

South Ribble Borough Council

Local Discounts - Discretionary Rate Relief Policy



Effective 30th September 2013 to 30th September 2016

The Council has adopted a new Local Discount Discretionary Rate Relief Policy in response to the Chancellor of the Exchequer's autumn statements of the 5th December 2012, 5th December 2013 and 4th December 2015. This includes New Build Empty Properties, Retail Property Relief, Transitional Relief Extension and Reoccupation relief.

This policy is in addition to the existing Discretionary Rate Relief policy effective from 1st April 2013.

This policy only covers the announcements made in the above statements and guidance notes. It makes no additions or amendments to our existing Policy. All awards will be made under Section 47 of the Local Government Finance Act 1988 as revised.

Details of the policy are:- This policy relates to the following areas and periods only

- a) Exemption from Empty property rates for a period of 18 months up to the state aid limits, This policy is only for New Build empty properties. The exemption will only apply to unoccupied non domestic properties for the first 18 months following completion. This policy only applies to properties that were completed after 1 October 2013 and before 30 September 2016. (New Build Relief)
- b) a 50 per cent business rates relief for 18 months - between 1 April 2014 and 31 March 2016 - for businesses that move into retail premises that have been empty for a year or more. Award of this relief will count towards State Aid and therefore will be subject to its limit. (Re-Occupation relief)
- c) a discount for shops, pubs and restaurants with a rateable value of £50,000 or below for two years from the 1st April 2014 up to the state aid limits. From 1 April 2014 this discount will be £1000 and from 1 April 2015 this discount will be £1500. (Retail Property Relief)
- d) Provide an extension to the Transition Relief Scheme as outlined in the Chancellors Autumn Statement of December 2014. Relief to be awarded in accordance with the detail guidance provided by the Department for Communities and Local Government (Transitional Relief Extension)

South Ribble will require a written application for any relief awarded under these provisions with the exception of the Transitional Relief Extension provisions which will be calculated as part of the annual billing process. Any application must be made on the form designed for this purpose. All businesses must confirm that any benefit they receive under these powers does not exceed the current State Aid restrictions, this includes the transitional relief provisions. It is the businesses' sole responsibility to ensure these limits are not exceeded.

New Build Relief

This relief will apply to qualifying New Build (New Structures) Unoccupied Non Domestic rating properties. Relief can be awarded providing the buildings were substantially completed after the 1st October 2013 and before the 30th September 2016. This relief will be administered and awarded by South Ribble Borough Council, subject to State Aid de-minimis limits. Eligibility to this relief will be determined in accordance with guidance provided by the Department of Local Government and Communities – "New Build Empty Property – Guidance"

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/239343/Business_Rates_-_New_Build_Empty_Property_-_Guidance.pdf

It is the responsibility of the applicant to ensure they do not make an application which results in rules governing State Aid are not broken. Further information can be obtained at <https://www.gov.uk/state-aid>

The Revenues + Manager or responsible officer has authority to decide upon any application for this relief made under this policy taking into account the contents of this policy, the council's priorities and policies and in addition the Advice provided by the Department for Communities and Local Government's "New Build Empty Property – Guidance" booklet

Re-Occupation Relief

This relief will apply to all Businesses, individuals which satisfy the criteria detailed above subject to the current and subsequent guidance issued or to be issued by the Department of Communities and Local Government.

Occupation must be of a trading nature and for one of the uses outlined in the Retail Property Relief detailed below. Occupation in itself will not trigger eligibility to the relief

The Revenues + Manager or responsible officer has authority to decide upon any application for this relief made under this policy taking into account the contents of this policy, the Council's priorities and policies and in addition to the advice provided by the Department for Communities and Local Government

Retail Property Relief

South Ribble will take into account the guidance issued by the Department of Communities and Local Government therefore:-

Which properties will benefit from relief?

Properties that will benefit from the 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. South Ribble will consider shops, restaurants, cafes and drinking establishments to mean:

Hereditaments that are being used for the sale of goods to visiting members of the public: Including

- ❖ 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)
- ❖ Car/ caravan show rooms
- ❖ Second hand car lots
- ❖ Markets
- ❖ Petrol stations
- ❖ Garden centres
- ❖ Art galleries (where art is for sale/hire)

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

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

To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

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 for applicants as to the types of uses that South Ribble Borough Council considers for this purpose to be retail. South Ribble Borough Council

[Type text]

[Type text]

will determine whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. **Conversely, properties that are not broadly similar in nature to those listed above will not be eligible for the relief.**

Which properties that will not qualify for this relief?

The list below sets out the types of uses that South Ribble Borough Council does not consider to be retail use for the purpose of this relief. South Ribble Borough Council will determine whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under our local scheme.

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

- ❖ Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- ❖ Other services (e.g. estate agents, letting agents, employment agencies)
- ❖ Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- ❖ Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- ❖ Amusement Arcades
- ❖ Post office sorting office

Hereditaments that are not reasonably accessible to visiting members of the public

Awards of this discount will only be made after entitlement to all other reliefs has been determined. The Maximum amount of any award under Retail Relief Discount will be £ 1000. No award can exceed liability. Where Liability falls below £ 1000 an award equal to that liability will be made.

The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

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. It is the responsibility of the applicant to ensure they do not make an application which results in rules governing State Aid are not broken. Further information can be obtained at <https://www.gov.uk/state-aid>

Section 47 Transitional Relief Extension

This relief will apply to qualifying Business Rate Premises with Rateable Values (RV) below 50,000 and as defined by the guidance provided by the DCLG. Namely those businesses will be protected from the full impact of rate increases arising from the 2010 revaluation. In 2015-16 this will mean that properties with and RV less than 18,000 should not see their rates increase by more than 15% and those businesses with and RV between 18,000 and 50,000 by 25%. This relief will be administered and awarded by South Ribble Borough Council, subject to State Aid de-minimis limits. Eligibility to this relief will be determined in accordance with guidance provided by the Department of Local Government and Communities and calculated as part of the annual billing process

It is the responsibility of the applicant to ensure they do not make an application which results in rules governing State Aid are not broken. Further information can be obtained at <https://www.gov.uk/state-aid>

The Revenues + Manager or responsible officer has authority to decide upon any application for this relief made under this policy taking into account the contents of this policy, the Council's priorities and policies and in addition to the advice provided by the Department for Communities and Local Government