

POLICY FOR THE GRANTING OF DISCRETIONARY BUSINESS RATES RELIEF UNDER SECTION 47 OF LOCAL GOVERNMENT FINANCE ACT 1988

Canterbury City Council, Dover District Council and Thanet District Council have entered into a shared service agreement to allow joint working and make business efficiencies in the Benefits, Council Tax, Business Rates, and Customer Service teams.

Where 'EK Services', and 'EKS' are mentioned this refers to the shared service between Canterbury City Council, Dover District Council and Thanet District Council.

Where references are made to 'EK Services Officers' these services are now being delivered by Civica UK Limited. Civica UK Limited provides benefit services, income collection services, council tax and business rates administration and collection services and customer contact services to the Council.

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1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of Discretionary Business Rates Relief to be granted to certain defined ratepayers within the Councils' area.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires each Council to grant discretionary relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where a Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen to assist businesses in other specified cases. These reliefs are usually outlined at a fiscal event and guidance on the administration of these reliefs is provided to Local Authorities. Local Authorities are expected to award these reliefs using their powers under discretionary powers contained within Section 47 of The Local Government Finance Act 1988. In these cases, and where a Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003 to fund the award of these reliefs and discounts.
- 1.4 Whilst all Councils are obliged to grant relief to premises which fall within the mandatory categories, the Councils also have powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met.
- 1.5 This document outlines the following areas:
- Details of the criteria for receiving an award under schemes introduced by Government during a fiscal event;
 - Guidance on granting and administering the reliefs;
 - Subsidy Control limitations on granting relief
 - The Partnership Councils' Scheme of Delegation.
- 1.6 This document covers all aspects of the Discretionary Business Rates Relief schemes which are available from 1st April 2023. Where businesses are eligible for or request relief they will be granted (or not granted) in line with this policy.

2.0 Discretionary Relief - Legislative Background

Introduction

- 2.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top up' cases where ratepayers already receive mandatory relief.

- 2.2 Over recent years, and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 2.3 The range of bodies, which are eligible for discretionary rate relief, is wide and has been developed by both the Council and Central Government to address certain issues with business rates.
- 2.4 Unlike mandatory relief, ratepayers are obliged to make an application for discretionary relief. This policy will set out scenarios where an automatic award may be made and ratepayers required to 'opt out' of relief when they do not qualify.
- 2.5 Applications are to be carefully considered under their own merits. Where Central Government provides guidelines under which to consider awards, standard criteria may be applied in line with these guidelines.
- 2.6 There is no statutory appeal process or Tribunal against any decision made by the Council, although as with any decision of a public authority, decisions can be reviewed by Judicial Review. However, the local authority will, upon request, review decisions made. Details of the internal review process are given within this policy.
- 2.7 The granting of discretionary relief broadly falls into the following categories:
- a. Discretionary Relief 'top up' - Charities and Community Amateur Sports Clubs (CASCs) who already receive mandatory relief;
 - b. Discretionary Relief - Premises occupied by organisations not established or conducted for profit, whose main objectives are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts, or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes of recreation;
 - c. Discretionary Relief - granted under the Localism Act 2011 provisions;
 - d. Discretionary reliefs - granted under section 47 of the LGFA 1988 following announcements made by the Government at a fiscal event.

This policy relates specifically to category d.

Approach to granting Government led Discretionary Relief schemes

- 2.8 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The local authority is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximising any grants receivable. However, we reserve the right to vary our approach where thought appropriate.
- 2.9 In the case where there is a scheme introduced without full guidance and where there is a discretionary element, Local Councils will need to develop their own

scheme to meet local needs (for example, Local Discretionary Discount and Covid-19 Additional Relief Fund [CARF]). A separate decision will be made in addition to the guidelines in this policy on the allocation of central government funding for the operation of such schemes.

