

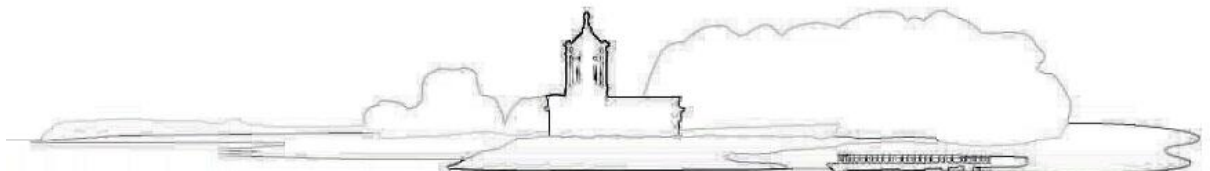


Rutland County Council

NON-DOMESTIC RATES DISCRETIONARY RETAIL RELIEF POLICY

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Summary of document

The policy applies to Non-Domestic discretionary retail rate relief awarded under section 47 of the Local Government Finance Act 1988 and subsequent amending regulations. The policy sets out to achieve a fair and robust approach to the award and review of discretionary retail relief in Rutland introduced by the Government from 1st April 2014.

Contents

	<i>Page</i>
1.0 Introduction	4
2.0 Legislation	4
3.0 Policy Aim	4
4.0 Qualifying properties for Retail Rate Relief	5
5.0 Non-qualifying properties	5
6.0 Amount of Retail Relief	6
7.0 Changes to qualifying properties – such as splits or mergers	6
8.0 Application for Retail Rate Relief	7
9.0 How the award will be made	7
10.0 Notification of decision	7
11.00 Period of relief	7
12.00 Award timescales	7
13.00 Cancellation	8
14.00 Complaints and appeals	8
15.00 State aid	8

1.0 INTRODUCTION

- 1.1 The Government wishes to support the retail sector and high streets and announced in the Autumn Statement 2013 that it would provide relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in financial years 2014/15 and 2015/16.
- 1.2 The Government expects local authorities to grant relief to qualifying ratepayers under discretionary powers introduced by Part 4 of the Localism Act 2011.
- 1.3 The Government will reimburse local authorities within the rate retention system for the actual cost of the relief.

2.0 LEGISLATION

- 2.1 The Council has discretionary power, under Section 47 of the Local Government Finance Act 1988 as amended by Part 4 of the Localism Act 2011 to award relief.
- 2.2 The Council is not permitted to award discretionary relief to a precepting authority or itself, as a billing authority.
- 2.3 European Union competition rules generally prohibit Government subsidies to businesses and relief from taxes, including business rates, as this can constitute state aid. Consideration will be given to this when granting discretionary retail relief.
- 2.4 The retail rate relief is applicable for financial years 2014/15 and 2015/16 only.

3.0 POLICY AIM

- 3.1 The policy aims to support the strategic aims and objectives of the authority in particular:
 - Delivering council services within our Medium Term Financial Plan
 - Building our infrastructure
 - Encouraging business growth and employment
- 3.2 The policy will seek to provide discretionary support to those retail properties that are used for the sale of goods, provision of services and the sale of food and drink to members of the community and visitors.
- 3.3 Each case will be assessed on its own merits having regard to the council's aims and objectives.
- 3.4 Some exclusion to retail rate relief will apply and these are detailed at 5.0.

4.0 QUALIFYING PROPERTIES FOR RETAIL RATE RELIEF

4.1 In order to qualify properties must have a rateable value of £50,000 or less, be occupied and used wholly or mainly as shops, restaurants, cafes and drinking establishments.

4.2 The following table details the types of shops selling goods to customers that will be eligible to apply for retail rate relief, this list is not exhaustive.

Florist	Bakers	Butchers
Grocers	Greengrocers	Jewellers
Stationers	Off Licence	Chemists
Newsagents	Hardware stores	Supermarkets
Charity shops	Opticians	Post Offices
Furniture shops	Carpet shops	Double glazers
Garage doors	Car showrooms	Caravan showrooms
Second hand car lots	Markets	Petrol stations
Clothing and footwear shops	Gift, card and toy shops	Fashion Accessories Shops
Gardens centres	Art Galleries	Display shops

4.3 The following table details types of shops that are selling services to customers that will be eligible to apply for retail rate relief, this list is not exhaustive.

Hair Salons	Nail bars	Beauty salons
Tanning shops	Shoe repairs	Key cutting
Travel agents	Ticket offices	Dry Cleaners
Launderettes	Domestic Appliance repairs	Funeral directors
Photo processing	DVD/ video rental	Tool/car hire

4.4 The following table details the types of businesses that are selling food and/or drink that will be eligible to apply for retail rate relief, this list is not exhaustive.

