



# Discretionary Rate Relief Policy

## 2024/25

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## **Introduction**

This policy sets out the Council's intentions for dealing with applications for discretionary rate relief.

This includes applications from Charities, Community Amateur Sports Clubs (CASC's), Non-Profit Making Organisations, rural businesses, and other businesses situated within South Holland.

The policy has regard to the use to which business premises are put, and in particular the contribution that businesses seeking rate relief make to local communities. It also has regard to the financial cost to council taxpayers.

Addendums to this Policy will include time limited or other specific schemes that are delivered using discretionary provisions.

## **Legislation**

The Council has discretionary powers with regard discretionary rate relief under: -

The Local Government Finance Act 1988  
The Local Government and Rating Act 1997  
Non-Domestic Rating Act 2023

## **Policy Aims**

Through this policy, South Holland District Council seeks to support its vision 'to be a thriving, living, working, rural community'.

Each case will be assessed on its own merits having regard to: -

- The eligibility criteria set out in this policy,
- The benefit that the organisation or business brings to the local community and
- The cost to the Council Taxpayer of awarding the relief.

## **CHARITIES, COMMUNITY AMATEUR SPORTS CLUBS (CASC'S), AND NON-PROFIT MAKING ORGANISATIONS**

### **Eligibility Criteria**

We will expect organisations to: -

- Be open to all sections of the community, except where legitimate restrictions apply.
- Have membership rates set at levels that do not exclude the general community.
- Demonstrate that the criteria by which it considers application for membership is consistent with open access.

We will also consider: -

- Whether the organisation actively encourages membership from particular groups in the community
- Whether facilities are made available other than to members
- Whether the organisation provides training or education for its members, or schemes for particular groups to develop their skills.
- How the organisation acquired its premises and facilities
- What would happen to the organisations assets in the event that it should cease to exist
- Whether the organisation is involved in the local or national development of its interests through affiliation to, or membership of a relevant Council, governing or representative body or similar organisation.

Information that will be required to support an application for discretionary rate relief: -

- A copy of the organisations constitution.
- Copies of the last 2-years audited accounts.

### **Organisations not eligible for Discretionary Rate Relief**

The Council is not permitted to award discretionary rate relief to a precepting authority, or itself as a billing authority.

In addition, under this policy, the following organisations will not normally be eligible:-

- Charity shops selling donated and **new** goods.

- Schools, including academies, voluntary aided, voluntary controlled, church or grant aided

**Additional criteria where either a licence exists, or may be granted, that permits alcohol to be available on the premises**

Rate relief will **not** be reduced where a premises licence, club premises certificate or Temporary Event Notice exists, or is granted under the Licensing Act 2003, **providing** alcohol is only available on occasions when the premises are used for a function to raise funds for the club or organisation. Relief will be reduced in all other cases as set out in Appendix A of this policy. This will prevent full discretionary rate relief being given where members of an organisation have regular access to licensed bar facilities.

**Levels of Rate Relief**

Rate relief is awarded at different levels for the different categories of qualifying organisations and businesses. These are shown at Appendix A.

**Period of Discretionary Rate Relief Award**

Discretionary Rate Relief will be granted to 31 March of the financial year for which the award relates. Continuation of relief will be subject to reapplication or review.

**DISCRETIONARY RURAL RELIEF**

Discretionary Rate Relief will be granted to 31 March of the financial year for which the award relates. Continuation of relief will be subject to reapplication or review.

Discretionary Rural Rate Relief of up to 100% may be awarded to any business provided that all the following criteria are met:

- The property is located in a qualifying rural settlement,
- The rateable value of the property does not exceed £16,500 at the beginning of the rating year concerned,
- The property is occupied by a business that benefits the local community,
- It is reasonable to award relief given the cost to the Council Taxpayers of the district.

## **HARDSHIP RELIEF**

The Local Government Finance Act 1988 permits discretionary relief to be awarded on the basis of hardship, with consideration to the interest of local taxpayers.

We will consider written applications for Hardship Relief from ratepayers whose business, if it were to cease trading, would have a detrimental effect on the local community, including local employment.

Every case will be considered on its own merit, and we will have particular regard to evidence of exceptional or unforeseen circumstances to justify reduction.

Applications will need to be supported by:

- Details of the reason for an application, including evidence of any exceptional or unforeseen circumstances
- Details of the business and its importance to the local community
- Copies of the last 2 years audited accounts
- Nature of the hardship
- Other evidence that the rate payer feels supports their application
- Details of the number of people who are employed by the business who reside in South Holland.

Any award of hardship relief will be exceptional and will be time limited.

Any reduction will be short term assistance and should not be considered a means of reducing rates liability in the longer term.

## **LOCAL DISCRETIONARY DISCOUNTS**

The Localism Act 2011 introduced a new power for local authorities to be able to grant discounts on business rates as they think fit.

Every case will be considered on its own merit. Any award will be the exception rather than the rule and will be time limited.

Written applications will need to be supported as a minimum by: -

- Clear reasoning for the request, including a statement of the business type and the impact on the local community if the business were to come into the area/move away from the area.

