,000
 - Number of employees: a headcount of staff of not more than 10 Grants of £5,000 will be provided
- xii) we follow the Government guidance on supporting those charities in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief in this category – mirroring the support that would otherwise have paid had they been eligible for Small Business Rates Relief or Rural Rate Relief and who received a grant payment of £10,000 – no other charities to be eligible for support;

- xiii) we follow the Government guidance on supporting regular market traders who do not have their own business rates assessment but who can demonstrate that they relatively high ongoing fixed property-related costs – a maximum payment of £3,000 would be provided. The market traders must be living within County Durham and be able to provide evidence of trading a minimum of 4 days a week
- xiv) we support private nurseries that are eligible for the Nursery Discount but who were not eligible for support under the Small Business Grants Fund or Retail, Hospitality and Leisure Grants Fund to close the gap in terms of inequity of treatment under the national scheme – a maximum payment of £5,000 would be provided based on affordability grounds;
- xv) we support small manufacturing businesses with small retail outlets within the property that sell to the public, but which were not eligible under the Retail Hospitality and Leisure Grants Fund as the retail element was less than 50% of the floor space - grants of £25,000 or £10,000 could be made in this regard to ensure some parity with the businesses that received support under the national scheme;
- xvi) we support businesses involved in the supply chain to the Retail Hospitality and Leisure Industry (wholesalers) but who were ineligible for support Grants Fund as they did not retail to the public - grants of £25,000 or £10,000 could be made in this regard to ensure some parity with the businesses that received support under the national scheme.
- xvii) we will reserve the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so in order to ensure we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund

Financial Implications

- 35 Resources available are limited and demand for support would significantly outstrip the funding available.
- 36 In developing the Councils local policy the focus has been on following the Government guidance.
- 37 It is difficult to accurately determine what the proposed scheme will cost, however based on the intelligence available it is estimated that an additional 434 businesses will be supported with estimated costs of circa £5.312 million. This is £356,750 higher than the floor grant

allocation and if this was the case would be a cost to the Council.
However:

- i) The costs include a prudent assessment of between 10 and 15% of the businesses at Appendix 2 meeting the criteria of having retail to the general public. The considered opinion is that this is the top end of the estimated numbers that would be able to evidence this;
- ii) For costing purposes, the assumption has been made that businesses in shared spaces will all receive grants of £10,000, however some will fall into the micro business category and receive grants of £5,000; and
- iii) A number of the market traders and other micro businesses operating in shared spaces may be excluded if they do not have “relatively high ongoing fixed property-related costs”

Local Discretionary Rate Relief Policy

38 The Councils Discretionary Rate Relief Policy has been amended to include the new Local Authority Discretionary Grant Fund. In addition the policy has been amended to reflect the changes announced in the March 2020 budget and on 18 and 23 March 2020. These changes include:

- i) Extension to the Local Newspaper Relief
- ii) Expansion to the Retail Discount
- iii) Nursery Discount
- iv) Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund

Conclusions

39 In response to the Coronavirus, COVID-19, impact on small businesses the government have provided grant funding to support small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund (SBGF) and the Retail, Leisure and Hospitality Grant Fund (RHLGF). Local authorities are responsible for delivering grants to eligible businesses in line with national guidance and eligibility criteria.

40 On 1 May 2020, the Government announced additional grant funding for local authorities to establish local Discretionary Grants Funds. Government guidance was published on 13 May and updated on 22

May, with further guidance by way of published Frequently Asked Questions on 26 May, 2020.

- 41 The Government's intention is that the Discretionary Grants Fund scheme is focused on small and micro businesses who were not eligible for the SBGF or the RHLGF. The initial floor funding allocation for Durham is £4,955,250. This is based on 5% of the estimated spending on the SBGF and RHLGF as at 4 May 2020.
- 42 Whilst the original SBGF and RHLGF is estimated to provide support to circa 8,855 small businesses there are a further circa 2,700 businesses that have not been supported through these grants.
- 43 With the limited amount of grant provided the Council needs to develop a scheme that ensures we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund.
- 44 Whilst local authorities have some discretion over their local policy, the Government has set some national eligibility criteria that we must follow and made clear which businesses they expect us to support.
- 45 The Government have asked local authorities to prioritise the following types of businesses for grants from within this funding pot:
- Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
- i) Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
 - ii) Bed & Breakfasts which pay Council Tax instead of business rates; and
 - iii) Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.
- 46 In considering the Council's local scheme we have followed this national guidance but also included provision for supporting the following
- i) private nurseries that were not eligible for support under the SBGF or RHLGF to close the gap in terms of inequity of treatment under the national scheme;
 - ii) small manufacturing businesses with small retail outlets within the property that sell to the public, but which were not eligible under

the RHLGF as the retail element was less than 50% of the floor space;

- iii) businesses involved in the supply chain to the Retail Hospitality and Leisure Industry (wholesalers) but who were ineligible for support Grants Fund as they did not retail to the public.

- 47 It is estimated that the Councils Local Discretionary Grants Fund will provide support to 434 businesses at an estimated cost of £5.312m.
- 48 Within the policy the Council reserves the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so.
- 49 To implement this policy the Councils Discretionary Rates Relief and Business Rates Hardship Relief Policy has been updated and is attached at Appendix 3.

Background papers

- MHCLG guidance 13 and 22 May 2020
- MHCLG Frequently Asked Questions 26 May 2020

Other useful documents

- None

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Appendix 1: Implications

Legal

Section 1 of the Localism Act 2011 provides Local Authorities with the powers to make the Local Authority Discretionary Grants.

Finance

Durham has been allocated £4,955,250 from a £617million COVID-19 Business Support Fund announced on 1 May 2020 to support economically vulnerable people and households.

Based on Durham's Local Authority Discretionary Grant Fund estimated numbers of businesses eligible for support and costs are as follows:

	Estimated Number of Eligible Businesses	Value of Grant	Estimated Costs
Bed & Breakfast (excluding AirB&Bs)	40	10,000	400,000
Shared Space Businesses	73	10,000	730,000
Charities who would otherwise have qualified for SBRR / RR	57	10,000	570,000
Regular Market Traders	49	3,000	147,000
Private Nurseries	37	5,000	185,000
Manufacturers with retail to general public occupying a property with an RV less than £15k (calculated as 10% eligible)	78	10,000	780,000
Manufacturers with retail to general public occupying a property with an RV of between £15k and £51k (calculated as 15% eligible)	90	25,000	2,250,000
Not for Profit involved in the Retail, Hospitality and Leisure Industry	10	25,000	250,000
Total	434		5,312,000

The above costs are circa £356,750 higher than the floor grant allocation and if this was the case would be a cost to the Council. However, the costs include a prudent assessment of between 10 and 15% of the businesses at Appendix 2 meeting the criteria of having retail to the general public. In addition, the assumption has been made that businesses in shared spaces will all receive

grants of £10,000, however some will fall into the micro business category and receive grants of £5,000

The considered opinion is that this is the top end of the estimated numbers that would be able to evidence this.

Within the policy the Council, reserves the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so. in order to ensure we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund.

