

# **Isle of Wight Council Policy for the granting of Discretionary Non-Domestic Rate Relief**

### Version Control

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## 1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of discretionary relief and related areas to be granted to certain defined ratepayers within the Council's area. The policy includes all changes effective from 1<sup>st</sup> April 2020 and includes all extended reliefs due to the COVID-19 crisis. The Council is keen to support businesses during the crisis, as far as possible
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant mandatory relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for mandatory relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers subject to certain criteria being met. In the case of new reliefs, guidance has been issued by Central Government outlining actions expected to be taken by local authorities.
- 1.4 This document outlines the following areas:
  - Details of the criteria for receiving Discretionary Reliefs for all relevant areas;
  - The Council's policy for granting of all types of Discretionary Reliefs;
  - Guidance on granting and administering the reliefs and reductions;
  - European Union requirements including provisions for State Aid; and
  - The Council's Scheme of Delegation.
- 1.5 This document covers all aspects of discretionary rate relief (subject to changes in legislation). Where organisations apply for relief they will be granted (or not granted) relief or reductions in line with the following policy.

## 2.0 Mandatory Relief - Legislative Background

### Charity Relief

- 2.1 The powers relating to the granting of mandatory<sup>1</sup> and discretionary relief are given to the Council under the Local Government Finance Act 1988<sup>2</sup>. Charities and Trustees for Charities are only liable to pay one fifth of the Non-Domestic Rates that would otherwise be payable where property is occupied and used wholly or mainly for charitable purposes. This amounts to mandatory relief of 80%. For the purposes of the Act a charity is an organisation or trust established for charitable purposes, whether or not it is registered with the Charity Commission. The provision has recently been extended under the Local Government Act 2003 (effective from 1<sup>st</sup> April 2004) to registered Community Amateur Sports Clubs (CASCs).
- 2.2 The Council has discretion to grant relief of up to a further 20% for these cases under the discretionary provisions.

### Rural Rate Relief

- 2.3 From 1<sup>st</sup> April 1998, under powers originally granted to the Council under the Local Government and Rating Act 1997<sup>3</sup>, certain types of business in rural settlements, with a population below 3000 may qualify for mandatory rate relief of 50 per cent. Businesses that qualify for this relief are the sole general store and the sole post office in the village, provided it has a Rateable Value of up to £8500; any food shop with a Rateable Value of up to £8500; and the sole pub and the sole petrol station in the village provided it has a Rateable Value of up to £12500.
- 2.4 From 1<sup>st</sup> April 2017, Central Government has indicated that it wants all authorities to give 100% relief to premises that receive mandatory rural rate relief. The legislation enabling this will not be forthcoming until 2018 and therefore it has indicated that where the additional 50% is granted, a section 31 grant will be made available to the Council. This is dealt with further within this policy and the Council will automatically grant the additional 50% discretionary relief where appropriate.
- 2.5 In addition to this, the Council may decide to give up to 100 per cent relief to any other business (not in receipt of mandatory relief) in such a rural settlement, with a Rateable Value of up to £16,500, if it is satisfied that the business is of benefit to the community and having regard to the interests of its Council Taxpayers.

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<sup>1</sup> S43 & S45 Local Government Finance Act 1988

<sup>2</sup> S47 & S48 Local Government Finance Act 1988

<sup>3</sup> LGFA 1988, s.47, as amended by Sch. 1 to the Local Government and Rating Act 1997

## 3.0 Discretionary Relief – Legislative Background

### Introduction

- 3.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to ‘top’ up cases where ratepayers already receive mandatory relief.
- 3.2 Over recent years and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide assistance to businesses and organisations.
- 3.3 The range of bodies, which are eligible for discretionary rate relief, is wide and not all of the criteria laid down by the legislation will be applicable in each case.
- 3.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council.
- 3.5 The Council is obliged to consider carefully every application on its merits, taking into account the contribution that the organisation makes to the amenities of the Island. There is no statutory appeal process against any decision made by the Council although as with any decision of a public authority, decisions can be reviewed by Judicial Review.
- 3.6 Granting of the relief falls broadly into the following categories:
  - a. Discretionary Relief – Charities who already receive mandatory relief.
  - b. Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes recreation;
  - c. Discretionary Relief – Rural Rate relief - premises that already receive mandatory relief;
  - d. Discretionary Relief – Rural Rate relief - premises not receiving mandatory relief but of benefit to the local community and less than £16,500 RV;
  - e. Discretionary Relief – Granted under the Localism Act 2011 provisions;
  - f. Local Newspaper Relief (from 1<sup>st</sup> April 2017 under 2025);
  - g. Local Public House Relief (from April 2020);
  - h. Supporting Small Businesses Relief (from 1<sup>st</sup> April 2017 for a period of five years or until business pay their full rate charge or their transitional rate charge (calculated in accordance with the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016));
  - i. Discretionary Business Rates Relief Scheme (from 1<sup>st</sup> April 2017 for a period of up to four years);
  - j. Retail Discount – Granted from 1<sup>st</sup> April 2019 (for a period of 1 year);
  - k. Extended Business Rates Discount Relief (from 1<sup>st</sup> April 2020 for a period of one year);
  - l. Nursery Discount (from 1<sup>st</sup> April 2020 for a period of one year); and
  - m. Hardship Relief – Granted under Section 49 of the Local Government Finance Act 1988.