3.0 Effect on the Partnership Council's Finances

- 3.1 The granting of discretionary relief will, in the main, potentially involve a cost to each Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 3.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. For any amounts granted for similar cases after 1st April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share, namely 50% borne by Central Government, 40% by each Council and 10% by Kent County Council. This also applies where mandatory relief is granted.
- 3.3 Each scheme introduced by Central Government will come with its own funding mechanisms. In the main, schemes introduced where Councils are required to use their powers under section 47 of the Local Government Finance Act 1988 will be fully funded by Central Government. Compensation for relief awarded will be granted under section 31 of the Local Government Act 2003. In some cases, where local discretionary elements of a scheme are included, a separate, fixed funding pot may be provided to each Council for distribution based on local priorities.
- 3.4 Where there is a fixed funding pot for a specific discretionary scheme, the Council will distribute funding up to and not exceeding the funding provided. It is possible for the Council to grant more relief than that allocated by grant. However, once the maximum grant level has been reached, any additional amount granted is borne by each Council, County Council and Central Government, based on retention arrangements at that time.

4.0 Administration of Discretionary Relief - General Approach.

- 4.1 The following section outlines the procedures followed by officers in granting, amending or cancelling discretionary relief and reduction.
- 4.2 All reliefs must be applied for. Where specific information is required in order to assess eligibility, the Council will make an electronic application form available on the Council's website. Application may also be by 'opt out'. In some cases, officers will have sufficient information to make an assumption on eligibility for a relief. Where this happens, the Council will communicate how ratepayers are able to opt out of receiving relief based on choice or eligibility.

- 4.3 Where a relief can be carried over from one financial year to the next without reapplication, information will be made available to tell ratepayers how to decline further relief.
- 4.4 Where a formal application is required, applicants will need to ensure that all requested information is provided. If the required information is not provided within the timescales specified, the application will be marked as incomplete and an award of relief will not be considered.
- 4.5 The Council will provide advice and assistance to ratepayers applying for relief. Ratepayers are encouraged to approach the relevant council direct and not pay for such services through third parties.
- 4.5 Where an application is provided, the Council will notify the ratepayer of decisions made. This can be in writing in the form or letter or email, by telephone (with calls diary noted on the relevant business rates account) or by the issuing of a new business rates bill showing the relief award.
- 4.6 Where no application is provided and an automatic award made, details of how to opt out of relief will be made available on the Council website and where necessary, signposted by separate letter, email, secure message or on the reverse of the bill.
- 4.7 Where relief is not granted following an application, then the decision to refuse relief will be notified to the ratepayer. The ratepayer will be told:
- Why the decision has been made to refuse relief
 - What the ratepayer can do if they disagree with the decision
 - If relating to a relief where guidance has been provided by Central Government, a link to the relevant guidance on the Government website.

The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- 4.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the decision may be backdated.
- 4.9 A decision to award discretionary relief and how much relief is given is normally only applicable to the financial year for which the application is made. However, we reserve the right to grant relief for any other period as appropriate.
- 4.10 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- Where the amount is to be increased due to a change in rate charge or a change in a Council's decision which increases the award. This will apply from the date the Council deems appropriate;
 - Where the amount is to be increased for any reason it will take effect at the expiry of a financial year (with financial year meaning 1 April in one year to 31 March of the next) and so that at least one year's notice is given;
 - Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief

or exemption this will apply from the date of the decrease in rate charge;
and

- Where the amount is to be reduced for any other reason, it will take effect at the expiry of a financial year, and so that at least one year's notice is given.

4.11 A decision may be revoked at any time, however, a one year period of notice will be given and the change will take effect at the expiry of a financial year.

4.12 Where a decision to award relief is in line with Central Government guidance and the relief awarded only applies in respect of a single financial year, relief will automatically end at the end of that financial year.

5.0 Retail Discount

General Explanation

5.1 This is a temporary relief for 2022/23 and the Government is not amending the primary legislation around the reliefs available to premises. Central Government will reimburse Local Authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in guidance produced by Central Government.

5.2 Central Government guidelines have been issued and it has been established that any amount granted in line with these guidelines will be reimbursed by a section 31 grant.

Background

5.3 In 2019/20 Government announced that eligible retailers with a rateable value below £51,000 will receive a one third discount on their business rates bills. This scheme will run in 2019/20 and 2020/21, and adopts the same definition of 'retail' following the previous retail relief scheme in 2014/15 and 2015/16.

5.4 In 2020/21, in response to the Covid-19 pandemic, Central Government expanded Retail Discount to include the Hospitality and Leisure sectors and increased the discount to 100% of the charge for all qualifying businesses. There was no cap on relief and no maximum Rateable Value (RV) and State Aid limits did not apply. A list of qualifying retail, hospitality and leisure businesses was provided by Central Government.