Restaurants	Takeaways	Sandwich shops
Coffee shops	Public houses	Bars

5.0 NON-QUALIFYING PROPERTIES

5.1 The Government have determined that the following properties will not be eligible for retail rate relief.

Financial Services	Banks	Building Societies
Cash points	Bureau de Change	Payday lenders
Betting shops	Pawn brokers	Estate agents
Letting agents	Employment agencies	Medical services

Veterinary Surgeries	Doctors Surgeries	Dental clinics
Osteopaths	Chiropractors	Professional services
Solicitors	Accountants	Insurance agents
Financial advisors	Tutors	Post Office sorting office
Properties providing services that are not accessible to members of the public such as for advertising or marketing or Bluetooth services		

5.2 Where a property is in multiple use including non-qualifying services, officers will determine the predominant use of the property having regard to:

- the floor space used for the qualifying and non-qualifying parts
- the overall objective of the business
- the Government's objectives and advice

6.0 AMOUNT OF RETAIL RATE RELIEF

6.1 The total amount of relief available for each qualifying property for each year is up to a maximum of £1,000. Retail relief is not available for properties with a rateable value over £50,000.

6.2 The relief will be assessed and calculated on a daily basis. The following formula will be used to determine the amount of relief to be awarded for a particular property in the financial year.

$$\text{Amount of relief to be granted} = £1,000 \times \frac{A}{B}$$

Where A is the number of days in the financial year that the property is eligible for relief

Where B is the number of days in the financial year

6.3 The retail relief will be applied against the net bill after any other reliefs have been applied.

6.4 Ratepayers that occupy more than one property will be entitled to retail relief for each of their eligible properties, subject to State Aid de minimis limits.

7.0 CHANGES TO QUALIFYING PROPERTIES - SUCH AS SPLITS OR MERGERS

7.1 Retail rate relief will be applied on a daily basis using the formula set out at 6.2. A new property created as a result of a split of an existing property or a merger of an existing property, or change of use will be subject to a reconsideration of the award from the date of change.

8.0 APPLICATION FOR RETAIL RATE RELIEF

- 8.1 The Council does not require a formal application to be completed, however, prior to making an award the Council must satisfy itself that any award would not result in the business having received more than €200,000 of De Minimis aid in a three year period. This is detailed at point 13.0.
- 8.2 The Council will issue a declaration to all qualifying ratepayers asking businesses to declare where they have exceeded State aid limits.
- 8.3 The availability of retail rate relief will be detailed on the Council's website and a letter will be issued to potential eligible ratepayers with the annual rates bill.
- 8.4 Any rate payments due must be paid in accordance with the most recent bill until such time as any retail relief is awarded, even if an appeal is outstanding.
- 8.5 When necessary the ratepayer may be required to provide additional information to support their application.

9.0 HOW THE AWARD WILL BE MADE

- 9.1 The decision to award relief will initially be made by the Accounts Team Leader and the Revenues and Benefits Manager.
- 9.2 In the event of a query additional information required will be requested from the ratepayer.
- 9.3 A site visit may be arranged to inspect the premises, if necessary.
- 9.4 Awards that are deemed to be of sensitive or of a political nature will be referred to the Assistant Director (Finance) for consideration.

10.0 NOTIFICATION OF DECISION

- 10.1 Successful awards will be notified by the issue of a new rates bill. The relief will be shown as a reduction on the bill. If the account is in credit as a result of the award, a refund will be made to the ratepayer.
- 10.2 Unsuccessful applicants will be notified in writing and the reason for the decision will be provided.

11.0 PERIOD OF RELIEF

- 11.1 The retail relief will be awarded for financial years 2014/15 and 2015/16.

12.0 AWARD TIMESCALES

- 12.1 In accordance with the LGFA 1988, applications for discretionary rate relief must be determined within six months of the end of the financial year for which relief is being sought.
- 12.2 Efforts will be made to award retail rate relief to eligible properties as soon as possible following the initial billing for financial year 2014/15.

13.0 CANCELLATION

- 13.1 All ratepayers in receipt of discretionary rate relief must notify the Council within 21 days of any change in circumstances that may affect their entitlement to retail rate relief.
- 13.2 If the Council decides to reduce or remove the relief awarded, the Council will notify the ratepayer and give one full financial years' notice in writing.
- 13.3 Some changes will not be notified in writing i.e. a change to the rateable value will alter the relief proportionately, in these cases a revised bill will be issued.

14 COMPLAINTS AND APPEALS

- 14.1 Rating law does not allow for a ratepayer to appeal a decision by the Council on the refusal to award discretionary rate relief. However, in the interests of natural justice it is regarded as good practice for local authorities to establish a mechanism to allow appeals to be heard.
- 14.2 If an aggrieved ratepayer wishes to make an appeal against a decision made under this policy then they will need to write to the Revenues & Benefits Manager within 14 days of notification of the refusal.
- 14.3 Appeals will be forwarded to the Assistant Director (Finance) who will consider the appeal. The ratepayer will be notified of the decision in writing and this decision will be final.

15 STATE AID

- 15.1 State aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. Rate relief will be state Aid compliant where it is provided in accordance with the De Minimis Regulations (SI 1407/2013)
- 15.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period. To administer De Minimis the Council will establish, via a declaration that the award of retail rate relief will not result in the undertaking having received more than €200,000 of De Minimis aid.

- 15.3 The Council will only award retail rate relief up to the De Minimis limit.
- 15.4 The Council may seek legal advice if there are queries regarding the De Minimis declaration or lack of one.

A large print version of this document is available on request



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