
WELSH STATUTORY INSTRUMENTS

2017 No. 1229

**The Non-Domestic Rating (Small
Business Relief) (Wales) Order 2017**

PART A

General

Title, commencement and application

1.—(1) The title of this Order is the Non-Domestic Rating (Small Business Relief) (Wales) Order 2017.

(2) This Order comes into force on 8 January 2018 but has effect from 1 April 2018.

(3) This Order applies in relation to Wales.

Interpretation

2. In this Order—

“the 1988 Act” (*“Deddf 1988”*) means the Local Government Finance Act 1988;

“electronic communication” (*“cyfathrebiad electronig”*) has the meaning given in section 15(1) of the Electronic Communications Act 2000(1);

“electronic communications apparatus” (*“cyfarpar cyfathrebiadau electronig”*) includes—

- (a) apparatus designed or adapted for use in connection with the provision of an electronic communications network;
- (b) apparatus designed or adapted for a use which consists of or includes the sending or receiving of communications or other signals that are transmitted by means of an electronic communications network;
- (c) lines;
- (d) other structures (including structures forming part only of a building) or things used, designed or adapted for use in connection with the provision of an electronic communications network; and
- (e) any ancillary equipment occupied exclusively for the purpose of a person who is licensed under section 8 of the Wireless Telegraphy Act 2006(2) or who has a grant of recognised spectrum access under section 18 of that Act;

“excepted hereditament” (*“hereditament a eithrir”*) means a hereditament—

(1) Section 15(1) of the Electronic Communications Act 2000 (c. 7) provides that “electronic communication” means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa)—

(a) by means of an electronic communications network; or
(b) by other means but while in an electronic form.

(2) 2006 c. 36. Section 8 was amended by S.I. 2011/1210.

- (a) which is used exclusively for the display of advertisements, the parking of motor vehicles, sewage works or electronic communications apparatus;
- (b) which is a beach hut or a post office;
- (c) to which either paragraph (a) or (b) of section 43(6) of the 1988 Act⁽³⁾ applies (charities or community amateur sports clubs);
- (d) to which either paragraph (a) or (b) of section 47(5B) of the 1988 Act⁽⁴⁾ applies (not for profit organisations);
- (e) which is an excepted hereditament as defined in section 47(9) of the 1988 Act⁽⁵⁾;
- (f) which is a Crown hereditament as defined in section 65A(4) of the 1988 Act⁽⁶⁾;

“line” (*“llinell”*) means any wire, cable, tube, pipe or similar thing (including its casing or coating) which is designed or adapted for use in connection with the provision of any electronic communications network or electronic communications services;

“person authorised to sign on behalf of the ratepayer” (*“person sydd wedi ei awdurdodi i lofnodi ar ran y trethdalwr”*) means, where the ratepayer is—

- (a) a partnership, a partner of that partnership;
- (b) a trust, a trustee of that trust;
- (c) a body corporate, a director of that body; and

in any other case, a person duly authorised to sign on behalf of the ratepayer;

“post office” (*“swyddfa bost”*) means a public post office within the meaning given by section 125(1) of the Postal Services Act 2000⁽⁷⁾;

“qualifying hereditament” (*“hereditament cymwys”*) means a hereditament falling within article 12(1)(c) of this Order;

“relevant financial year” (*“blwyddyn ariannol berthnasol”*) means the financial year in respect of which a ratepayer has served a notice in accordance with article 14;

“signature” (*“llofnod”*), “sign” (*“lofnodi”*) or “signed” (*“lofnodwyd”*), in relation to a notice served in accordance with article 13(3) or 14(6) by electronic communication includes the incorporation in it, or the logical association with it, of an electronic signature, as defined in section 7(2) of the Electronic Communications Act 2000;

“structure” (*“strwythur”*) includes a building only if the sole purpose of that building is to enclose other electronic communications apparatus.

General provision about application of this Order

3. Where a hereditament complies with the conditions in more than one of articles 7, 8 or 9, the article which applies is the article which has the effect of the lowest amount being chargeable in respect of the hereditament.

(3) Section 43(6) was amended by section 64(1) of the Local Government Act 2003 (c. 26), and section 1177 of, and paragraphs 206 and 207 of Part 2 of Schedule 1 to, the Corporation Tax Act 2010 (c. 4).