5.5 In 2021/22, the Expanded Retail Discount came in two parts; 100% relief for all eligible qualifiers for 1 April 2021 to 30 June 2021, with no impact on Subsidy Controls. This relief was then reduced to 66% for qualifying businesses, up to a maximum award of £105,000 per economic actor. Relief awarded from 1 July 2021 was subject to Subsidy Controls. A list of qualifying retail, hospitality and leisure businesses was provided by Central Government.

5.6 In 2022/23, Retail Discount of 50% awarded to those in the Retail, Hospitality and Leisure sectors. A list of qualifying retail, hospitality and leisure businesses

was provided by Central Government. Relief was capped at £110,000 per economic actor and subject to Subsidy Controls.

2023/24 Retail Discount

- 5.7 The Council's policy, in line with Central Government requirements, will grant relief at 75% of the chargeable amount to qualifying businesses for the 2023/24 financial year only.
- 5.8 Relief will only be granted for one financial year to which the scheme relates.
- 5.9 Relief will be calculated on a daily basis and will be awarded up to a maximum of £110,000 per business. Ratepayers that occupy more than one property which satisfy the criteria will be entitled to relief for each of their eligible properties subject to the relevant cash cap level. No ratepayer can exceed the cash cap. A ratepayer will be treated as having a qualifying connection with another ratepayer if:
- a. both ratepayers are companies, and
 - i. one is a subsidiary of the other, or
 - ii. both are subsidiaries of the same company; or
 - b. where only one ratepayer is a company, the other ratepayer has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.
- 5.10 Qualifying properties can be found in Appendix 1. Full details of businesses qualifying for this relief for 2023/24 can be found at gov.uk.
- 5.11 It will be up to the Council to decide if businesses fall under the qualification criteria in Appendix 1. This list is not exhaustive and it will be for the Council to decide whether or not a business operates in a similar nature to any other listed, or falls among the broader scheme criteria and therefore qualifies for relief.
- 5.12 Relief cannot be granted in respect of unoccupied properties.
- 5.13 Retail discount will place under the following hierarchy when awarding relief:
- Transitional Relief
 - Mandatory reliefs
 - S. 47 Discretionary reliefs in the following order:
 - I SSBR
 - II Charitable, CASC and rural relief top up, not for profit relief
 - III other discretionary relief, including Freeport relief
 - IV 2023/24 Retail, Hospitality and Leisure relief scheme
 - V Other locally funded schemes (such as hardship)

- 5.14 Ratepayers have the right to refuse relief. Relief must be refused by 30 April 2024. Once a ratepayer has refused relief, they are unable to opt back in and request relief for the same period. Refusal of relief places them outside of the scope of the scheme. If a ratepayer opts out, relief will immediately be removed from the account and an adjusted Demand notice will be issued, without relief.
- 5.15 Retail Discount will be automatically awarded in most cases. For 2023/24 it will automatically be awarded to those businesses previously receiving Retail Discount in 2022/23. Some effort will be made to identify businesses that will exceed the cash cap and these will not be allocated relief.
- 5.16 If a ratepayer is not automatically granted relief they are able to request relief be awarded. A contact form should be completed on the relevant Council website and their request will be considered in line with this policy and the Government guidance.
- 5.17 If a ratepayer is not eligible for relief but it has been awarded, they should tell the Council straight away. This can be done by email or by completing the relevant online form on the Council website. Relief will be removed immediately and a revised Demand issued without relief.
- 5.18 Properties that are subject to splits, mergers or other changes during the 2023/24 billing year will be considered afresh based on their new daily liability.
- 5.19 No discount will be given under this scheme to properties owned by the Council, a precepting Authority or a functional body, within the meaning of the Greater London Authority Act 1999.

Circumstances under which an award will be terminated

- 5.20 In addition to the circumstances outlined above under which no award will be made under these schemes; awards will be terminated early under the following circumstances:
- the organisation ceases from activities which the Council deems to meet the above eligibility criteria. The organisation is required to advise the Council of any such change as soon as possible in writing.
 - The organisation ceases trading

Subsidy

- 5.21 Retail discount is considered subsidy and subject to the UK's domestic and international subsidy control obligations. General subsidy information is available in section 9 of this policy.
- 5.22 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2023/24 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'.