Consultation

The Portfolio Holder for Finance and Economic Regeneration were consulted on the contents of this report and the updated policy to implement the proposals set out in this report.

Equality and Diversity / Public Sector Equality Duty

An impact assessment of the current Discretionary Rate Relief and Hardship Relief policy was included in the July 2017 and February 2018 Cabinet Report.

Data on protected characteristics is not available to fully assess impact of the proposed Discretionary Grants Fund, however an initial screening has been carried out and there was no apparent disproportionate actual or potential negative or positive impact on the protected characteristics.

However, one priority support category is private nurseries (not previously eligible for the small business grants fund), which could potentially help working age families who rely on childcare where a nursery has been supported to remain in business.

Businesses already identified as eligible will be targeted first followed by a communication campaign to raise awareness of the scheme to other potentially eligible businesses. Applications will be online and consideration will be given where required to requests for reasonable adjustments for disabled applicants.

The Policy will be monitored and reviewed, in order to maximise spend against the available grant. In addition, monitoring of any feedback will be captured throughout the period of the payment of these grants, and if required, amendments will be carried out to the policy

Human Rights

None

Climate Change

None

Crime and Disorder

None

Staffing

Enquires and processing of the Local Discretionary Grants Fund applications will be handled by the Business Rates team, who will continue to work with colleagues in Business Durham.

It is anticipated that there will be significant increase in the volume of work items received and there may be significant increase in the number of customers contacting the team to enquire about the scheme which will put pressure on their capacity to deal with their existing work.

The volume and pressures of work will be closely monitored and if required increased resource will be put into the Business Rates team.

The suspension of recovery action on council tax and business rate accounts has released capacity in the Collections team which can be called on alongside support from the wider Assessments and Awards Teams. In addition, telephone enquiries can be handled by Customer Services.

The Government have stated that they are committed to meeting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs. No details have been provided yet for this new scheme.

Accommodation

None

Risk

Resources available are limited and demand for support will significantly outstrip the funding available.

Communication of the policy is critical to ensuring that those businesses who are eligible to receive support access it but equally that the Council does not face unfair criticism of its approach from those businesses that will be ineligible.

In developing the Councils local policy the focus has been on following the Government guidance.

It is difficult to accurately determine what the proposed scheme will cost, however based on the intelligence available it is estimated that an additional

434 businesses will be supported with estimated costs of circa £5.312 million. This is £356,750 higher than the floor grant allocation and if this was the case would be a cost to the Council. However:

- The costs include a prudent assessment of between 10 and 15% of the businesses at Appendix 2 meeting the criteria of having retail to the general public. The considered opinion is that this is the top end of the estimated numbers that would be able to evidence this;
- A number of the market traders and other micro businesses operating in shared spaces may be excluded if they do not have “relatively high ongoing fixed property-related costs”

The amount of support provided will be carefully monitored to ensure that this funding is utilised. The level of award may be reviewed if it appears that the funding will be significantly underspent.

Within the policy the Council, reserves the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so. in order to ensure we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund.

Procurement

None

Appendix 2: Analysis of Businesses Not Supported under SBGF and RHLGF

	Notes	Number of Businesses
Businesses in Rating List that were ineligible (excl charities):		
Occupying a Rated Premises less than £15k RV	A	779
Occupying a Rated Premises between £15 and £51k RV	B	600
Occupying a Rated Premises greater than £51k	C	878
Charities in Rating list that were ineligible:		
Occupying a Rated Premises less than £15k RV	D	95
Occupying a Rated Premises between £15 and £51k RV		83
Occupying a Rated Premises greater than £51k		94
Businesses occupying shared space (initial estimates only):		
Sharing a Rated Premises less than £15k RV		19
Sharing a Rated Premises between £15 and £51k RV		33
Sharing a Rated Premises greater than £51k		21
B&B proprietors(excl AirB&Bs) in Council Tax not Business Rates		40
Regular Market Traders (based on info available)		49
Total Potential Businesses for Support		2,691

Notes:

- A. It is estimated that there are potentially 10 to 15% of these that have an element of retail or are involved indirectly in the Retail, Hospitality and Leisure industry. In addition, there are 15 Nurseries that did not qualify for Small Business Rate relief and who therefore did not qualify for support under the Small Business Grants Fund
- B. It is estimated that there are potentially 10 to 15% of these that have an element of retail or are involved indirectly in the Retail, Hospitality and Leisure industry. In addition, there are 22 Nurseries that did not qualify for the original business rates grants schemes.
- C. Included in here are 10 not-for profit organisations running community leisure facilities in this category who were ineligible for support under the Retail, Hospitality and Leisure Grants scheme – a good example being Active Life in Coxhoe;

D. There are 57 charities in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief in this category.

	Total Number of Businesses
Rateable Value Under 15k	
Factories/Workshops/Showroom	228
Warehouses/Premises	62
Dentist/Vets	33
Stores/Premises	56
Offices	380
Miscellaneous	20
TOTAL	779
Rateable Value 15-51K	
Factories/Workshops/Showroom	307
Warehouses/Premises	161
Dentist/Vets	16
Stores/Premises	9
Offices	103
Miscellaneous	4
TOTAL	600
Rateable Value over 51k	
RV 51K - 59,999K	156
RV 60K - 69,999K	119
RV 70K - 79,999K	101
Rv 80K - 89,999K	80
RV 90K - 99,999K	53
Over RV 100,000K	463
TOTAL	972

**Discretionary
Rates Relief &
business Rates
Hardship Relief
Policy**

Altogether better



May 2020

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1 Introduction and Purpose of Policy Document

- 1.1 This policy has been designed to ensure that all customers making an application for rate relief are treated in a fair, consistent and equal manner.
- 1.2 This policy has been written to:
- (a) demonstrate how Durham County Council will operate its discretionary powers set out in the Local Government Finance Act (LGFA) 1988 and Localism Act 2011 and the factors that will be considered when deciding if relief can be awarded and the way in which the value of relief will be granted;
 - (b) demonstrate how Durham County Council will administer Government funded rates relief schemes – including the schemes first announced in 2017 and the extension of these schemes announced in the March 2017, November 2017, October 2019 budgets, December 2019 Queens Speech and the March 2020 budget plus the package of targeted measures announced in March 2020 and May 2020 to support businesses through the period of disruption caused by COVID 19. These schemes being:
 - support for small businesses losing Small Business Rate Relief (SBRR) as a result of the revaluation effective from April 2017, where increases would be limited to the greater of £600 or the real terms transitional relief cap for small businesses each year;
 - the new local discretionary relief scheme to provide support to businesses adversely impacted by the revaluation effective from April 2017; and
 - ~~a £1,000 business rate discount for public houses with a rateable value of up to £100,000, subject to state aid limits for businesses with multiple properties, for two years from 1 April 2017; — new announcement in Queens speech additional discount for pubs — no indication of the amount of discount~~
 - a one third discount for retail property with a rateable value below £51,000, subject to state aid limits for businesses with multiple properties, for one year from 1 April 2019, increasing to 50 percent discount for one year from 1 April

2020, but increased to 100% and extended to include the leisure and hospitality sectors in 2020/21;

- A 100% nursery discount to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage;
 - The Small Business Grant Fund and the Retail, Hospitality and Leisure Grant Fund for 2020-21
 - The Local Discretionary Grant Fund to support small businesses who were not eligible for the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant Fund
- (c) set guidelines for the factors that should be considered when making a decision to award or refuse an application;
- (d) set out the delegated authority to award relief in appropriate circumstances;
- (e) establish an appeals procedure for customers dissatisfied with a decision;
- (f) safeguard the interest of the local taxpayers by ensuring that funds that are allocated for the award of relief are used in the most effective and economic way.