(4) Section 47(5B) was inserted by section 69 of the Localism Act 2011 (c. 20).

(5) Section 47(9) was amended by paragraph 65 of Schedule 13 to the Local Government Finance Act 1992 (c. 14).

(6) Section 65A was inserted by section 3 of the Local Government and Rating Act 1997 (c. 29). Subsection (4) was amended by paragraph 73 of Schedule 6 to the Criminal Justice and Police Act 2001 (c. 16) and by paragraphs 180 and 181 of Schedule 16 to the Police Reform and Social Responsibility Act 2011 (c. 13).

(7) 2000 c. 26. The definition of “public post office” was inserted into subsection (1) by paragraph 49(1) of Schedule 12 to the Postal Services Act 2011 (c. 5).

Notice of multiple hereditaments

4. Where a ratepayer is liable to pay non-domestic rates for more than two hereditaments shown on a local non-domestic rating list which satisfy only the conditions in article 7 (rateable value conditions), the ratepayer must give notice of those hereditaments to the billing authority for that list in accordance with article 13.

Maximum rateable value for rate relief

5. For the purposes of section 43(4B)(b)(i) of the 1988 Act, the amount prescribed for a hereditament is £20,500.

PART B

Relief

Conditions of relief

6. The conditions to be satisfied for the purposes of section 43(4B)(b)(ii) of the 1988 Act are those prescribed in articles 7 to 9.

Rateable value conditions

7. The rateable value conditions are—
- (a) the rateable value of the hereditament is not more than £12,000;
 - (b) the hereditament is not an excepted hereditament; and
 - (c) the hereditament is wholly occupied.

Child care conditions

8. The child care conditions are—
- (a) the hereditament is wholly used for the purposes of child minding or the provision of day care by a person registered under Part 2 of the Children and Families (Wales) Measure 2010⁽⁸⁾;
 - (b) the hereditament is not an excepted hereditament;
 - (c) the hereditament is wholly occupied;
 - (d) the rateable value of the hereditament is not more than £20,500; and
 - (e) the ratepayer has given notice to the billing authority in respect of the hereditament in accordance with article 14.

Post office conditions

9. The post office conditions are—
- (a) the hereditament, or part of the hereditament, is used for the purposes of a post office;
 - (b) the rateable value of the hereditament is not more than £12,000;
 - (c) the hereditament is wholly occupied; and

(8) 2010 nawm 1.

- (d) the ratepayer has given notice to the billing authority in respect of the hereditament in accordance with article 14.

Amount of E

10. The amount of E prescribed for the purposes of section 44(9) of the 1988 Act is to be determined in accordance with articles 11 and 12.

Amount of E where article 12 does not apply

11.—(1) Unless article 12 applies (ratepayer liable for more than two qualifying hereditaments), where the conditions in article 7, 8 or 9 are satisfied, E is the amount specified in, or calculated in accordance with, paragraph (2).

(2) Where a hereditament satisfies the conditions prescribed by the article specified in column (1) of the table below, and the rateable value of the hereditament is within the range in the corresponding row in column (2), E is the amount specified or as calculated in the corresponding row in column (3).

Table

(1) Article	(2) Rateable value (£)	(3) Amount of E
7 (rateable value)	0 to 6,000	5,000,000
7 (rateable value)	6,001 to 12,000	Calculated in accordance with paragraph (3) of this article
8 (child care)	0 to 6,000	5,000,000
8 (child care)	6,001 to 20,500	Calculated in accordance with paragraph (4) of this article
9 (post office)	0 to 9,000	5,000,000
9 (post office)	9,001 to 12,000	2

(3) The amount of E (for hereditaments meeting the rateable value conditions or post office conditions) is derived from dividing 6000 by the figure reached by subtracting 6000 from the rateable value of the hereditament shown in the local non-domestic rating list for that day, calculated to three decimal places (rounding up or down as appropriate).

(4) The amount of E (for hereditaments meeting the child care conditions) is derived from dividing 14,500 by the figure reached by subtracting 6000 from the rateable value of the hereditament shown in the local non-domestic rating list for that day, calculated to three decimal places (rounding up or down as appropriate).

