

## Cheltenham Borough Council Policy for Business Rates Retail Relief

### Section 1: Business Rates Retail Relief - Amended Cabinet 17 March 2015

#### General conditions

1. Retail Relief will apply for the financial years 2014/2015 and 2015/2016 as directed by the Department for Communities and Local Government.
2. The maximum amount of relief available for each property in respect of 2014/2015 rate liabilities is £1,000, subject to state aid limits.
3. The maximum amount of relief available for each property in respect of 2015/2016 rate liabilities is £1,500, subject to state aid limits
4. There is no relief available under this policy for properties with a rateable value of more than £50,000.
5. The relief will be assessed and calculated on a daily basis using the following formula:  
  
Amount of relief to be granted = £1000 x (A/B) Where:  
A is the number of days in the financial year that the hereditament is eligible for relief; and  
B is the number of days in the financial year
6. The retail rate relief will be applied to the net bill after all other reliefs have been taken into account. Where the net rate liability after all other reliefs is less than £1,000, the maximum amount of retail rate relief will be no more than the value of the net rate liability.
7. 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.

#### Properties eligible for relief

Qualifying properties will be shops, restaurants, cafes and drinking establishments which are wholly or mainly used for the sale of goods, food or drink to visiting members of the public or for the provision of certain services to visiting members of the public. Properties must be used for one of the following purposes.

1. Properties being used for the sale of goods to visiting members of the public:
  - Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licence, chemists, newsagents, hardware stores, supermarkets).
  - 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)
2. Properties 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 / DVD / video rentals
  - Tool hire
  - Car hire
3. Properties being used for the sale of food and/or drink to services to visiting members of the public
- Restaurants
  - Coffee shops
  - Takeaways
  - Sandwich shops
  - Pubs / Bars

### **Properties not eligible for relief**

1. Properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief
2. Properties that are not reasonably accessible to visiting members of the public will not be eligible for the relief
3. Properties being used for the provision of the following services to visiting members of the general public will not qualify for the relief
4. Properties being used for the provision of the following services to visiting members of the public
  - Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops and pawn brokers)
  - Other services (e.g. estate agents, letting agents, employment agencies)
  - Medical services (e.g. vets, doctors, osteopaths, chiropractors)
  - Professional Services (e.g. solicitors, accountants, insurance agents/financial advisers, tutors)

- Post office sorting office

### **Section 3: State Aid**

The award of Retail Relief must comply with EU law on State Aid. Businesses applying for, or in receipt of, relief must advise the council if they have received any other State Aid that exceeds in total €200,000 in a 3 year period, under the De Minimis Regulations EC 1407/2013. The total amount of State Aid received includes any other Retail Relief, Reoccupation Relief or extended transitional relief being granted in respect of all properties for which the business is responsible. Further information on State Aid law can be found at <https://www.gov.uk/state-aid>.

### **Section 4: Administration**

- Decisions relating to the granting of reliefs will be delegated to the staff within the Revenues Service
- Reliefs may be granted automatically where information held on the business rate account is confirms eligibility in line with qualifying criteria. In these cases businesses will be asked to notify the council if they are in receipt of other State Aid
- Where sufficient information is not held businesses will be required to complete and submit an application form including a declaration in respect of State Aid
- There is no statutory right of appeal against a decision made by the Council in respect of retail rate relief. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. The review will be carried out the Director of Resources
- If an unsuccessful applicant requests a review, they will still need to continue to pay their rates bill. Once the review has been carried out, the ratepayer will be informed, in writing, of the decision
- The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review