Expanded Retail Discount granted in 2021/22 does not count towards the £315,000 allowance but BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement will be counted.

5.23 In those cases where it is clear to the Council that the ratepayer is likely to breach the cash cap or the MFA limit then we will automatically withhold the relief. Otherwise, the Council will include the relief in bills and ask ratepayers on a self-assessment basis, to inform the Council if they are in breach of the cash caps or MFA limit.

5.24 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council needs to include details of the subsidy on the subsidy control database.

6.0 Supporting Small Business Relief

General Explanation

6.1 This is a temporary relief for 2022/23, 2023/24 and 2024/25 financial years and Central Government is not amending the primary legislation around the reliefs available to premises. Central Government will reimburse Local Authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in guidance produced by Central Government.

6.2 Central Government guidelines have been issued and it has been established that any amount granted in line with these guidelines will be reimbursed by a section 31 grant.

Background

6.3 Central Government increased the thresholds for Small Business Rate Relief from 1 April 2017 to £12,000 for the 100% relief and £15,000 for the tapered relief. They also allowed rural rate relief to be granted up to 100% using S47 of the Local Government Finance Act 1988 as a top up to the mandatory level of 50%, albeit that the rateable value limits have not been changed in respect of rural hereditaments. Unfortunately, despite these changes, some small businesses and businesses in rural areas lost their entitlement to the relief due to increases in Rateable Value through the revaluation on 1st April 2017.

6.4 The transitional relief scheme (provided under the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265) did not provide support in respect of changes in reliefs. Therefore, those ratepayers who lost some or all of their small business or rural rate relief faced large percentage increases in bills from 1 April 2017.

6.5 In view of this, Central Government provided a new scheme of relief that would be made available to those ratepayers facing large increases as a result of the loss of

small business or rural rate relief due to the 2017 revaluation. All local authorities are encouraged to grant the relief in accordance with the guidelines laid down by Central Government and if granted strictly in accordance with guidance, each Council will be compensated by Central Government through a grant under section 31 of the Local Government Act 2003.

6.6 The relief is known as the 'Supporting Small Businesses Scheme'

Supporting Small Business Relief (SSBR) 2023

6.7 The SSBR 2023 scheme will help those ratepayers who as a result of the change in their rateable value at the 2023 revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing a large increase in their bills.

6.8 To support these ratepayers, the SSBR will ensure that the increase per year in the bills of these ratepayers is limited to £600.

6.9 In the first year of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. For each subsequent year, the increase in their bill will be capped at a further £600 per year.

6.10 Central Government has also decided that those in receipt of SSBR scheme whose 2023 rateable values are £51,000 or more will not be liable to pay the supplement (1.3 pence per £ of RV) to fund small business rate relief while they are eligible for the SSBR scheme.

6.11 Ratepayers will remain in the SSBR scheme for either 3 years or until they reach the bill they would have paid without the scheme. The following exclusions to this apply:

- Those ratepayers receiving 2017 SSB in 2022/23, any eligibility for 2023 SSBR will end on 31 March 2024. Relief will be withdrawn on 31 March 2024 without further notice.
- Ratepayers who during 2022/23 lost SBRR due to second property, but continued to receive SBRR for 12 months, will be eligible for SSBR until the end of their 12 month run-on. They will then lose the relief.

6.12 A change of ratepayer will not affect eligibility for SSBR scheme, but eligibility will be lost if the property becomes vacant or is occupied by a charity or CASC (Community Amateur Sports Club).

6.13 SSBR will place under the following hierarchy when awarding relief:

- Transitional Relief
- Mandatory reliefs
- S. 47 Discretionary reliefs in the following order:

I SSBR

II Charitable, CASC and rural relief top up, not for profit relief

III other discretionary relief, including Freeport relief

IV 2023/24 Retail, Hospitality and Leisure relief scheme

V Other locally funded schemes (such as hardship)

- 6.14 The amount of relief awarded under the SSBR scheme will be recalculated in the event of a change of circumstances including the following:
- This could include, for example, a backdated change to the rateable value or the hereditament; or
 - The awarding of another relief.
- 6.15 The award will be calculated on a daily basis, taking into account the above and the relief will be re-calculated if the rateable value changes. This change of circumstances could arise during the year in question or during a later year.
- 6.16 Hereditaments eligible for charity or CASC relief or hereditaments which are unoccupied are not eligible for SSBR.
- 6.17 The presence of a section 44A certificate will not further reduce the bill found under the SSBR scheme.
- 6.18 Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.
- 6.19 Relief will only be awarded providing the property continues to remain eligible for relief. If the use of the property changes so that it is no longer eligible for relief, the relief will be recalculated or removed and a new Demand notice issued.

