

**UTTLESFORD DISTRICT COUNCIL**

**BUSINESS RATES - DISCRETIONARY RATE RELIEF and DISCOUNTS POLICY**

**1<sup>st</sup> April 2022**

**Policy objectives**

1. To support the local economy by providing incentives for occupation of empty premises, encourage business start-up and business expansion within Uttlesford.
2. To support rural communities by providing assistance to businesses operating in rural locations.
3. To contribute to maximising the Council's financial position under the business rates retention scheme by encouraging longer term rateable value growth.
4. To support town centre high streets evolve during a period of significant changes in customer behaviour.

**Administration**

5. The policy will be administered by the Council's Revenues service, who will determine the relief application process.
6. The Revenues service will determine applications for relief, using the criteria set out in this policy. Applications for the Business Development category of relief will be assessed by the Council's Economic Development Officer who will notify the Revenues service of decisions made. The Council will have discretion to backdate awards of relief to the beginning of the current billing period.
7. Eligibility for relief will typically be based upon objective criteria such as the rateable value, location and nature of an organisation's business. A business's profitability will not ordinarily be a relevant factor for determining eligibility. The intention is for a streamlined process that is simple to administer for both applicants and the Council. The Council shall have the right to request any additional information it considers necessary to determine an application.
8. The over-riding consideration in the determination of any application is that the granting of relief must be judged to be in the wider interests of the Uttlesford community and its council tax payers.
9. Appeals against unsuccessful applications for relief will be determined by the Section 151 Officer, whose decision shall be final. There shall be no further right of appeal.
10. The granting of discretionary relief will typically be on a rolling one-year basis so that the Council has the agility to adjust the policy to reflect changing needs and circumstances.
11. The policy will be subject to annual review and approval by the Cabinet.

**Subsidy Limitations**

12. All granting of discretionary rate relief is subject to limitations under applicable State Aid legislation and associated De Minimis Regulations.
13. The Regulations currently allow a business to receive up to 200,000 Euros of state aid over a rolling three year period.
14. In practice, this means that smaller, independent businesses are more likely to be eligible for a relief/discount and larger, national businesses (e.g. chain stores) less likely.
15. The Government has currently applied to the EU to allow both the extended retail discount and the Nursery discount to fall outside these regulations.

CATEGORY OF RELIEF	ELIGIBLE ORGANISATIONS	MANDATORY RELIEF	DISCRETIONARY RELIEF
<b>Retail, Hospitality and Leisure Relief</b>	For Retail, Leisure and Hospitality Businesses that were in occupation for the 2022/2023 financial year. (No RV limit)	Not applicable	<p>To further support Businesses during the COVID-19 Pandemic, at the budget on 27<sup>th</sup> October the Government announced a new business rate relief scheme for retail, hospitality and leisure properties for the 2022/2023 financial year</p> <ul style="list-style-type: none"> <li>• Occupied retail, leisure, and hospitality properties for 2022/2023 (subject to certain exceptions see Government guidance)</li> <li>• Properties which have closed temporarily due to Government's advice on COVID19 will be treated as occupied for the purposes of this relief</li> <li>• No RV limits</li> <li>• Discount for the period 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023 = 50%</li> <li>• This relief will be subject to a cash cap limit of £110,000. This cap applies to the Business and its subsidiaries not to individual properties or premises</li> <li>• No RV Limit</li> <li>• The discount will only be applied after all other mandatory reliefs and other discretionary reliefs funded by section 31 have been applied.</li> <li>• Locally funded reliefs such as hardship relief must be applied after the Retail Discount</li> </ul> <p>LA's will be fully reimbursed for Local share under section 31 grant</p> <p>Businesses may choose to opt out of this discount, by providing notification to the Council of their request to refuse support, per eligible hereditament, but will be unable to opt back in at a later date.</p> <p><b>This scheme will end on the 31<sup>st</sup> March 2023.</b></p>

CATEGORY OF RELIEF	ELIGIBLE ORGANISATIONS	MANDATORY RELIEF	DISCRETIONARY RELIEF
<b>Extension of Supporting Small Businesses Relief &amp; Transitional relief scheme 2022/2023 only</b>	The scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value)	Not applicable	<p>The government will fund discretionary relief to ensure eligible properties receive the same level of protection they would have received had the statutory transitional relief scheme and SSB scheme extended into 2022/23.</p> <p>Properties that will benefit are those with a rateable value up to and including £100,000 who would have received transitional relief and/or SSB in 2022/23.</p> <p>In line with the existing thresholds in the transitional relief schemes, the £100,000 rateable value threshold should be based on the rateable value shown for 1 April 2017 or the substituted day in the cases of splits and mergers.</p> <p>As this is a S47 relief the calculation will change so that the discount will only be applied after all other mandatory reliefs and other discretionary reliefs funded by section 31 have been applied.</p> <p>LA's will be fully reimbursed under s31 grant</p> <p>The extension of transitional relief and Supporting Small Business (SSB) relief scheme is likely to amount to subsidy</p> <p>Eligibility will not be lost with a change of occupier but will be lost if the property becomes vacant or is occupied by a charity or Community Amateur sports Club.</p> <p><b>This scheme will end on the 31<sup>st</sup> March 2023</b></p>