3.7 The decision to grant or not to grant relief is a matter purely for the Council.

### **The Council's approach to granting Discretionary Relief**

3.8 In deciding which organisations should receive discretionary Rate relief, the Council has taken into account the following factors and priorities:

- a. The policy should support business, charities, organisations and groups that help to retain services in the Island and not compete directly with existing businesses in an unfair manner;
- b. Help and encourage business, charities, organisations, groups and communities to become self-reliant;
- c. Awarding discretionary relief should not distort competition or significantly change the provision of services within the Island;
- d. Every business/ organisation should contribute something towards the provision of local services within the Island;
- e. Local organisations will be given priority over national organisations. In particular the organisation will need to supply the Council with clear evidence of the amounts of monies raised and used / invested locally within the Island. This will be particularly important where the organisation is national in nature.
- f. To support appropriate organisations that deliver outcomes to the community which relate to the priorities of the Council;
- g. To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community that also relate to the priorities of the Council, which without granting discretionary relief they would be unable to do;
- h. To support and enable appropriate businesses to start, develop and continue with their operations that deliver outcomes directly related to the Council's Economic Development Delivery Action Plan; and
- i. To ensure that the financial impact of awarding discretionary business rate relief is justified in terms of the local outcomes achieved by the organisation receiving it.

3.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then there will be no requirement to grant Discretionary Rate Relief for that amount.

## 4.0 Effect on the Council's Finances

- 4.1 The granting of discretionary relief will, in the main, involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 4.2 Any amounts granted prior to 1<sup>st</sup> April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. For any amounts granted for similar cases after 1<sup>st</sup> April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share namely 50% borne by Central Government and 50% by the Council. This also applies where mandatory relief is granted.
- 4.3 Where Central Government leads an initiative, grants are often available through section 31 of the Local Government Act 2003. This is not automatic and Central Government will look to the Council to adopt the recommended approach when granting in these areas
- 4.4 The financial effects of discretionary reliefs covered by this policy are as follows:

Appendix	Relief Type	Granted after 1 <sup>st</sup> April 2020 (Effective from 1 <sup>st</sup> April 2020)
	<b>Charity Relief</b>	
A	Discretionary relief granted to Mandatory Relief recipients	50% borne by the Council
B	Non-profit Making Organisations including Sports Clubs and societies	50% borne by the Council
	<b>Rural Rate Relief</b>	
C	50% Discretionary relief granted to Mandatory Rural Relief recipients	Section 31 Grant
D	Other premises within a rural settlement under £16500 RV	50% borne by the Council
	<b>Localism</b>	
E	Discretionary Relief granted to ratepayers generally and not covered by any other section	50% borne by the Council
	<b>Local Newspaper Relief</b>	
F	Discretionary Relief granted to local newspapers meeting the criteria (From 1 <sup>st</sup> April 2017 until 2025)	Section 31 Grant
	<b>Public House Relief</b>	
G	Discretionary Relief granted to public houses meeting the criteria (From 1 <sup>st</sup> April 2020)	Section 31 Grant
	<b>Supporting Small Business Relief</b>	
H	Supporting Small Businesses Relief (from 1 <sup>st</sup> April 2017 for a period of up to five years if conditions are met)	Section 31 Grant

Appendix	Relief Type	Granted after 1 <sup>st</sup> April 2020 (Effective from 1 <sup>st</sup> April 2020)
	<b>Discretionary Business Rates Relief Scheme</b>	
I	Discretionary Business Rates Relief Scheme (from 1 <sup>st</sup> April 2017 for a period of up to four years)	Section 31 Grant up to a maximum level set by Central Government. Once the maximum has been reached any additional amount is borne 50% by the Council
J	<b>Retail Discount Scheme</b>	
	The Retail Discount Scheme (from 1 <sup>st</sup> April 2019 for a period of 1 year)	Section 31 Grant
	<b>Extended Business Rates Discount Relief</b>	
K	Extended Business Rates Discount Relief (from 1 <sup>st</sup> April 2020 for a period of one year)	Section 31 Grant
	<b>Nursery Discount</b>	
L	Nursery Discount (from 1 <sup>st</sup> April 2020 for a period of one year)	Section 31 Grant
M	<b>Hardship Relief – Section 49</b>	
	This is a discretionary relief that can be awarded by the Council where a ratepayer is considered to be suffering hardship.	50% borne by the Council