Subsidy control

- 6.20 SSBR is considered a subsidy and is subject to the UK's domestic and international subsidy control obligations. General subsidy information is available in section 9 of this policy.
- 6.21 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2023/24 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'.
- BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement will be counted under the £315,000 allowance.
- 6.22 In those cases where it is clear to the Council that the ratepayer is likely to breach the cash cap or the MFA limit then we will automatically withhold the relief. Otherwise, the Council will include the relief in bills and

ask ratepayers on a self-assessment basis, to inform the Council if they are in breach of the cash caps or MFA limit.

- 6.23 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council needs to include details of the subsidy on the subsidy control database.

7.0 Heat Network Relief

General explanation

- 7.1 In October 2021, the government announced a 100% relief for eligible low-carbon heat networks that have their own rates bill to begin on 1 April 2023.
- 7.2 At the Spring Statement 2022, the Chancellor announced that the heat network relief would be brought forward and would apply from 1 April 2022. For the 2022/23 financial year, this relief has been delivered using existing local government discretionary relief powers and funded by Central Government. This will continue for 2023/24.
- 7.3 The Heat Network Relief scheme will be administered by the Council and applied directly to business rate accounts.

Heat Network relief 2023/24

- 7.4 In order to be eligible for Heat Network Relief the rating assessment must be:
- a. wholly or mainly used for the purposes of a heat network, and
 - b. The heat is expected to be generated from a low carbon source (irrespective of whether that source is located on the hereditament or on a different hereditament) over the next 12 months.
- 7.5 For these purposes, a heat network is defined as:
A facility, such as a district heating scheme, which supplies thermal energy from a central source to consumers via a network of pipes for the purposes of space heating, space cooling or domestic hot water.
- 7.6 A low carbon source is a source of which at least:
- a. 50% is renewable
 - b. 50% is waste heat
 - c. 75% is cogeneration heat (where cogeneration means the simultaneous generation in one process of thermal energy and electrical or mechanical energy), or
 - d. 75% is a combination of the sources above.

- 7.7 For a source to be considered renewable, it must be one of the sources listed in Class1(e) of the Schedule to the Valuation for Rating (Plant and Machinery) (England) Regulations 2000 (SI 2000 No. 540) as inserted by regulation 2(b) of SI2022 No. 405
- 7.8 Hereditaments wholly or mainly providing heat for a different purpose (such as industrial process) are not eligible.
- 7.9 The test will be applied to the property as a whole and relief will not be granted in respect of part of a rating assessment. Where a heat network forms part of another rating assessment, such as the heating system in a multi-occupied building or estate, relief will not be granted.
- 7.10 Properties comprising a power station and a heat recovery and network system will not qualify for relief. The purpose of generating electricity does not count towards meeting the wholly or mainly test. If a heat recovery and network system is separately rated to the power station, then it may still qualify, depending on meeting the other eligibility criteria.
- 7.11 Where heat is being taken from an incinerator or Energy from Waste (EfW) Plant, it will not qualify for relief. This is because the heat network is likely to be a by product of the main purpose of the property, the incineration of waste or generation of power. Only if the heat network has been specifically designed as a heat network, will it qualify, providing the other eligibility criteria are met.
- Waste heat includes heat or coolth unavoidably generated as a by-product of another process, which would be wasted if not used for the purposes of a district heating network.
- 7.12 Heat network relief will place under the following hierarchy when awarding relief:
- Transitional Relief
 - Mandatory reliefs
 - Heat network relief
 - Other discretionary reliefs
- 7.13 The amount of relief awarded under the Heat Relief scheme will be recalculated in the event of a change of circumstances including the following:
- This could include, for example, a backdated change to the rateable value or the hereditament; or
 - The awarding of another relief.
- 7.14 The award will be calculated on a daily basis, taking into account the above and the relief will be re-calculated if the rateable value changes. This change of circumstances could arise during the year in question or during a later year.
- 7.15 Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with

international agreements). But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.

