



CRAVEN

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D I S T R I C T

RETAIL RELIEF POLICY

CRAVEN DISTRICT COUNCIL

APRIL 2014

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1 Background

- 1.1 The retail sector continues to change and many town centres are experiencing challenges as they try to adapt to changing preferences in how we shop. The Government wishes to support town centres in their response by providing particular support to retailers.
- 1.2 The Government announced in the Autumn Statement on 5 December 2013 that it will provide relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16.

2 Introduction

- 2.1 The Localism Act 2011 s69 amends s47 of the Local Government Finance Act 1988. The changes came into effect from 1st April 2012 and they extend the provision relating to the granting of discretionary rate relief. Local Authorities have the power to grant discretionary retail rate relief to properties that are occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

3 Entitlement to relief

- 3.1 To qualify for the relief, properties must be occupied hereditaments with a rateable value of £50,000 or less, and being wholly or mainly used as shops, restaurants, cafes and drinking establishments.
- 3.2 Having regard to Government guidance, we consider 'shops, restaurants, cafes and drinking establishments' to fall into one of the following 3 categories (listed at 3.3 to 3.5). To qualify for relief the hereditament must be wholly or mainly used as a shop, restaurant, café or drinking establishment, and this is a test of use, rather than occupation
- 3.3 **Hereditaments that are being used for the sale of goods to visiting members of the public.** The list below is illustrative of the types of shops that would be included.
 - Shops – e.g. florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licences, chemists, newsagents, hardware stores, supermarkets,
 - Charity shops
 - Opticians
 - Post offices
 - Furnishing shops/display rooms (such as carpet shops, double glazing, garage doors, etc.)
 - Car/caravan show rooms
 - Second hand car lots
 - Markets
 - Petrol stations

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- Garden centres
- Art galleries (where art is for sale/hire)

3.4 **Hereditaments that are being used for the provision of certain services to visiting members of the public.** The list below is illustrative of the types of services that would be included.

- 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
- DVD/ video rentals
- Tool hire
- Car hire

3.5 **Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public.** The list below is illustrative of the types of establishments that would be included.

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

3.6 The lists above are illustrative but not intended to be exhaustive as it would not be possible to list all the retail uses that exist. The lists should be used as a guide to the types of uses that the Council considers to be retail for the purpose of this policy. Some properties have mixed uses, and in these cases a judgement will be made as to what comprises the greater use.

3.7 **Non- qualifying hereditaments** - the following list details the types of uses that, having regard to government guidelines, the Council does not consider 'retail' for the purpose of this policy:

(i) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (such as banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers, etc.)
- Other services (e.g. estate agents, letting agents, employment agencies, etc.)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors, etc.)
- Professional services (e.g. solicitors, accountants, insurance agents, financial advisors, tutors, etc.)

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- Post office sorting office
- Bookmakers and gambling establishments
- Car Parks
- Conference Centres
- Nurseries, crèche and educational establishments
- Sporting clubs, gyms or other membership establishments

(ii) Hereditaments not reasonably accessible to visiting members of the public.

- 3.8 On receipt of an application, the Council will determine whether particular properties not listed above are broadly similar in use and nature to those that are listed and. If they are similar they will be eligible for the relief. Properties determined not to be broadly similar in use and nature to those listed above will not be eligible for relief.

4 Amount of relief

- 4.1 The maximum amount of relief available for each property for each of the two years under this policy is £1,000. The amount does not vary with rateable value and there is no taper. There is no relief available in respect of properties with a rateable value of more than £50,000
- 4.2 Eligibility for relief will be assessed and calculated on a daily basis. The relief will be applied against the net business rates bill after all other reliefs have been taken into account.
- 4.3 Where the net rate liability for the day, after all other reliefs but before retail rate relief, is less than the retail rate relief, the maximum amount of retail rate relief will be no more than the value of the net rate liability.
- 4.4 Ratepayers who occupy more than one property will be entitled to relief for each eligible property, subject to State Aid De-Minimis limits.

5 Applications for relief

- 5.1 Wherever possible, the relief will be applied to all premises considered eligible through the information held on the NNDR database held by Craven District Council. Where it has not been possible to make a determination about eligibility, and the relief has not been automatically awarded, a completed application form, including a declaration of any other De Minimis State Aid received, is required, together with any evidence deemed necessary by the Council to assist in making a decision. Application forms can be obtained from the Council's NNDR Officer.

6. Disputes / Appeals

- 6.1 Business rate payers who feel that they meet the eligibility criteria of this policy but have not been awarded retail relief have the right to appeal.

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- 6.2 In the first instance, an appeal must be made by contacting the business rates service. The appellant must state their grounds for making their appeal, explaining clearly why they believe that they are eligible for retail rates relief.
- 6.3 Appeals will be considered by the Revenues & Benefits Manager in line with this policy. All appeals will be reviewed within 4 weeks of submission of all necessary information.
- 6.4 If an appeal is successful, rate relief will be backdated for the full eligible period, within that financial year. Appeals may only be made for the current financial year and cannot be applied to previous years.
- 6.5 If an appeal is not successful the ratepayer may make a further appeal to the Council's Corporate Leadership Team
- 6.6 If an appeal is unsuccessful at that stage, the only further recourse available to applicants is a judicial review, which is the means by which the decisions of billing authorities under discretionary rating powers may be questioned.