

RETAIL RATE RELIEF POLICY

1 BACKGROUND

- 1.1 The retail sector is changing, particularly due to internet shopping, and many high streets are experiencing challenges as they look to adapt to changing consumer preferences in how people shop. The Government wishes to support town centres and high streets in their response by providing particular support to retailers
- 1.2 The Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16 only.

2 INTRODUCTION

- 2.1 Section 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988. The changes came into effect from 1st April 2012 and they extend the provision relating to the granting of discretionary rate relief.
- 2.2 The Local Government Finance Act 1988 gives Local Authorities the power to grant discretionary retail rate relief to properties that are occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

3 AVAILABLE RELIEF

- 3.1 The total amount of relief available for each property for each of the years under this policy is £1,000. The amount does not vary with rateable value and there is no taper.
- 3.2 There is no relief available under this policy for properties with a rateable value of more than £50,000
- 3.3 The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
- 3.4 The relief will be applied against the net business rates bill after all other reliefs have been taken into account.
- 3.5 Where the net rate liability for the day after all other reliefs but before retail rate relief is less than the retail rate relief, the maximum amount of retail rate relief will be no more than the value of the net rate liability.
- 3.6 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid de-minimis limits.

4 AWARDING RELIEF

- 4.1 Properties that will benefit from the retail rate relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

4.2 We consider shops, restaurants, cafes and drinking establishments to mean:

(i) Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licence, chemists, newsagents, hardware stores, supermarkets, etc.)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/display rooms (such as carpet shops, double glazing, garage doors, etc.)
- Car/caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

(ii) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as hair dressers, nail bars, beauty salons, tanning shops, etc.)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

(iii) Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

4.3 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide as to the types of uses that the Council considers to be retail for the purpose of this policy.

- 4.4 On receipt of a completed application form, the Council will determine whether particular properties not listed are broadly similar in nature to those above and, if so, consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above will not be eligible for relief.
- 4.5 As a guide, the list below sets out the types of uses that the Council does not consider to be retail for the purpose of this policy:
- (i) Hereditaments that are being used for the provision of the following services to visiting members of the public:
- Financial services (such as banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers, etc.)
 - Other services (such as estate agents, letting agents, employment agencies, etc.)
 - Medical services (such as vets, dentists, doctors, osteopaths, chiropractors, etc.)
 - Professional services (such as solicitors, accountants, insurance agents, financial advisors, tutors, etc.)
 - Post office sorting office
- (ii) Hereditaments that are not reasonably accessible to visiting members of the public. This is not defined within the Government guidance. However, for the purpose of this scheme, this would include properties which do not have a customer facing 'front of house'. The expectation is that, in the normal course of events, members of the public would ordinarily attend the property in person. Examples where relief would not be granted would include skip hire, scaffolding services, distribution premises etc where attendance in person does not normally occur.
- 4.6 The retail relief may not be granted, in common with other discretionary reliefs, on properties occupied by billing authorities, precepting authorities or a functional body, within the meaning of the Greater London Authority Act 1999. These properties are collectively referred to as Excepted Hereditaments.

5 ADMINISTRATION OF APPLICATIONS FOR RELIEF

- 5.1 A completed application form is required together with any evidence deemed necessary by the Council to assist in making a decision.
- 5.2 Applications for relief in respect of any financial year must be received no later than six months after the end of that financial year in common with rules governing other Section 47 discretionary reliefs.
- 5.2 Authority to consider and make decisions on discretionary retail rate relief applications can be made by officers providing they meet the criteria contained within this policy.

- 5.3 Decisions regarding applications for discretionary retail rate relief will be notified to the ratepayer in writing as soon as reasonably practicable. Unsuccessful applicants will be given reasons for any refusal to award relief.

6 DURATION OF AWARDS

- 6.1 The award of discretionary retail rate relief will be made for a fixed period ending on 31st March 2016. The only exceptions are where the business rates liability of a retail business ends before this date, the rateable value of the premises increases above £50,000 or the premises cease to be wholly or mainly used for retail purposes.

7 RIGHT OF APPEAL

- 7.1 There is no statutory right of appeal against a decision made by the Council in respect of discretionary retail rate relief. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. This review will be carried out independently by the Director of Resources.
- 7.2 If an unsuccessful applicant decides to request a review, they will still need to continue to pay their rates bill. Once the review has been conducted, the ratepayer will be informed in writing whether the original decision has been revised or upheld.
- 7.3 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.