

Cheltenham Borough Council

Retail Hospitality and Leisure Relief 2023/24 and 2023 Supporting Small Business Relief

Cabinet 07 March 2023

1 Introduction

- 1.1 In the Autumn Statement 2023, the Government announced a Business Rate relief scheme for retail, hospitality and Leisure businesses and a Supporting Small Business relief for small and medium sized properties
- 1.2 As these relief are a temporary measure for 2023/24 only, the Government is not changing the legislation. Instead, local authorities are expected to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief in accordance with the guidance provided.
- 1.3 The Government will fully reimburse Councils for the cost of relief provided it is awarded in line with the guidance.
- 1.4 This document sets out the Council's policy regarding the Retail Hospitality and Leisure Relief Scheme and Supporting Small Business relief for the financial year 2023/24.

2 Retail Hospitality and Leisure Relief Scheme 2023/24

- 2.1 The 2023/24 Retail, Hospitality and Leisure Relief scheme will provide eligible occupied, retail, hospitality and leisure businesses with 75% relief of the chargeable business rates liability. Businesses may claim the relief up to a limit of £110,000 per business across all eligible properties in England.
- 2.2 Properties that are eligible for Retail, Leisure and Hospitality Relief will be occupied and wholly or mainly used as shops, restaurants, cafes, drinking establishments, cinemas, live music venues, assembly for leisure, hotels, guest and boarding premises or self-catering accommodation. The full guidance provided by the Department for Levelling Up, Housing and Communities (DLUHC) is available here <https://www.gov.uk/government/publications/business-rates-relief-202324-retail-hospitality-and-leisure-scheme-local-authority-guidance>
- 2.3 The relief will be awarded to business ratepayers that meet the eligibility criteria in the guidance.
- 2.4 The level of relief is 75% of the chargeable amount, to be applied after mandatory reliefs and other discretionary reliefs. There is no rateable value threshold limit.

- 2.5 The relief is subject to a cash cap preventing any business from receiving more than £110,000 of relief across all of its properties in England. Ratepayers that occupy more than one property will be entitled to relief for each eligible property up to maximum £110,000 cash cap to the business. Where a business has a qualifying connection with another business it will be treated as one for the purposes of this cash cap.
- 2.6 Businesses may be required to declare that they will not exceed the cash cap if relief is awarded.
- 2.7 The Retail Hospitality and Leisure Relief Scheme in 2022/23 is likely to amount to subsidy. Any relief provided under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- 2.8 Business ratepayers, on a self-assessment basis, must to declare that by receiving the relief they will not exceed subsidy limits.
- 2.9 Businesses can refuse the relief up to 30 April 2024. Once refused the business will become ineligible and cannot withdraw their refusal.

3 Supporting Small Business Relief 2023-24 – 2025/26

- 3.1 2023 Supporting Small Business Relief (SSB) will cap bill increases at £600 for any business losing eligibility for some or all Small Business Rate Relief at the 2023 revaluation.
- 3.2 The relief will be available in financial years 2023/24, 2024/25, 2025/26 for businesses that continue to meet the eligibility criteria unless their bill reaches the level it would have been without the relief.
- 3.3 The relief will be awarded to business ratepayers that meet the eligibility criteria in the guidance provided by the Department for Levelling Up, Housing and Communities (DLUHC). The full guidance is available here <https://www.gov.uk/government/publications/business-rates-relief-2023-supporting-small-business-relief-local-authority-guidance>
- 3.4 The scheme also provides support for those previously eligible for the 2022/23 SSB scheme and facing large increases in 2023/24 but for one further year only. In these cases eligibility for 2023 SSB relief will end on 31 March 2024.
- 3.5 Eligible businesses will automatically receive the relief on their bill.
- 3.6 The 2023 Supporting Small Business Relief is likely to amount to subsidy. Any relief provided under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- 3.7 Business ratepayers likely to exceed subsidy control limits will be asked, on a self-assessment basis, to declare that by receiving the relief they will not exceed subsidy limits.

4 Administration

- 4.1 Cheltenham Borough Council will administer the schemes under Section 47 of The Local Government Finance Act 1988 as amended by The Localism Act 2011 and The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059).
- 4.2 Eligibility for reliefs will be determined in accordance with the guidance provided by the Department for Levelling Up, Housing and Communities (DLUHC).
- 4.3 Reliefs in this policy may be changed to reflect changes to Government guidance or to ensure successful operation of the schemes.
- 4.4 Retail Hospitality and Leisure reliefs under the provisions in this policy will be awarded in respect of the financial year 2023/24 only and they will end on 31 March 2024. Retrospective awards of relief cannot be made after 30 September 2024.
- 4.5 2023 Supporting Small Business Relief under the provisions in this policy, for business ratepayers previously eligible for the 2022/23 SSB scheme, will be awarded in respect of the financial year 2023/24 only and relief will end on 31 March 2024.
- 4.6 2023 Supporting Small Business Relief under the provisions in this policy, for business ratepayers losing some or all Small Business Rate Relief may be awarded in respect of the financial years 2023/24, 2024/25 and 2025/26
- 4.7 Retrospective awards of Retail Hospitality and Leisure relief and 2023 Supporting Small Business Relief cannot be made more than 6 months after the end of the relevant financial year (eg 30 September 2024 in respect of 2023/24)
- 4.8 All reliefs will be recalculated or cancelled to reflect any change in circumstances that affect entitlement, changes to entries in Rating List, or where any conditions cease to be met.
- 4.9 Decisions relating to the granting of relief are be delegated to the staff within the Revenues and Benefits Service.
- 4.10 Relief may be granted automatically where information held on the business rate account confirms eligibility in line with the qualifying criteria and that cash caps or subsidy control limits will not be exceeded. In these cases businesses will be asked to notify the council if they are in not entitled. in all other cases an application must be submitted with a cash cap and/or subsidy control declaration.
- 4.11 Where reliefs have been awarded businesses must notify the Council within 21 days of any change of circumstances that could affect their entitlement to the relief.
- 4.12 Businesses will be required to provide any information requested to support their application for a relief.
- 4.13 There is no statutory right of appeal against a decision made by the Council in respect of extension of Transitional Relief and Supporting Small Business Relief for small and medium sized properties. However, the Council will reconsider the decision if the ratepayer is dissatisfied with the outcome.

- 4.14 The request for a reconsideration must be made within 28 days of the business or agent acting on behalf of the business being issued with an award decision.
- 4.15 The review will be carried out by the Executive Director Finance, Assets and Regeneration
- 4.16 If an unsuccessful applicant requests a reconsideration they will need to continue to pay their rates bill. Once the reconsideration has been carried out, the ratepayer will be informed, in writing, of the decision.
- 4.17 Cheltenham Borough Council will not tolerate any business falsifying their records or providing false evidence. A ratepayer who falsely applies for any relief, or provides false information or makes false representation in order to gain relief will face prosecution and any relief awarded will be revoked.