2 Legislation

- 2.1 Section 47 of the LGFA 1988 permits the billing authority to grant discretionary rate relief. This was amended by the Localism Act 2011 section 69 from 1 April 2012, which removed the previous restrictions of discretionary relief to only apply to charities and other organisations of prescribed types.
- 2.2 The billing authority may make a decision to grant relief, only if it is satisfied that it would be reasonable to do so, having regard to the interests of the council taxpayers.
- 2.3 Discretionary relief may not be granted where the property is an excepted property i.e. occupied by a billing authority or a precepting authority.

3 Business Rates – Discretionary Rates Relief Policy

3.1 Equality and Fairness

3.1.1 Each application for relief will be dealt with on its own merits and the council will treat all organisations that apply for discretionary rate relief equally and fairly. The scheme will operate in a manner that helps support Durham County Council priorities and key objectives contained in the Sustainable Community Strategy and the Council Plan. Public funds are not however unlimited, a proportion of the costs of relief granted is borne by council taxpayers.

3.2 Criteria Used in the Decision Making Process

3.2.1 The criteria to be used in deciding whether to give discretionary rate relief are based on assessing how an organisation's work helps achieve the Council's priorities and meeting the community's needs for services and facilities.

3.2.2 The following essential criteria **must** be met before Durham County Council would consider awarding discretionary rate relief:

- (a) The ratepayer must be a non-profit making body; and/or
- (b) Irrespective of whether an organisation is registered as a charity or not, the property must be used by the ratepayer wholly or mainly for charitable, philanthropic or religious purposes, or concerned with education, social welfare, science, literature and the fine arts, or the ratepayer must use the property wholly or mainly for recreation by a non-profit making club or society. This is essential if any relief (either mandatory or discretionary) is to be granted. In most cases this can be readily seen by inspection but on occasions the authority has had to question the actual use of the premises to which relief is being sort.
- (c) Consideration will be given as to what proportion of the premises is wholly or mainly used for the purposes of the organisation. Has the organisation exercised due diligence in ensuring the premises are of a suitable size for their requirement and have not committed to an onerous lease or excessive space.

- 3.2.3 It is possible for a voluntary organisation to apply for 100% discretionary rate relief, and for registered charities to apply for an additional 20% discretionary relief in addition to the mandatory relief they already receive providing they meet the essential criteria detailed in the Levels of Discretion detailed in paragraphs 3.3.1 to 3.3.2.
- 3.2.4 Community Interest Companies (CICs) would not qualify for mandatory relief and any discretionary relief application would be considered based on the essential criteria detailed in the Levels of Discretion detailed in paragraphs 3.3.1 to 3.3.2.
- 3.2.5 There are however, exceptions to this general rule which include: Housing Associations, Leisure Trusts, Voluntary Schools, Colleges and Universities or similar. These organisations are charitable trusts for the purposes of the rating legislation and qualify for mandatory relief. However due to the funding streams available no discretionary top-up relief will be granted to these bodies.
- 3.2.6 Every application for discretionary rate relief will be considered on an individual basis.
- 3.2.7 The Council will need to be satisfied that value for money is being provided to the people of County Durham, bearing in mind the relief an organisation will receive. In making awards, consideration will be given to the financial impact on the council and whether or not an organisation is already funded or commissioned by the council. The decision to award relief must only be taken where it is in the wider interest of Council Taxpayers in County Durham.
- 3.2.8 Relief may be refused if it is considered that the cost to the council and its taxpayers outweighs the benefit that will be gained from the award of the relief. If the benefit of the rate relief is kept locally, the relief is more likely to be awarded.
- 3.2.9 The finances of the organisation will be examined. This will include examination of the membership fees structure, examination and reasoning of level of reserves in relation to the amount of turnover and the rates actually charged, payments to staff and directors will all be taken into consideration when determining the application. If it appears that the reserve finances are not being used or partially used to benefit the local community, the application may be refused unless the ratepayer can demonstrate their reasoning.

3.2.10 Some organisations or charities do not need to be registered with the Charity Commission where the annual income is under £5,000. In these cases, if the organisation has applied to Her Majesty's Revenue and Customs (HMRC) for tax relief, a HMRC number will be provided and mandatory relief can be awarded.

3.2.11 Organisations that meet the qualifying criteria for small business rates relief will not be considered for discretionary rate relief until they have applied for small business rates relief. This will reduce the financial contribution on the authority. These organisations even though they may not be a small business, are however ratepayers who are entitled to apply for this relief. Durham County Council will provide support and guidance on how to apply for small business rates relief from the Council.

3.3 Levels of Discretionary Rate Relief Available

3.3.1 Registered charities or equivalent already in receipt of mandatory relief will receive the following top up relief provided they meet the relevant criteria (as identified above):

For Registered Charities or Equivalent (CASCs, CIO or Exempt Charities) entitled to Mandatory Rate Relief	% Relief Awarded (Top up to Mandatory Rate Relief)
1. Community Centres/Community Associations and other registered charities responsible for paying rates on Community Centre and village halls.	100
2. Training Centres/Training Organisations offering schemes for particular groups to develop their skills e.g. young people, unemployed people.	100
3. National Charity Shops.	0
4. Local Charity Shops	100
5. Local Heritage Projects.	100
6. Essential Community Services e.g. CAB, Hospice, Samaritans.	100
7. Sports Clubs (Must be CASC or registered Charity).	Up to 100

For Registered Charities or Equivalent (CASCs, CIO or Exempt Charities) entitled to Mandatory Rate Relief	% Relief Awarded (Top up to Mandatory Rate Relief)
8. Museums.	100
9. Private Schools, Leisure Trust, Universities/Colleges and Academies.	0
10. Housing Associations or similar organisations	0

3.3.2 Non Registered charities and community based organisations will receive the following relief provided they meet the relevant criteria.

Organisations not entitled to Mandatory Rate Relief but who are established Not for Profit Making Organisation	% Relief
1. Community Centre, Community Associations, Agencies, Community Resource Centres which are not conducted for profit and which occupy premises that provide a community focal point.	100
2. Recreational community based clubs or societies e.g. youth clubs, boy scouts, girl guides. (Sports Clubs will not qualify unless CASC or registered Charity).	100
3. Philanthropic organisations that are community based.	100
4. Religious organisations that promote an understanding of religion that leads to a greater awareness of religious differences within the community.	100
5. Educational organisations that provide education support or training.	100
6. Scientific organisations that promote an awareness of science etc.	100
7. Literature and Fine Arts that promote an awareness of Literature and Fine Arts.	100
8. Training Centres/Training Organisations offering schemes for particular groups to develop their skills e.g. young people, unemployed people.	100
9. Training Centres/Training Organisations offering schemes and advice to businesses.	50
10. Private Nurseries and Day Care Centres.	0

Organisations not entitled to Mandatory Rate Relief but who are established Not for Profit Making Organisation	% Relief
11. Community Interest Companies (CICs).	Up to 100

The following additional criteria will be used when dealing with applications for discretionary rate relief.