- Details of the business and its importance to the local community, including an explanation as to what is unique and how the business sets itself apart from other businesses.
- Copies of the last 2 years audited accounts.
- Copy of any business plan.
- Details of any other support already received from other sources, or reasons why support was not forthcoming.
- Details of the number of people who are, or will be, employed by the business who reside in South Holland. Information about future employment opportunities and business growth.
- Any other evidence that the rate payer feels supports their application and that would assist us to be satisfied that the granting of the relief would be in the interest of the local council taxpayer.

Specific local schemes that are in place at any time are shown as Addendums to this Policy.

## **SECTION 44A, PARTLY OCCUPIED PREMISES**

A ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Where a property is partly occupied for a short time, we have discretion in certain cases to award relief in respect of the unoccupied part.

Written applications must be supported by: -

- Detailed maps which outline the whole property and indicate the partly occupied section.
- Details of the planned period of time for the part occupation.
- Details of future intentions.
- Details of the cause for the part occupation.

In the first instance it will be considered if a split of the assessment is appropriate, and if so, a report will be referred to the Valuation Office Agency to consider amending the valuation list entry.

If it is not capable of being separately assessed, then the application for Section 44A will be considered.

A site visit will normally be undertaken.

### **Making an Application**

Any Non-Domestic Rates payment due must be paid in line with the most recent bill until such time as any relief is awarded.



Written applications with the exception of applications for Section 44a relief are required on the approved application form. Application forms can be printed from our website [www.sholland.gov.uk](http://www.sholland.gov.uk), or a paper version can be provided on request.

Applications must be accompanied by evidence as outlined in this policy and on the application form. Where necessary the ratepayer may be required to provide additional information to support their application.

Failure to complete the application in full or provide requested information will cause delays in the decision-making process.

## **Subsidy Control**

The UK subsidy control regime, from 4 January 2023, enables public authorities, including devolved administrators and local authorities, to deliver subsidies that are tailored for local needs.

Public authorities giving subsidies must comply with the UK's international subsidy control commitments. The subsidy control legislation provides the framework for a new, UK-wide subsidy control regime. Further information about subsidy control can be found at [UK subsidy control regime - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

## **Timescales**

Wherever possible applications should be made within the financial year for which the relief is being sought.

Requests for backdating will be considered on a case-by-case basis, and in line with legislation.

## **Decision Making**

Applications will be administered within the Business Rates Team.

Decisions in respect of applications for discretionary relief in respect of the following categories will be made by officers: -

- Charity,
- Community Amateur Sports Clubs (CASC's),
- Non-Profit Making Organisations
- S44A Partly Occupied Premises

- Local Discretionary Discount (those within the policy addendums)

Decisions will be made by the Portfolio Holder for Finance, in consultation with the Section 151 Officer in respect of individual applications for: -

- Hardship Relief
- Local Discretionary Discount (those outside the policy addendums)
- Discretionary Rural Rate Relief

The decision-making process in respect of schemes introduced under the Localism Act is set out for each relevant scheme included as Addendums to this Policy.

Successful applicants will be notified of the amount of discretionary rate relief awarded 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.

Unsuccessful applicants will be notified in writing and the reason for the decision will be provided.

## **Complaints and appeals**

Any customer who feels that they have not been correctly dealt with can use the Customer Feedback procedure to make a complaint.

Rating Law does not allow for a ratepayer to appeal a decision by the Council on discretionary rate relief. However, in the interest of natural justice and in keeping with good customer care practice and principles of open government, this policy provides a mechanism for review of any decision.

If a ratepayer is unhappy with the decision made, full details should be submitted, in writing to the Business Rates Team within 30 days of notification of the decision.

The case will be reviewed, and where the outcome remains the same the case will be referred to the Portfolio Holder for Finance, or Cabinet in the event the Portfolio Holder made the original decision.

We aim to conclude any review within 30 days.

## **Service Delivery**

The Business Rates function is delivered for South Holland District Council by Public Sector Partnership Services Limited.

## Appendix A - Levels of Relief

Category of Ratepayer	Mandatory Relief	Discretionary Relief
Charity Shop selling donated and <b>new</b> goods	80%	Nil
Charity Shop selling <b>only donated</b> goods	80%	10%
Certain voluntary and foundation schools	80%	Nil
Charities where members have regular access to licensed bar facilities (see policy)	80%	10%
Any charities not covered in the categories above	80%	20%
Registered Community Amateur Sports Clubs (CASC's) where members have regular access to licensed bar facilities (see policy)	80%	Nil
Registered CASC's with no bar on site	80%	20%
Sports clubs that could register as CASC's but fail to do so, with a bar on site	Nil	Nil
Sports clubs that could register as CASC's but fail to do so, with no bar on site	Nil	60%
Non-Profit Making Organisations where members have regular access to licensed bar facilities (see policy) and where Rateable Value of the property is greater than £8,500	Nil	50%
Non-Profit Making Organisations where members have regular access to licensed bar facilities (see policy) and where Rateable Value of the property is £8,500 or less	Nil	80%
Any other Non-Profit Making Organisation	Nil	100%
Any business meeting the rateable value criteria in a rural settlement which demonstrates exceptional circumstances and benefits to the local community	Nil	Individual merit
Hardship relief, and Local Discretionary Discount	Nil	Individual merit

## Addendums

The following local discount schemes are currently in place, and are administered under the provisions of Section 47 of the Local Government Finance Act 1988, as inserted by Clause 69 of the Localism Act 2011

Schemes will be subject to [Subsidy control](#)

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## **Addendum 1 - Retail Discount**

The 2024/25 Retail, Hospitality and Leisure Business Rates Relief scheme provides occupied retail, hospitality and leisure properties with a 75% relief up to a cash cap limit of £110,000 per business.

