

## **Supporting Small Businesses Relief 2017 – 2021**

### **Small Business Rate Relief:**

In April 2017, the Government adjusted the regulations relating to Small Business Rate Relief

Prior to 1 April 2017, small business rate relief was granted to businesses who only used one property with a Rateable Value of less than £6,000 and those with rateable values between £6,000 and £12,000 received tapered relief. If you had more than one property you would have been awarded the relief if the rateable value of each of your other properties was less than £2,600.

From 1 April 2017 there was a national revaluation of all Business Rates properties and the values associated to small business rate relief changed. From 1 April 17 relief doubled from 50% to 100% and the £6,000 and £12,000 thresholds increased to £12,000 and £15,000 respectively. Therefore, those with rateable values below £12,000 that meet the eligibility criteria receive 100% relief and those with rateable values between £12,000 and £15,000 receive tapered relief. If you have more than one property, the relief may be granted if the rateable value of each of your other properties is less than £2,900.

### **Additional support for small businesses:**

To help assist with the impact of these changes, Central Government announced that a new scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business rate relief due to the April 2017 revaluation.

The relief is known as **‘Supporting Small Businesses Relief’** (SSBR) and is payable in accordance with a local policy introduced by the council.

The SSBR scheme will ensure that the increase in the bills of ratepayers affected is limited to the greater of:

a) A percentage increase in each year (after inflation is applied) of :

Financial year	% Increase
2017/18	5%
2018/19	7.5%
2019/20	10%
2020/21	10%
2021/22	15%

(For the first year of the scheme the percentage increase is taken against the bill for 31st March 2017 after small business rate relief);  
**or**

b) A cash value of £600 per year (shown as a reduction on the bill)

This means ratepayers who lost some or all of their small business rate relief following the April 2017 revaluation, will see the increase in their bills capped at £600 for 2017/18. The cash minimum increase is £600 per year thereafter for the duration of the 5 year scheme, or until the amount of the charge reaches the amount they would have been liable to pay without the scheme

e.g. A ratepayer who paid nothing due to small business rate relief in 2016/17 but lost their entitlement to relief by moving from a £6000 RV (or less) to more than £15,000 RV would, under the scheme, be paying £3,000 in year 5 (5 x £600)

The Government has also decided that those on the Supporting Small Business Relief Scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for the Supporting Small Businesses Relief scheme.

### **State Aid:**

The award of Business Rates Supporting Small Businesses Relief needs to comply with European Union Law on State Aid. Therefore, to qualify for this relief, as well as meeting the criteria laid down in Sandwell's policy, your business should not receive more than €200,000 of State Aid in a three year period (being the current and prior two financial years). Further information on State Aid can be found at [www.gov.uk/state-aid](http://www.gov.uk/state-aid).

### **Applying the relief**

Sandwell MBC has identified the businesses that are eligible for the 'SSBR' reduction as of October 2017. Ratepayers eligible for the scheme starting in the 2017/18 financial year have been awarded a reduction in line with the new scheme to help off-set the increase in their business rates.

Sandwell MBC has automatically awarded the new Supporting Small Businesses Relief to applicable accounts, backdated to 1st April 2017.

The amount of relief awarded under Supporting Small Business Relief scheme will be recalculated in the event of a change of circumstances, including changes such as a backdated change to the rateable value or the property; the award of another relief or notification that State Aid is in payment.

If you believe you meet the above criteria and are entitled to Supporting Small Business Relief but have not received an amended bill reflecting this reduction, please contact us at [www.sandwell.gov.uk/contactbusinessrates](http://www.sandwell.gov.uk/contactbusinessrates).

### **Sandwell's Policy for the granting of Discretionary Non Domestic Rate Relief**

A copy of Sandwell Council's current policy for the granting of all discretionary NDR reliefs, including SSBR, is available online.