Reason for Increasing Amount of Relief:

1. Active encouragement of membership for all groups;
2. Affiliated to local or national organisations;
3. More than 50% drawn locally.

Reason for Reducing Amount of Relief:

1. Bar facilities**;
2. Restrictive fees and Restrictive membership***.

	Maximum Percentage of Relief to be Awarded
Bar Facilities** Licensed Bar – Full licence operating through the year for registered charities or CASC.	10% Discretionary Rate Relief top-up.
Licensed bar is open but where the club/organisation has a restricted seasonal/match day licence for registered charities or CASC	10% or 20% Discretionary Rate Relief top-up.
No Bar and a registered charity or CASC.	20% Discretionary Rate Relief or top-up.
Restrictive fees and membership*** Where coaching, mentoring or training is at a minimal cost and the membership subscription can be shown not to exclude the general community.	50%
Where the organisation encourages the young, those with disabilities and the elderly to partake in their activities and where the organisation benefits the local community by its activities.	40%
Where the organisation actively seeks to eliminate all forms of discrimination in its activities, in line with the new authority's own commitment to Equal Opportunities.	10%

3.3.3 Businesses in rural settlement lists will receive the following relief provided they meet the relevant criteria and receive mandatory rural relief.

Rural relief	% Relief
1. Sole shop in a rural settlement area selling mainly food and household goods meeting the criteria of mandatory relief.	100
2. Sole Post Office in a rural settlement area meeting the criteria for mandatory relief.	100
3. Sole public house in a rural settlement area meeting the criteria for mandatory relief.	100
4. Sole petrol station in a rural settlement area meeting the criteria for mandatory relief.	100

3.4 Claiming Mandatory and Discretionary Rate Relief

3.4.1 A claim must be made using the discretionary rate relief application form which is available on the council's website (www.durham.gov.uk). This application form and supporting information, including the Memorandum, Articles of Association or constitution, the latest Annual Report and the last two years professionally prepared account should be completed and returned to:

Durham County Council
Revenues and Benefits
PO Box 238
Stanley
County Durham
DH8 1FP

3.4.2 It is the responsibility of the organisation applying for the relief to provide sufficient information and documentary evidence to support applications. If the organisation applying does not or will not provide the required evidence the application will still be considered but only on the basis of the information and evidence provided.

3.5 Period of Award

3.5.1 Entitlement to relief will be subject to a regular review or if there is a change in legislation that would affect its operation and taking into account council policies and priorities, any withdrawal or variation of relief is subject to one financial years notice.

3.6 Notification of Award

3.6.1 The Council will inform the organisation applying for relief, in writing of the outcome of their application for discretionary rate relief.

3.6.2 The Council will endeavour to determine any application received within 28 days of receipt of the full information required to assess the claim.

3.6.3 Where the application is not successful, the notification will provide full reasons why it has not been decided not to award discretionary rate relief and the applicant's right to ask us to look at the decision again.

3.6.4 Where the application is successful, the notification will include the percentage of relief awarded and details of when an amended Business Rate Demand will be issued.

3.7 Appeals

3.7.1 If you disagree with a decision made under this policy, you must write and tell Durham County Council why you think the decision is wrong and provide any additional information in support of the claim. An independent panel will look at the case.

3.7.2 The panel will check the discretionary rate relief application thoroughly and take account of any additional information in your appeal letter. The panel will decide whether or not the criteria have been properly applied. The panel will confirm the decision, change the decision to pay more discretionary rate relief or change the decision to pay less discretionary rate relief.

3.7.3 Durham County Council will write to tell you the outcome of the appeal. There is no further right of appeal against the decision of the panel. Any further appeal against this decision must be done through judicial review proceedings.

4 Relief for Properties that are Partially Unoccupied for a Temporary Period

4.1 Legislation

4.1.1 Section 44A of the Local Government Finance Act 1988 enables a billing authority discretionary powers to grant relief on a property that is partly unoccupied or not fully occupied if it appears to the authority that this situation will remain for a “short period of time” only.

4.1.2 Partially occupied rate relief (also referred to as Section 44A Relief) is not intended to be used where part of a property is temporarily not used. The intention is aimed at situations where there are practical difficulties in occupying or vacating all of a property.

4.2 Making an Application

4.2.1 Applications must be made by the ratepayer.

4.2.2 Durham County Council will require a written application and the ratepayer must supply a plan of the property, with the unoccupied portions clearly identified and a timetable or schedule of works detailing plans for the phased occupation/vacation.

4.3 The Decision Making Process

4.3.1 Durham County Council will require accompanied access to the property during normal working hours to verify the application.

4.3.2 Relief will not be awarded under any circumstance where it is not possible to verify the application.

4.3.3 No award shall be made where it appears to the Council that the reason that part of the property is unoccupied is wholly or mainly for the purpose of applying for rate relief.

4.3.4 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.

4.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales

provided to them and will notify the customer in writing that the application has been refused.

4.4 Period of Section 44A Relief

4.4.1 Section 44A Relief will only be applied to a property that is partly occupied for a temporary period. The relief can only be awarded for a maximum of three months in cases of offices and shops, or six months in the case of industrial properties.

4.4.2 Section 44A Relief will end under the following circumstances:

- (a) At the end of a financial year, regardless of the date relief was applied;
- (b) Where all or part of the unoccupied area becomes occupied;
- (c) The person liable for Business Rates changes.

4.5 Calculation of Section 44A Relief

4.5.1 Where Durham County Council agrees to award a Section 44A Relief, notification will be sent to the Valuation Officer to seek a reduction in the rateable value.

4.5.2 The amount of relief is calculated on a statutory basis based on the rateable value of the empty portion of the property. The appropriate rateable value is provided to Durham County Council by the Valuation Office Agency.

5 Business Rates – Local Newspaper Relief

5.1 Legislation

5.1.1 This relief was introduced from 1 April 2017 for an initial two year period but was extended to three years in the October 2018 budget and extended for an additional 5 years until 31 March 2025 in the March 2020 budget further year in the Queens Speech in December 2019. Under Section 47 of the Local Government Finance Act 1988 the billing authority has discretionary powers to grant relief in the prescribed circumstances.

5.2 Properties that will Benefit from this Relief

- 5.2.1 A £1,500 business rates discount for office space occupied by local newspapers in England, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits.