Ratepayers who occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap per business. This cash cap of £110,000 applies at a Group company level, which means holding companies and subsidiaries cannot claim up to the cash cap for each company. No Business Rates payer should in any circumstances exceed this limit across all of their properties in England.

### **Eligibility Criteria**

South Holland District Council will administer the scheme in line with Government guidance set out in its Retail Guidance (links below) using its discretionary powers under section 47 of the Local Government Finance Act 1988 to grant relief to eligible businesses

[Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/business-rates-relief-2024-25-retail-hospitality-and-leisure-scheme)

Businesses are able to refuse this discount, the Council has assumed that all businesses that qualify for the discount will want to benefit from it. However, if they do not wish to receive this discount this will be removed on request.

### **Decision Making**

The scheme will be administered by the Business Rates team. Decisions in respect of applications for Retail Discount Relief will be made by officers.

### **Complaints and Appeals**

Will follow the process set out in the main policy.

## **Addendum 2 Relief for Local Newspapers**

From 1 April 2017 the Government announced a business rates discount of up to £1,500 a year to business rates accounts for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per hereditament. This relief scheme has been extended to 31 March 2025.

Local Authorities are required to adopt a local scheme and decide each individual case using their discretionary relief powers introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988).

South Holland District Council will use the Government criteria to determine qualifying ratepayers and will review this for 2025/26.

### **Eligibility Criteria**

Properties that will benefit are those that meet the following criteria:

- The property must be occupied by a local newspaper and must be wholly or mainly used as office premises for journalists and reporters
- The local newspaper must be what is considered to be a 'traditional local newspaper'; the relief is not available to magazines.

'Wholly or mainly' is a test on use rather than occupation. Therefore, properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

### **Amount of Relief available**

Up to £1,500 relief a year, the amount of relief is limited to a maximum of one discount:-

- Per newspaper title (e.g. per newspaper name) And
- Per hereditament (property) that is wholly or mainly occupied by the local newspaper

### **Recalculation of Relief**

The amount of local newspaper relief awarded will be recalculated in the event of a change in circumstances, including changes to occupation of premises by the local newspaper or identification that the relief has been applied on additional accounts.

### **Application for Local Newspaper Relief**

Where possible ratepayers entitled to local newspaper relief under this local scheme will be identified by South Holland District Council.

Ratepayers who believe they might be entitled to this relief should contact the Business Rates team.

Amounts of relief awarded under this policy will be notified by the issue of a rates bill.

### **Decision Making**

Decisions in respect of Local Newspaper Relief will be made by officers.

### **Complaints and Appeals**

Will follow the process set out in the main Policy.

### **Addendum 3 Supporting Small Business Relief**

At the Autumn Statement on 17 November 2022 the Government announced that it would create a new Supporting Small Business relief scheme to ensure no small business faces a bill increase greater than £50 per month (£600 per year) as a result of losing eligibility for Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation.

South Holland District Council will administer the scheme in line with Government guidance [Business Rates Relief: 2023 Supporting Small Business Relief, local authority guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/business-rates-relief-2023-supporting-small-business-relief-local-authority-guidance) using its discretionary powers under section 47 of the Local Government Finance Act 1988 to grant relief to eligible businesses.

#### **Eligibility Criteria**

Ratepayers facing increases in their rateable value due to revaluation who are losing some or all of their Small Business Rate Relief or Rural Rate Relief.

To support these ratepayers, the Supporting Small Businesses relief will ensure that the increase per year in the bills of these ratepayers is limited to a cash value of £600 per year (£50 per month). This cash maximum increase ensures that ratepayers do not face large bill increases from 1 April 2023 after Transitional Relief and Small Business Rate Relief or Rural Rate Relief (as applicable) have been applied.

Ratepayers entitled to Supporting Small Business Relief whose 2023 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund Small Business Rate Relief while they are eligible for 2023 Supporting Small Business Relief.

#### **Application for Supporting Small Business Relief**

Where possible ratepayers entitled to Supporting Small Business Relief under this local scheme will be identified by South Holland District Council.

Successful applicants will be notified of the amount of Supporting Small Business Relief awarded by the issue of a new rates bill.

#### **Conditions of the award**

In the event of a change in circumstances Supporting Small Business Relief will be recalculated.

Ratepayers who believe they might be entitled to this relief should contact the Business Rates team.



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Amounts of relief awarded under this policy will be notified by the issue of a rates bill.

### **Decision Making**

Decisions in respect of Supporting Small Business Relief will be made by officers.

### **Complaints and Appeals**

Will follow the process set out in the main Policy.