

Appendix B

South Cambridgeshire District Council

Policy for the Award of Discretionary 'Rural' Rate Relief

In accordance with Section 47 paragraph 3A of the Local Government Finance Act 1988

Overview

The Council recognises the vital role awards of rural rate relief play in assisting the financial viability of essential businesses in small rural communities.

This policy seeks to facilitate awards of rural rate relief and has been agreed by the South Cambridgeshire District Council to ensure all ratepayers making applications for this rate relief are treated in a fair, consistent and equal manner.

This policy;

- Sets criteria for the factors that should be considered when making a decision to award or refuse relief
- Seeks to safeguard the interest of local taxpayers by ensuring that funds allocated for the award of discretionary rate relief are used in the most effective and economic way and in a manner that contributes to the Council's Corporate Objectives.

Scope of the Policy

1. Applications for discretionary rate relief will only be determined once consideration has been given to the award of any mandatory relief to which it appears the ratepayer may be entitled. If considered necessary the Council may require the ratepayer to submit a properly completed application form for mandatory relief.
2. This policy shall apply in respect of applications for discretionary rural rate relief as set out in paragraph 3A to the Local Government Finance Act 1988.
3. The maximum amount of relief awarded under this policy to any ratepayer shall be limited to a cost to the Council of £5,000 per year.
4. Where the Council is aware that an organisation meets the criteria for an award, relief shall normally be allowed automatically. However, if there is any ambiguity regarding entitlement then the ratepayer will be required to complete an application and supply sufficient evidence, to the Council's satisfaction, to support their application.
5. Ratepayers aggrieved with an initial decision made in respect of an application have a right of appeal. Appeals must be made in writing and will only be considered if received within six weeks of the Council notifying the ratepayer of the decision.
6. Determination of awards and appeals shall be processed in accordance with the Council's Constitution.

7. Awards shall be limited to the period ending at 31st March of the year in respect of which the application is made.
8. In exceptional circumstances where an application is considered to be particularly deserving, but falls outside the scope of this policy, the Council may choose to make an exception and award relief. Such awards will be determined in accordance with the Council's Constitution, will be strictly at the discretion of the Council and not subject to any right of appeal.

Criteria

Awards of discretionary rural rate relief shall be made in accordance with the following criteria.

1. The business qualifies for mandatory rural rate relief, and is considered to provide a service that is essential or of considerable benefit to the rural settlement. In this situation a discretionary award equal to 50% of the rates demand shall be made, reducing the liability to zero.
2. The business would qualify for mandatory rural rate relief except for the property's rateable value exceeding the prescribed limit for mandatory rural rate relief, **and**
 - a) Is considered to provide a service that is essential or of considerable benefit to the rural settlement.
 - b) It is considered reasonable for relief to be awarded having given consideration to the interests of Council Taxpayers.

In this situation a discretionary award of up to 100% of the rates demand shall be made.

(It is expected that awards under this criteria will usually be for 100% of the rates liability. However, for example, proportionately lower awards may be made in circumstances where the beneficial service provided extends beyond the immediate rural settlement.)