5.3 Criteria used in the Decision Making Process

- 5.3.1 Durham County Council will require a written application form.
- 5.3.2 The new local newspaper relief is granted as de minimis aid for State Aid purposes. There is currently a ceiling of 200,000 Euros of de minimis aid that can be granted over a three year rolling period.
- 5.3.3 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.
- 5.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

5.4 Period of Local Newspaper Relief

- 5.4.1 The relief is **only** applicable **from 1 April 2017 to 31 March 2025** ~~or the financial years 2017/18, 2018/19 and 2019/20, 2020/21.~~

6 Business Rates – Supporting Small Businesses Relief

6.1 Legislation

- 6.1.1 This relief was introduced from 1 April 2017 for a maximum of five years under Section 47 of the Local Government Finance Act 1988 and the billing authority has discretionary powers to grant relief in the prescribed circumstances.

6.2 Properties that will Benefit from this Relief

- 6.2.1 Those ratepayers who as a result of the change in their rateable value at Revaluation in 2017 are losing some or all of their small business or rural rate relief and as a result are facing large increases in their bills.

6.2.2 The supporting small businesses relief will ensure that the increase per year in the bills of these ratepayers is limited to the greater of:

- (a) a cash value of £600 per year (£50 per month). This cash minimum ensures that those ratepayers currently paying nothing or very small amounts are brought onto paying something; or,
- (b) the matching cap on increases for small properties in the transitional relief scheme.

6.3 Criteria used in the Decision Making Process

6.3.1 Durham County Council will identify those businesses that meet the qualifying criteria and write to them and/or require a written application form.

6.3.2 The Supporting Small Businesses relief is subject to de minimis State Aid rules, therefore any applicant or business where the relief is applied to will be required to confirm that the award of this relief does not contravene State Aid rules. There is currently a ceiling of 200,000 Euros of de minimis aid that can be granted over a three year rolling period.

6.3.3 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.

6.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

6.4 Period of Supporting Small Businesses Relief

6.4.1 Ratepayers will remain in the Supporting Small Businesses relief scheme for either five years or until they reach the level of charges they would have paid without the scheme.

6.4.2 A change of ratepayer will not affect the eligibility for the Supporting Small Businesses relief scheme.

6.4.3 Eligibility will be lost if the property becomes vacant or becomes occupied by a charity or Community Amateur Sports Club.

7 Business Rates Support for Pubs

7.1 Legislation

7.1.1 This relief was introduced from 1 April 2017 for an initial one year period, but was extended to two years in the November 2017 Budget under Section 47 of the Local Government Finance Act 1988 the billing authority has discretionary powers to grant relief in the prescribed circumstances.

7.2 Properties that will Benefit from this Relief

7.2.1 Public Houses with a rateable value of below £100,000.

7.2.2 Eligible pubs will receive a £1,000 discount on their bill up to state aid limits.

7.3 Criteria used in the Decision Making Process

7.3.1 Durham County Council will identify those businesses that meet the qualifying criteria and write to them and/or require a written application form.

7.3.2 The Support for Pubs relief is subject to de minimis State Aid rules, therefore any applicant or business where the relief is applied to will be required to confirm that the award of this relief does not contravene State Aid rules. There is currently a ceiling of 200,000 Euros of de minimis aid that can be granted over a three year rolling period.

7.3.3 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.

7.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

7.4 Period of Support for Pubs

7.4.1 The relief will only be applicable for the financial years 2017/18 and 2018/19.

~~7.4.2 Applications for this relief for the financial year 2018/19 will still be considered up to 30 September 2019.~~

7 Business Rates – Local Discretionary Relief Scheme

7.1 Legislation

7.1.1 In the March 2017 Budget, the government announced the establishment of a discretionary fund over four years, from 2017/18, to support those businesses that face the steepest increases in their business rates bills because of the 2017 revaluation.

7.1.2 The government has used the increase in rateable values for those businesses valued up to £200,000 (small and medium sized businesses) to distribute funding to support Billing Authorities in implementing their local schemes. The funding provided to local authorities reduces year on year, with the expectation that the local discretionary relief provided reduces in line.

7.1.2 Billing authorities have been provided with a share of the funding to develop their own Local Discretionary Relief Scheme to deliver targeted support to the most hard-pressed ratepayers in their area. Funding cannot be carried over between years and any overspend against this funding being borne locally.

7.1.3 The discretionary scheme will be administered through existing discretionary powers under Section 47 of the Local Government Finance Act 1988.

7.2 Properties that will Benefit from this Relief

7.2.1 Properties with a rateable value of less than £200,000 (i.e. small and medium sized businesses) that have had an increase in rateable value following the 2017 revaluation.

7.2.2 Properties where the ratepayer was liable for business rates on 31 March 2017 and continues to remain liable for business rates i.e. those small and medium sized businesses adversely impacted by the business rates revaluation and as a result have seen a net increase of over £600 in their rates bill.

7.2.3 Properties that continue to meet the above criteria will receive the following discounts:

2017/18 - 66% of the increase above £600;
2018/19 - 27% of the increase above £600;
2019/20 - 21% of the increase above £600;
2020/21 - 5% of the increase above £600.

7.2.4 The amount of relief awarded may be reviewed in year and may be revised depending upon take up and the impact of appeals, to ensure the total amount of government grant received by Durham County Council is awarded to support local businesses.

7.3 Criteria used in the Decision Making Process

7.3.1 Durham County Council will identify those businesses that meet the qualifying criteria and write to them and/or require a written application form.

7.3.2 The local discretionary relief is subject to de minimis State Aid rules, therefore any applicant or business where the relief is applied to will be required to confirm that the award of this relief does not contravene State Aid rules. There is currently a ceiling of 200,000 Euros of de minimis aid that can be granted over a three year rolling period.

7.3.3 Durham County Council will notify the applicant of the decision in writing where the relief is refused, an explanation of the reasons why will be given.

7.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

7.3.5 Durham County Council will only apply the relief to those ratepayers becoming eligible due to a reduction in rateable value in the 2010 rating list where those reductions are agreed or settled on or before 30 September 2018.

7.4 Period of Local Discretionary Relief

7.4.1 Ratepayers may remain in the local discretionary relief scheme for either four years or until the increase in rate liability (impact of the revaluation in April 2017) falls below £600.

7.4.2 Eligibility will be lost following a change in the person liable to pay business rates.

7.4.3 Eligibility will be lost if the property becomes vacant or becomes occupied by a charity or Community Amateur Sports Club.

8 Business Rates – Expanded Retail Discount

8.1 Legislation

8.1.1 In the October 2018 budget, the government announced a **Business Rates Retail Discount scheme** from 1 April 2019 for a two-year period. In the March 2020 budget in response to the coronavirus pandemic the government announced that it would increase the discount to 100% and extend it to include the leisure and hospitality properties. ~~December 19 the Queens Speech increased the discount from 1 April 2020~~

8.1.2 Under Section 47 of the Local Government Finance Act 1988 the billing authority has discretionary powers to grant the relief in the prescribed circumstances.