CATEGORY OF RELIEF	ELIGIBLE ORGANISATIONS	MANDATORY RELIEF	DISCRETIONARY RELIEF
<b>Covid Additional relief fund (CARF)</b>	For Businesses affected by the Coronavirus Pandemic but were ineligible for any other Covid-19 support package	Not Applicable	<p>Uttlesford has been allocated £2,413,406 to support local Uttlesford Businesses.</p> <p>This is discretionary scheme is for the 2021/2022 year only. The level of the relief will be at the discretion of Uttlesford District Council.</p> <p>Main Criteria stipulated by the Government in developing their schemes is.</p> <ul style="list-style-type: none"> <li>a. not award relief to ratepayers who for the same period of the relief either are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS),</li> <li>b. not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief), and</li> <li>c. direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact</li> </ul> <p>This relief is taxable, and businesses must not exceed the subsidy limits.</p> <p>LA's will be fully reimbursed for Local share under section 31 grant</p>
<b>Local Newspaper Relief</b>	Local Newspapers occupying office space	Not applicable	<p>One discount per newspaper title</p> <ul style="list-style-type: none"> <li>• Discount of £1500</li> <li>• New from 1<sup>st</sup> April 2020</li> <li>• S31 grant</li> </ul>

CATEGORY OF RELIEF	ELIGIBLE ORGANISATIONS	MANDATORY RELIEF	DISCRETIONARY RELIEF
<b>Rural Rate Relief</b>	Within a rural settlement with a population below 3,000, a sole general store, post office, food shop, public house or petrol station	<p>Within a rural settlement with a population below 3,000, the following will receive 50% mandatory rate relief:</p> <ul style="list-style-type: none"> <li>• A sole general store, post office or foodshop with a RV of less £8,500</li> <li>• A sole public house or petrol station with a RV of less than £12,500</li> </ul>	<p>Within a rural settlement with a population below 3,000:</p> <ul style="list-style-type: none"> <li>• A sole general store, post office, food shop, public house or petrol station with an RV exceeding the stated thresholds, but with an RV of up to £16,500, may be considered for up to 100% discretionary rate relief.</li> </ul> <p><b>From 2017/18:</b> A sole general store, post office, foodshop, public house or petrol station with an RV of between £16,501 and £27,500 may be considered for 100% discretionary rate relief up to the value of the £16,500 RV level.</p> <p>For example, a qualifying business with an RV of £18,500 would receive 100% relief up to £16,500 RV and have to pay rates on the remaining £2,000 RV.</p> <p>Discretionary local rural rate relief will be applied after any other applicable reliefs have been deducted.</p>
<b>Charitable relief</b>	<p>Registered charities</p> <p>Registered Community Amateur Sports Clubs</p> <p>Community Interest Companies</p>	Charities and Registered Community Amateur Sports Clubs are entitled to 80% relief where the property is occupied by the Charity or Club and is wholly or mainly used for charitable purposes or as a Registered Community Amateur Sports Club.	<p>Charities and Registered Community Amateur Sports Clubs may be considered for up to 20% discretionary rate relief.</p> <p><b>From 2014/15:</b> Community Interest Companies that have charitable aims (and use profits for charitable purposes) may be considered for up to 100% discretionary rate relief.</p>

CATEGORY OF RELIEF	ELIGIBLE ORGANISATIONS	MANDATORY RELIEF	DISCRETIONARY RELIEF
<b>Business Development Relief</b>	<p>New non-retail SME businesses starting up, operating from new premises or premises that have been unoccupied for 12months*</p> <p>Expanding non-retail SME businesses who enlarge their existing premises, or occupy anadditional premises that is newor has been unoccupied for 12 months*</p> <p>*including the conversion of former agricultural buildings</p>	Not applicable	<p><b>From 2014/15:</b> Qualifying businesses can be considered for discretionary rate relief of 50% for the first year and 25% for the second year. In the case of enlarged premises, the relief would be on the difference between the rates payable on the original premises and the rates payable on the extended premises.</p> <p>This is subject to demonstrating that:</p> <ul style="list-style-type: none"> <li>• A minimum three-year lease / occupancy commitment exists*</li> <li>• The business will endeavor to ensure that at least 50% of the business's employees are Uttlesford residents</li> <li>• The business will endeavor to ensure that at least 25% of the business's supplies and services expenditure is with Uttlesford businesses.</li> </ul> <p>*In the event of the business vacating the premises within the first three years, the Council reserves the right to clawback the rate relief granted.</p>
<b>Small Business Rate Relief</b>	<p>Businesses with a rateable value of up to £14,999 will receive 100% small business rate relief</p> <p>For properties from 15,000 – 50,999 will have their business rates calculated with the small business rate multiplier</p>	<p>From 1<sup>st</sup> April 2017 Businesses with an Rateable Value up to £12,000 will receive 100% relief.</p> <p>RV £12,000 to £14,999 – 100% relief decreases on a sliding scale by 1% for every £ 30 of RV between £12,000 and £ 14,999.</p> <p>RV £15,000 to £ 51,999 – no relief is allowed but the bill is calculated using the small business multiplier</p>	None
<b>Flooding Rate Relief</b>	Businesses whose premises are flooded due to bad weather	Not applicable	100% rate relief for three months from the date of the first flooding. (Approved by Full Council 27 February 2014)

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<b>Unoccupied property rating</b>	Any business	Business rates are not payable in the first three months that a property is empty. This is extended to six months in the case of certain industrial properties  Certain definitions and exemptions apply – please see the website	None
<b>Hardship Relief</b>	Businesses who are suffering financial hardship because of a one-off event demonstrably beyond their control.	Not applicable	Discretionary rate relief of up to 100% for a limited period depending on circumstances. Consideration would also be giving to deferring payment due dates