

NNDR Overview

National Non-Domestic Rates, or business rates, as they are more commonly known, are a tax on non-domestic property. The amount collected in Herefordshire is £46m, of which 49% is retained by the council, 1% by the fire service and 50% NNDR Funding Pool national Government. The council agreed a NNDR collection budget of £22.7m for 2014/15.

The Local Government Finance Act 1988 (as amended) provides the framework for authorities to grant the following reliefs, which are fully explained in the council's current policy:

Mandatory – awarded to charities, community amateur sports clubs and qualifying rural businesses.

Discretionary – can be awarded as a top up to mandatory relief, to sports clubs and other non-profit making organisations, some rural businesses, community interest companies and other ratepayers set out in the statutory criteria as stated in the Localism Act 2012.

Hardship – in circumstances when the ratepayer would sustain hardship, or if it was in the interests of the council taxpayer.

Policy 2014/15

From April 2014, the "Policy for Awarding Discretionary Rate Relief" was updated, to limit relief to charities and organisations that are locally based and have a local benefit to the citizens of Herefordshire, and have a social / welfare nature.

All those currently in receipt of discretionary relief have been given 12 months notice to inform them about the further changes to the policy for April 2015 and explain that they may not be then be eligible to apply.