8.2 Properties that will Benefit from this Relief

8.2.1 Occupied properties with a rateable value of less than £51,000 that are wholly or mainly being used as shops, restaurants, cafes, drinking establishments, cinemas and music venues. **From 1 April 2020 the discount has been expanded to include occupied properties that are wholly or mainly used assembly, leisure, hotels, guest and boarding premises and self-catering accommodation. There will be no rateable value limit on the discount for 2020/21**

8.2.2 The value of the discount for the financial year 2019/20 will be one third of the bill after mandatory reliefs and other discretionary relief have been applied. **The value of the discount will increase to 100 per cent of the bill, after mandatory reliefs and other discretionary reliefs have been applied from 1 April 2020**

8.3 Criteria used in the Decision Making Process

- 8.3.1** Durham County Council will identify those businesses that meet the qualifying criteria and write to them and / or require a written application form.
- 8.3.2** The Retail Discount is subject to de minimis State Aid rules, therefore any applicant or business where the relief is applied to will be required to confirm that the award of this relief does not contravene State Aid rules. There is currently a ceiling of 200,000 Euros of de minimis aid that can be granted over a three year rolling period. **Given the impact of Covid-19 in the sectors receiving the relief, the expanded retail, leisure and hospitality discount in 2020-21 is not a state aid**
- 8.3.3** Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.
- 8.3.4** Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

8.4 Period of Retail Discount

- 8.4.1** The discount will only be applicable for the financial years 2019/20 and 2020/21.
- 8.4.2** **Eligibility** will be lost if the property becomes vacant. **Following the announcement on 23 March 2020 of measures to limit the spread of coronavirus, the Government confirmed that retail, leisure and hospitality properties that will have to close as a result of the measures will remain eligible for the discount.**

9. Business Rates – Nursery Discount

9.1 Legislation

- 9.1.1** **On 18 March 2020 as an extraordinary response to the coronavirus, the Government announced a business rates Nursery Discount for one year from 1 April 2020.**
- 9.1.2** **Under Section 47 of the Local Government Finance Act 1988 the billing authority has discretionary powers to grant the relief in the prescribed circumstances.**

9.2 Properties that will benefit from this discount

9.2.1 Properties that are occupied by providers of Ofsted's Early Years Register and wholly or mainly used for the provision of Early Years Foundation Stage

9.2.2 The value of the discount is 100% of the bill after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied

9.3 Criteria used in the Decision-Making Process

9.3.1 Durham County Council will identify those businesses that meet the qualifying criteria and write to them and / or require a written application form.

9.3.2 Given the impact of COVID-19 in the sector receiving the discount the Government's assessment is that the nursery discount 2020/21 is not a state aid.

9.3.3 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.

9.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

9.4 Period of Nursery Discount

9.4.1 The discount will only be applicable for the financial year 2020/21

9.4.2 Eligibility will be lost if the property becomes vacant. Properties which have closed temporarily due to the government's advice on COVID-19 will be treated as occupied for the purpose of this discount.

10. Small Business Grant Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLGF)

10.1 Legislation

10.1.1 In response to the Coronavirus, Covid-19, the Government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors. This support will take the form of two grant funding schemes in the Financial Year 2020/21, the Small Business Grant Fund and the Retail, Hospitality and Leisure Grant Fund

10.1.2 The Government will, in line with the eligibility criteria they have set will reimburse Durham County Council in full for the grants paid to eligible businesses. An initial grant of £107,236,000 has been received from Government to fund the estimated costs of these grants.

10.2 Properties that will benefit from the Grants

10.2.1 Small Business Grant Fund

- Properties which on 11 March 2020 were eligible for relief under the business rate Small Business Rate Relief Scheme (including those with a Rateable Value between £12,000 and £15,000 which receive tapered relief)
- Properties which on 11 March 2020 were eligible for relief under the business rate Rural Rate Relief Scheme.

10.2.2 Retail Hospitality and Leisure Grant

- Properties which on 11 March 2020 had a rateable value of less than £51,000 and would have been eligible for a discount under the business rates Expanded Retail Discount Scheme had that scheme been in force for that date.
- Charities which would otherwise meet this criteria but for whose bill for 11 March has been reduced to nil by a local discretionary award

10.2.3 Those properties eligible for the Small Business Grant Fund will receive a grant of £10,000.

10.3.4 Those properties eligible for the Retail, Hospitality and Leisure Grant with a rateable value of up to and including £15,000 will receive a grant of £10,000 and those properties with a rateable value of over £15,000 and less than £51,000 will receive a grant of £25,000.

10.3 Criteria Used in the Decision Making Process

10.3.1 Durham County Council will identify those businesses that meet the qualifying criteria as set by central Government and write to them and /

or require a written application form. An online application form will also be available on the councils website and the Council will actively seek to encourage eligible businesses to apply for these grants.

10.3.2 Any payments made under the SBGF and RHLGF are subject to de minimis State Aid rules, therefore any applicant or business to who the grant is paid will be required to confirm that the award of this relief does not contravene State Aid rules. SBGF can be provided under the existing De Minimis rules provided doing so does not exceed the current ceiling of 200,000 Euros that can be granted over a three year rolling period. Payments made the RHLGF (or SBGF where De Minimis threshold has been reached) are subject UK Covid-19 temporary framework for UK Authorities subject to 800,000 euro limit and confirming that they are not an undertaking in difficulty on 31 December 2019

10.3.3 A post payment verification process will be undertaken to match payments against HMRC and other Government data to verify claims made by businesses. The Government Grants Management Fund and Counter Fraud Function have made available their digital tool, Spotlight, to facilitate these checks. Any fraudulent claims / payments will be subject to recovery and potential prosecution

10.3.4 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.

10.3.5 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

10.4 Period of Grant Funding

10.4.1 Eligible recipients will be entitled to one grant per property from the earlier of the date of payment of the grant by Durham County Council or 1 April 2020. Grants relate to support for the 2020/21 financial year.

10.4.2 The following exclusions are applied:

- Properties occupied for personal uses e.g. private stables and loose boxes, beach huts and moorings

- Car parks and parking spaces
- Properties with a rateable value of £51,000 or over
- Businesses which as of the 11 March 2020 were in liquidation or were dissolved
- Businesses who do not meet the qualification criteria for support under the Retail, Hospitality and Leisure sector

11. Local Authority Discretionary Grant Fund

11.1 Legislation

11.1.1 In response to the Coronavirus, Covid-19, the Government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund. On 1 May 2020 the Government announced that additional funding aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund would be made available. Local authorities may disburse grants to the value of £25,000, £10,000 or any amount under £10,000

11.1.2 Durham County Council will be responsible for delivering these grants to eligible businesses under Section 1 of the Localism Act 2011. The cost of these grants will be met in full by Government.

11.1.3 The Government has set the following mandatory criteria for the scheme

- Only businesses which were trading on 11 March 2020 are eligible for the scheme
- Businesses which have received cash grants from other central government Covid-19 related scheme are ineligible for funding under this scheme. However businesses which have received funding via the Self-Employed Income Support Scheme (SEISS) or the Coronavirus Job Retention Scheme (CJRS) schemes can receive grants under this scheme
- Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme

11.2. Properties that will benefit from the grant

11.2.1 The Government have published national guidance but has allowed local discretion according to the local economic needs of the area.