- 7.16 Relief will only be awarded providing the property continues to remain eligible for relief. If the use of the property changes so that it is no longer eligible for relief, the relief will be recalculated or removed and a new Demand notice issued.

8.0 Local Newspaper Relief

General explanation

- 8.1 Local Newspaper Relief was introduced from 1 April 2017 following a Central Government Consultation into providing relief from business rates for local newspapers. This formed part of the Conservative Party Manifesto to support the print industry and to allow local newspapers to adapt to new technology and changing circumstances.
- 8.2 Relief was originally introduced to be awarded for 2017/18 and 2018/19 only. This was subsequently extended by a further 5 years until 2025.

Award of relief

- 8.3 On 16 March 2016 the Chancellor announced at the Budget that Central Government would introduce a £1,500 business rates discount for office space occupied by local newspapers, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017.
- 8.4 The relief is intended to be specifically for local newspapers and will be delivered through local authority discretionary discount powers (under section 47(3) of the Local Government Finance Act).
- 8.5 The criteria for relief:
- a) The relief is to be specifically for local newspapers and by that we mean what would be considered to be a “traditional local newspaper.”
 - b) The relief will not be available to magazines.
 - c) The hereditament must be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.
 - d) The amount of relief is limited to a maximum of one discount: - per newspaper title (e.g. per newspaper name) and per hereditament.
- 8.6 On Monday 27 January 2020, the Financial Secretary to the Treasury made a Written Ministerial Statement announcing additional business rates measures that will apply from 1 April 2020. This included the extension of Newspaper Relief up to and including 31 March 2025.
- 8.7 Local Newspaper relief will place under the following hierarchy when awarding relief:

- Transitional Relief
- Mandatory reliefs
- Local Newspaper relief
- Other discretionary reliefs

8.8 The award will be calculated on a daily basis. Should there be a change in circumstances, such as a change in the use of the property which means that the ratepayer is no longer eligible for the relief, the relief will be recalculated or removed and a new Demand notice issued. This change of circumstances could arise during the year in question or during a later year.

8.9 Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.

9.0 Rural Rate relief

9.1 During the 2016 Autumn Statement, Central Government announced that the amount of Rural Rate relief for eligible properties would double from 50% to 100% from 1 April 2017. This is because, under the current legislation, eligibility for 50% rural rate relief prevents some rural businesses from benefiting from 100% small business rates relief.

9.2 In the absence of any amendment to primary legislation, Local Councils are required to use their discretionary powers under section 47 of the Local Government Finance Act 1988 to grant the additional relief, based on the guidance issued by Central Government. It is the Government's intention to amend the primary legislation, so this measure is temporary.

9.3 All local authorities are encouraged to grant the relief in accordance with the guidelines laid down by Central Government and if granted strictly in accordance with guidance, each Council will be compensated by Central Government through a grant under section 31 of the Local Government Act 2003.

Mandatory relief - eligibility

9.5 Eligible businesses can qualify for rural rate relief if their business is in a rural area with a population below 3,000; they are the only village shop or post office, with a rateable value of up to £8,500, or the only public house or petrol station, with a rateable value of up to £12,500.

9.6 Eligible businesses will receive a mandatory discount that equates to 50% of their business rates liability.

9.7 As rural rate relief is a mandatory relief, there is no further eligibility in respect of small business rate relief.

Discretionary relief - eligibility

- 9.8 Until primary legislation is amended, where a ratepayer is eligible for 50% mandatory rural rate relief, they will automatically be eligible for an additional 50% discretionary relief. No additional qualification criteria will be required.
- 9.9 Rural rate relief will place under the following hierarchy when awarding relief:
- Transitional Relief
 - Mandatory rural rate relief
 - Discretionary rural rate relief
- 9.9 The award of relief will be calculated on a daily basis. Should there be a change in circumstances, such as a change in the use of the property which means that the ratepayer is no longer eligible for the relief, the relief will be recalculated or removed and a new Demand notice issued. This change of circumstances could arise during the year in question or during a later year.
- 9.10 Under regulations made under section 47 of the Local Government Finance Act 1988 authorities must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.
- 9.11 Local councils can also give relief of up to 100% to other rural businesses (for properties with a rateable value under £16,500). This relief is not covered by this policy.

