

10. Retail Discount

The Government announced in the 2018 Budget that it will provide a Business Rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of discount should be one third of the bill, and must be applied once mandatory reliefs and other discretionary reliefs have been applied.

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

What constitutes retail usage

We 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:

- 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: 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
- 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 must be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. 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.

What does not constitute retail usage

The list below sets out the types of uses which we **do not** consider as being eligible for the purpose of this relief, and will therefore not qualify under this 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, 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)
- Post office sorting offices

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

- Premises where membership is required to gain entry (e.g. affiliated social clubs)
- Premises where payment is required to gain entry

Generally speaking, for the purpose of this policy we do not consider other assembly or leisure uses beyond those listed at above to be retail uses for the purpose of the discount. For example, cinemas, theatres and museums are outside the scope of the scheme, as are nightclubs and music venues which are not similar in nature to the hereditaments described above. Hereditaments used for sport or physical recreation (e.g. gyms) are also outside the scope of the discount, as are hotels and similar accommodation. Where there is doubt, we will exercise discretion with reference to the above and our knowledge of the local tax base.

Amount of relief available

The total amount of government-funded relief available for each property for 2019-20 and 2020-21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. There is no relief available under this scheme for unoccupied properties, or properties with a rateable value of £51,000 or more.

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.

A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, should be considered afresh for the relief on that day.

Responsible officer

The responsibility for making discretionary relief decisions will rest with the Chief Financial Officer, who will discharge this responsibility by the following process:

Decision making process

In accordance with Government Guidance for the administration of the scheme, and to assist local businesses, the s151 Officer has agreed that the Council may make a number of assumptions with regard to eligibility to ensure relief is awarded to qualifying businesses as soon as possible.

Businesses awarded relief will be advised to inform the Council if they do not qualify for relief as a result of exceeding State Aid limits. Should a ratepayer believe they are entitled to the relief and it has not been awarded, an application form will be provided and relevant enquiries undertaken to determine eligibility.

Where an application form is sent and a response is received, a Revenues Manager will review eligibility and seek a decision from the Chief Financial Officer.

Notification of decision

The Council will notify the applicant of its decision within 28 days of receiving sufficient information to make a decision.

Review of decision/re-determination requests

The Council will accept an applicant's written request for a redetermination of its decision. The process will be as follows:

Stage 1: The original decision and any additional information provided will be reviewed and a recommendation made to either confirm or amend the original decision.

Stage 2: The Chief Financial Officer will consider the application for review and the recommendation and determine whether to award a discretionary discount.

Notification of review/re-determination decision

The Council will notify an applicant of its decision within 28 days of receiving a request for a re-determination.

Following the redetermination of a request for discretionary discount, there is no further right of appeal.