11.2.2 National guidance states that the scheme will be aimed at Small and micro businesses, as defined in Section 33 Part 2 of the Small Business Enterprise and Employment Act 2015 and Companies Act 2006:

- A small business is defined as one that satisfies two or more of the following requirements in a year:
 - (i) Turnover of not more than £10.2million
 - (ii) Balance sheet total of not more than £5.1million
 - (iii) A headcount of staff of less than 50

- A micro business is defined as one that satisfies two or more of the following requirements in a year:
 - (i) Turnover of not more than £632,000
 - (ii) Balance sheet total of not more than £316,000
 - (iii) A headcount of staff of not more than 10

11.2.3 The Government have stated that support should be only provided to businesses with relatively high ongoing fixed property-related costs. Durham County Council considers fixed property costs to include rent, mortgage payments, insurance and rates. This to be a minimum of £200 per month

11.2.4 The Government have stated that support should be only provided to businesses which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis. Durham County Council considers this to be a minimum of 25%. Evidence could be a statement from an accountant, management accounts or order books

11.2.5 The Government have stated that local authorities should prioritise support to businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.

11.2.6 Businesses can only be supported if they were trading on 11 March 2020 and are not in administration.

11.2.7 In-line with Government guidance Durham County Council's policy will target support in line with the following policy guidelines:

- i) that our scheme ensures we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund;

- ii) we have an online application process and that this is not time limited or implemented on a first come first served basis, but that we consider a phased approach to targeting businesses that we believe are eligible for support under the Councils local scheme;
- iii) we implement a robust communications campaign when we launch the policy to manage expectations;
- iv) we ensure we exclude businesses who are eligible for support under the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes;
- v) we do not support businesses operating from a domestic premises (other than B&Bs in council tax – but not AirB&Bs);
- vi) we exclude statutory bodies and other precepting bodies;
- vii) we do not support businesses occupying a premises with a rateable value in excess of £51,000 **unless** they are not for profit organisations involved in the Retail, Hospitality and Leisure Industry or where that property is a shared use space (e.g. an incubator / business start-up space).
- viii) we follow Government guidelines and support businesses with relatively high ongoing fixed property-related costs - Business will need to provide evidence of rent/lease/mortgage/rates/insurance costs of a minimum of £200 per calendar month
- ix) we follow Government guidelines and support businesses which can demonstrate that they have suffered a significant fall in income due to the Covid-19 crisis – Business will need to demonstrate a minimum of 25% reduction in income. Evidence could be a statement from an accountant, management accounts or order books
- x) we follow the Government guidance on targeting support to B&Bs but exclude airB&Bs – mirroring the level of support available to the B&Bs that were rated and received grants of £10,000 under the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes. Bed and Breakfasts which pay Council Tax instead of business rates and are mainly used as guest or boarding premises. B&B's in this category must have fewer than 6 bed spaces and be able to provide evidence of
 - vi. registered for council tax
 - vii. mainly used as guest or boarding premises
 - viii. able to provide evidence of planning permission for change of use
 - ix. able to provide evidence of a fire certificate obtained when setting up the B&B to get business insurance policy and public liability cover
 - x. able to provide evidence that the business is registered with local Environmental Health Office when setting up the B&B

- xi) we follow the Government guidance on supporting businesses in shared spaces – in doing so we mirror the qualification criteria in terms of type of businesses supported under the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grants Fund (RHLGF) schemes. This will include qualifying businesses occupying shared spaces in units in industrial parks, science parks and incubators which do not have their own business rates assessment. Two levels of grants will be provided: £5,000 for micro businesses and £10,000 for small businesses as defined in 11.2.2 above
- xii) we follow the Government guidance on supporting those charities in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief in this category – mirroring the support that would otherwise have paid had they been eligible for Small Business Rates Relief or Rural Rate Relief and who received a grant payment of £10,000 – no other charities to be eligible for support;
- xiii) we follow the Government guidance on supporting regular market traders who do not have their own business rates assessment but who can demonstrate that they relatively high ongoing fixed property-related costs – a maximum payment of £3,000 would be provided. The market traders must be living within County Durham and be able to provide evidence of trading a minimum of 4 days a week
- xiv) we support private nurseries that are eligible for the Nursery Discount but who were not eligible for support under the Small Business Grants Fund or Retail, Hospitality and Leisure Grants Fund to close the gap in terms of inequity of treatment under the national scheme – a maximum payment of £5,000 would be provided based on affordability grounds;
- xv) we support small manufacturing businesses with small retail outlets within the property that sell to the public, but which were not eligible under the Retail Hospitality and Leisure Grants Fund as the retail element was less than 50% of the floor space - grants of £25,000 or £10,000 could be made in this regard to ensure some parity with the businesses that received support under the national scheme;
- xvi) we support businesses involved in the supply chain to the Retail Hospitality and Leisure Industry (wholesalers) but who were ineligible for support Grants Fund as they did not retail to the public - grants of £25,000 or £10,000 could be made in this regard to ensure some parity with the businesses that received support under the national scheme.

11.2.8 Durham County Council reserves the right to withdraw the scheme or vary the terms of the scheme at any time, and without notice, should it be necessary to do so in order to ensure we spend the full funding allocation but that we do not exceed this so far as is possible, recognising that any overspend will fall on the Council to fund;

11.3 Criteria Used in the Decision Making Process

11.3.1 An on-line application form will be used and supporting evidence will be required from applicants. Durham County Council will actively seek to encourage eligible businesses to apply for these grants. The following supporting evidence is required:

- on-going fixed property costs as in 11.2.3
- a significant fall in income as in 11.2.4.

11.3.2 The payments made under Local Authority Discretionary Grant Fund are subject to de minimis State Aid rules, therefore any applicant or business to who the grant is paid will be required to confirm that the award of this relief does not contravene State Aid rules. SBGF can be provided under the existing De Minimis rules provided doing so does not exceed the current ceiling of 200,000 Euros that can be granted over a three year rolling period. Payments made the RHLGF (or SBGF where De Minimis threshold has been reached) are subject UK Covid-19 temporary framework for UK Authorities subject to 800,000 euro limit and confirming that they are not an undertaking in difficulty on 31 December 2019

11.3.3 Durham County Council will notify the applicant of the decision in writing and where the relief is refused, an explanation of the reasons why will be given.

11.3.4 Durham County Council will not consider applications where the customer has failed to provide information within the timescales provided to them and will notify the customer in writing that the application has been refused.

11.3.5 A post payment verification process will be undertaken to match payments against HMRC and other Government data to verify claims made by businesses. The Government Grants Management Fund and Counter Fraud Function have made available their digital tool, Spotlight, to facilitate these checks. Any fraudulent claims / payments will be subject to recovery and potential prosecution.