10.0 Review / Reconsideration Process

- 10.1 Rate Reliefs made under the local authority's discretionary powers have no formal right of appeal. However, applicants dissatisfied with the authority's decision may request a review/ reconsideration under the following circumstances:
- Additional information that is relevant to the application and that was not available at the time the decision was made becomes available; or
 - There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was made.
- 10.2 Where any Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Business Rates Manager. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 10.3 Where the ratepayer continues to be aggrieved by the decision, the case will be referred to the section 151 Officer for review. Where appropriate, cases of this nature may also be referred to the Executive member as appropriate.

- 10.4 Ultimately the formal appeal process for the ratepayer is Judicial Review although EK Services will endeavour to explain any decision fully and openly with the ratepayer.

11.0 Discretionary Relief - Subsidy Controls

- 11.1 The discretionary reliefs within this policy, unless specifically stated otherwise are considered subsidy and subject to the UK's domestic and international subsidy control obligations.
- 11.2 Ratepayers eligible for relief will need to fulfil any requirements in place to ensure compliance with those obligations in advance of, during and after claiming relief. It is important that ratepayers claiming discretionary relief maintain records of all subsidies received, as these can be requested by the Council at any time.
- 11.3 BEIS issued guidance for public authorities containing information for the [new UK subsidy control regime](#) from 4 January 2023. The reliefs in this policy will be administered in line with these controls or any later controls introduced by Central Government.

12.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

- 12.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by each Council to Cabinet, Committees, Sub-Committees or Officers.

13.0 Equalities Assessment

- 13.1 The Council is committed to delivering a service that is accessible and fair to all of the communities that we serve. We will ensure that all people are treated with respect and dignity.

The Equality Act 2010 sets us an "Equality Duty" to:

1. eliminate discrimination, harassment and victimisation;
2. promote equality of opportunity between different groups in the community; and
3. foster good relations within the local community

We give careful consideration to equality issues in our new and existing policies, strategies and services to see what effect they will have on different groups within our communities, including those with protected characteristics.

The protected characteristics covered by the Equality Duty are:

- age;
- disability;
- marriage and civil partnership (but only in respect of eliminating unlawful discrimination);
- pregnancy and maternity;
- gender reassignment;
- race – this includes ethnic or national origins, colour or nationality;
- religion or belief – this includes lack of belief;
- sex (gender);
- sexual orientation.

We also recognise that socio-economic status can be a significant barrier to equality of opportunity.

We identify potential consequences for these groups and ensure any negative impacts are eliminated or reduced. We also identify opportunities to eliminate discrimination and promote positive relations between groups and throughout our communities.

14.0 Policy Review

- 14.1 This policy will be reviewed on an annual basis and when changes dictate in order to ensure it remains valid, effective and relevant.

Appendix 1

Retail Discount Scheme - 2023/24 Qualifying properties

Hereditaments that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:

(a) they are wholly or mainly being used:

- i. as shops, restaurants, cafes, drinking establishments, cinemas or live music venues,
- ii. for assembly and leisure; or
- iii. as hotels, guest & boarding premises or self-catering accommodation

1. We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

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

Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, 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: hairdressers, 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

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

- Hereditaments which are being used as cinemas
- Hereditaments that are being used as live music venues:

Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended). Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event). There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance

2. We consider assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).

Sports grounds and clubs

Museums and art galleries

Nightclubs

Sport and leisure facilities

Stately homes and historic houses

Theatres

Tourist attractions

Gyms

Wellness centres, spas, massage parlours

Casinos, gambling clubs and bingo halls

ii. Hereditaments that are being used for the assembly of visiting members of the public.

Public halls

Clubhouses, clubs and institutions

3. We consider hotels, guest & boarding premises and self-catering accommodation to mean:

i. Hereditaments where the non-domestic part is being used for the provision

of living accommodation as a business:

Hotels, Guest and Boarding Houses

Holiday homes

Caravan parks and sites

- The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the discount under their 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, bureaux de change, short-term loan providers, betting shops)

Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)

Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents)

Post office sorting offices