Amount of E where a ratepayer is liable for more than two qualifying hereditaments shown on a local non-domestic rating list

12.—(1) This article applies—

- (a) separately to each local non-domestic rating list (“a list”);

- (b) only to hereditaments which do not satisfy the conditions in article 8 or 9 (the child care conditions or post office conditions); and
 - (c) where a ratepayer is liable to pay non-domestic rates for more than two hereditaments shown for the day on a list and which satisfy the conditions in article 7 (rateable value conditions) (“qualifying hereditaments”).
- (2) The amount of E for the two qualifying hereditaments with the highest notional values, as determined in accordance with paragraphs (4) to (6), is the amount specified in, or calculated in accordance with, article 11(2).
- (3) The amount of E for any other qualifying hereditaments is 1.
- (4) The notional value of a qualifying hereditament with a rateable value of £6,000 or less, is A.
- (5) The notional value of a qualifying hereditament with a rateable value of £6,001 or more is calculated in accordance with the formula—
- $$((12,000 - A)/6000) \times A$$
- (6) A is the rateable value of the qualifying hereditament.

PART C

Miscellaneous

Notice served in relation to multiple hereditaments

- 13.**—(1) A notice under this article must contain the information and other matters specified in Schedule 1 and must be signed by the ratepayer or a person authorised to sign on behalf of the ratepayer.
- (2) A notice must be given when a ratepayer is, or becomes, liable to pay non-domestic rates for more than two qualifying hereditaments.
- (3) A notice is to be served on the billing authority concerned by—
- (a) addressing it to the authority; and
 - (b) delivering or sending it to the authority’s office by post or electronic communication.
- (4) Any notice sent by electronic communication is to be regarded, unless the contrary is proved, as served when it is received in legible form.
- (5) When a notice has been given the billing authority may from time to time require the ratepayer to give further notices in accordance with this article.

Notice served when child care conditions or post office conditions are met

- 14.**—(1) A notice under this article must contain the information and other matters specified in Schedule 2 and must be signed by the ratepayer or a person authorised to sign on behalf of the ratepayer.
- (2) Subject to paragraphs (3) to (5), a notice given no later than 30 September in a financial year may have effect from a date no earlier than 1 April in the preceding financial year.
- (3) A notice may not be given earlier than 1 October in the financial year preceding the relevant financial year.
- (4) Subject to paragraph (5), where in relation to the hereditament to which the notice relates—
- (a) the part of the relevant conditions concerning rateable value becomes satisfied due to an alteration of a local non-domestic rating list; and

- (b) a notice is given within 4 months after the date of which the billing authority concerned is notified of the alteration pursuant to regulations under section 55 of the 1988 Act⁽⁹⁾ (alteration of lists),

the notice may have effect from a date no earlier than the date on which the alteration takes effect under those regulations.

(5) No notice may have effect for a day earlier than 1 April 2018.

(6) A notice is to be served on the billing authority concerned by—

(a) addressing it to the authority; and

(b) delivering or sending it to the authority's office by post or electronic communication.

(7) Any notice sent by electronic communication is to be regarded, unless the contrary is proved, as served when it is received in legible form.

(8) When a notice has been given in respect of a financial year the billing authority may require the ratepayer to give further notices in accordance with this article in relation to such subsequent financial years as it may from time to time specify.

Revocation and saving provision

15. The Orders specified in Schedule 3 are revoked but continue to apply to a financial year ending on or before 31 March 2018.

6 December 2017

Mark Drakeford
Cabinet Secretary for Finance, one of the Welsh
Ministers

⁽⁹⁾ Section 55 was amended by paragraphs 30 and 79 of Schedule 5 to the Local Government and Housing Act 1989 (c. 42); paragraph 1 of Schedule 10 and paragraph 67 of Schedule 13 to the Local Government Finance Act 1992 (c. 14); paragraph 84 of Schedule 16 to the Local Government (Wales) Act 1994 (c. 19); paragraphs 2 and 3 of Schedule 16 to the Local Government and Public Involvement in Health Act 2007 (c. 28); and section 32 of the Enterprise Act 2016 (c. 12).