11.4 Period of Grant Funding

11.4.1 Eligible businesses will be entitled to one grant

11.4.2 Exclusions to the grant fund

- Business who are eligible for any cash grants from any central government COVID related scheme (apart from the Self-Employed Income Support Scheme and the Coronavirus Job Retention Scheme) e.g Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund
- Businesses operating from domestic premises (other than B&B's in Council Tax excluding AirB&B's)
- Properties with a rateable value of £51,000 or over unless they are not for profit organisations involved in the Retail, Hospitality or Leisure industry or where that property is a shared use space (e.g. an incubator/business start up space)
- Businesses that were in liquidation or were dissolved as of 11 March.
- Businesses occupied by other statutory bodies, including Town and Parish Councils
- Businesses that were in administration as of 11 March or those that fall into administration or are dissolved after 11 March
- Businesses that have applied to be removed from Companies House
- Businesses where a striking off notice has been made

12 Hardship Relief for Business Rates

12.1 Legislation

12.1.1 The provisions are set out in Section 49 of the Local Government Finance Act 1988. Councils have the power to reduce or remit the business rate charge where it considers that 'hardship' would otherwise be caused to the ratepayer.

Hardship relief for non-domestic property is intended to provide short term assistance to a business suffering unexpected hardship, financial, or otherwise, arising as a result of exceptional circumstances or short term crisis beyond the business' control and outside of the normal risks associated with running a business of that type, to the extent that the viability of the business would be threatened if an award were not

made. As the Hardship Relief scheme covers unforeseen events, it is not possible to offer precise definitions. However, a 'crisis' would have to result in a serious loss of trade or have a major effect on the services that can be provided.

12.1.2 'Exceptional circumstances' will usually be circumstances that came from outside the business or organisation and are beyond the normal risks faced by businesses and cannot be foreseen or avoided. The effect of strikes within a business or organisation, increased running costs and increased competition would not be considered as 'exceptional circumstances' as they are normal business risks.

12.2 Criteria Used in the Decision Making Process

12.2.1 Applications to reduce or remit the business rate charge will only be considered where the council is satisfied that the ratepayer would otherwise sustain hardship if no award was made and that it is reasonable to grant relief having regard to the interest of council tax payers who are affected by decisions under this section. This is because 50% of the cost of exercising this power has to be funded by the Council through general fund expenditure.

12.2.2 Applications for hardship will be examined on a case-by-case basis and each application will be assessed on its individual merits. Other issues or requirements will also be considered in relation to the application as they arise including:

- (a) all applications should be made in writing from the ratepayer, their advocate/appointee or a recognised third party acting on their behalf, preferably using the relevant form, and should contain the necessary information to substantiate the request;
- (b) all applications are only intended as short term assistance and will not extend beyond the current financial year, and should not be considered as a way of reducing Business Rate Liability indefinitely;
- (c) government guidance advises that remission of Business Rates on the grounds of hardship should be the exception rather than the rule;
- (d) the financial interests of the council tax payers will not be the sole overriding factor e.g. impact on employment and amenities

provision will also be taken into account. The test of 'hardship' is not confined strictly to financial hardship - all relevant factors affecting the ability of a business to meet its liability for rates are taken into account where readily available. Where the granting of relief will have an adverse effect on the financial interests of the council tax payers, relief may still be granted if the case for relief on balance outweighs the costs to taxpayers;

- (e) the potential amount of any relief may in some cases constitute state aid and therefore adherence to EU regulations must be followed;
- (f) the test of hardship will include an assessment of the ratepayer's individual accounts to verify that the payment of rates would cause hardship;
- (g) the assessment of the accounts will identify the cause of the business failings and a simple accounting calculation will be carried out as follows:
 - % of Rates to Sales;
 - % of Rates to Gross Profit;
 - % of Rates to Expenditure;
 - Ratio of Current Assets to Current Liabilities;
 - Ratio of Current Assets Less Stock to Current Liabilities.
- (h) relief will normally only be awarded retrospectively. However, where you can show that the circumstances will remain the same for a period up to the end of the current financial year relief may be awarded for the remainder of the year;
- (i) it is unlikely that Hardship Relief would be granted in respect of an empty property or where there is little expectation of economic survival;
- (j) it is expected that businesses should have taken prompt action to mitigate any factors giving rise to hardship. Examples of mitigating actions may include seeking business advice, discounts and promotions, reviewing pricing, extending the range of stock or services, negotiating with creditors etc. Applications may be declined in circumstances where the business is unable to demonstrate that it is taking reasonable steps to alleviate the hardship.

12.3 Period of Hardship Relief

12.3.1 In all cases relief will end in the following circumstances:

- (a) At the end of a financial year;
- (b) All or part of the unoccupied area becoming occupied;
- (c) A change of liable person;
- (d) The property becomes empty or is used for a different purpose, or it becomes occupied;
- (e) The ratepayer enters any form of formal insolvency;
- (f) The ratepayer's financial circumstances significantly change. The ratepayer must inform the council if their circumstance change, e.g. change in rateable value. Circumstances may also be reviewed by the council periodically where awards are made to confirm hardship persists.

12.3.2 From the assessment of the above criteria, the council will determine if the business is suffering from financial hardship due to the payment of Business Rates. If hardship relief is granted, applicants will be entitled to make further submissions in subsequent years. In the event of successive applications, evidence from an accountant or other professional adviser regarding the **long-term** viability of the business may be required.

12.4 Examples of Appropriate Circumstances

12.4.1 The following examples indicate circumstances where it may be appropriate to award relief. They are included in this policy in the form of broad general guidelines and are not intended to be prescriptive:

- Without rate relief the business will close and deprive local residents of an essential service and a source of significant local employment;
- The ratepayer's business has been detrimentally affected by circumstances beyond the ratepayer's control and that do not constitute part of the normal risks in running a business of that nature (e.g. a natural disaster, an unusual or uncontrollable event in the neighbourhood of the business such as a fire making the immediate area of the business unsafe).

N.B. in addition, it must be in the interest of the community as a whole for Hardship relief to be granted.

12.5 Claiming a Reduction due to Hardship

12.5.1 A claim must be made on an approved application form. This application form and any supporting information should be completed and returned to:

Durham County Council
Revenues and Benefits
PO Box 238
Stanley
County Durham
DH8 1FP

12.5.2 It is the responsibility of the ratepayer applying for relief to provide sufficient information and documentary evidence to support their applications. If the ratepayer applying does not or will not provide the required evidence, we will still consider the application but only on the basis of the information and evidence provided.

12.6 The Decision Making Process

12.6.1 Upon receipt of a written application form, all supporting information must be included for consideration.

- Initial applications will be considered by Assessment & Awards Team Leader (Business Rates). These will include review sheet, with findings and financial implications and initial recommendations.
- Recommendations will then be forwarded to Assistant Assessments & Awards Manager via the Assessment & Awards Team Leader (Business Rates).
- These will then be forwarded to Head of Finance and Transactional Services for approval / refusal.
- Once a decision has been approved the ratepayer will be advised in writing of the decision.

12.7 Review of Decision

12.7.1 Under the Local Government Finance Act 1988, there is no right of appeal against the council's use of discretionary powers. However, on individual discounts, the council will accept a customer's request from a ratepayer for a re-determination of its decision.

12.7.2 Red-determination requests will be considered as follows:

- Re-determination of the decision will be by the Corporate Director;
- The council will consider whether the ratepayer has provided any additional information that will justify a change to its original decision;
- The Council will notify the ratepayer of its decision within 21 days of receiving a request for a redetermination