## 5.0 Discretionary Relief – EU State Aid requirements

- 5.1 European Union competition rules generally prohibit Government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. The Council must bear this in mind when granting discretionary rate relief.
- 5.2 Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 5.3 Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)<sup>4</sup>. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years).
- 5.4 Where the relief to any one business is greater than the De Minimis level, then permission will need to be obtained from the European Commission. In such cases the matter will be referred to the Department for Communities and Local Government (now MHCLG) for advice and then referred back to the Council for consideration. It will be for the ratepayer to provide confirmation as to whether the State Aid provisions apply to them.
- 5.5 In all cases, where discretionary relief is to be granted or where liability is to be reduced, when making an application, ratepayers will be required to provide the Council with sufficient information to determine whether these provisions are applicable in their case.

### State Aid Rules from 1<sup>st</sup> April 2020

- 5.6 From 1<sup>st</sup> April 2020, the Government's assessment is that, given the impact of COVID-19 in the sectors receiving the relief, that the Expanded Retail Discount 2020/21 and Nursery Relief is not State Aid. The Government has considered this matter in discussions with the European Commission and is content with this analysis following those discussions. Local Authorities should provide the relief to all eligible properties.

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<sup>4</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

## 6.0 Administration of Discretionary Relief

- 6.1 The following section outlines the procedures followed by officers in granting, amending or cancelling discretionary relief and reduction. This is essentially laid down by legislation<sup>5</sup>

### Applications and Evidence

- 6.2 All reliefs must be applied for in writing by the ratepayer. Application form are available online at [www.iow.gov.uk/Businessrates](http://www.iow.gov.uk/Businessrates) or by request.
- 6.3 Organisations are required to provide a completed application form plus any such evidence, documents, accounts, financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted.
- 6.4 Applications should initially be made to the Business Rates Section and will be determined in accordance with Section 7 of this policy.

### Granting of relief

- 6.5 In all cases, the Council will notify the ratepayer of decisions made.
- 6.6 Where an application is successful, then the following will be notified to them in writing:
- The amount of relief granted and the date from which it has been granted;
  - If relief has been granted for a specified period, the date on which it will end. (It should be noted that reliefs are granted for the period specified in the appropriate Appendix and may vary from a day to a full financial year);
  - The new chargeable amount;
  - The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
  - A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.
- 6.7 Where relief is not granted then the following information is provided, again in writing:
- An explanation of the decision within the context of the Council's statutory duty; and
  - An explanation of the appeal rights (see below).
- 6.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made.
- 6.9 A decision to award discretionary relief and how much relief is given is only applicable to the financial year for which the application is made.

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<sup>5</sup> The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- 6.10 A fresh application for discretionary relief will, if required by the Council, be necessary for each financial year.

### **Variation of a decision**

- 6.11 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- Where the amount is to be increased due to a change in rate charge from the date of the increase in rate charge;
  - Where the amount is to increase for any other takes effect at the expiry of a financial year, and so that at least one year's notice is given;
  - Where the amount is to be reduced due to a reduction in the rate charge from the date of the decrease in rate charge;
  - Where the amount is to be reduced for any other reason takes effect at the expiry of a financial year, and so that at least one year's notice is given
- 6.12 A decision may be revoked at any time and the change will take effect at the expiry of a financial year.

## 7.0 Scheme of Delegation

### Granting, Varying, Reviewing and Revocation of Relief

- 7.1 Under powers given to the Council by section 223 of the Local Government Act 1992, all permissions for the granting, varying, reviewing and revocation of discretionary relief and reductions are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011.
- 7.2 An application will need to be submitted to the business rates section who will undertake the initial first stage assessment to confirm it is valid. They will produce an overall decision sheet and submit it to the Revenues Manager. The Revenues Manager will review the application and supporting details and provide a recommendation of award date and amount to the Director of Finance. In the absence of the Revenues Manager, the Strategic Manager, Business Centre will review applications and recommend awards to the Director of Finance. The Revenues Manager has authorisation up to a limit of £2,000 per financial year and with a maximum of £6000; any reductions over this amount will be referred to the Director of Finance or Assistant Director of Finance for any award over £6000 for consideration.
- 7.3 Decisions under the current scheme are delegated to the Chief Finance Officer and Section 151 Officer and it is proposed that under the revised scheme a similar delegation is used. Any application which is considered to be of a significant nature will be subject to consultation with the relevant Cabinet member prior to final determination.
- 7.4 Applications that are refused will be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application

### Reviews

- 7.5 The policy for granting relief will be reviewed annually or where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.
- 7.6 The Revenues Manager will submit a report on a six-monthly basis to the Chief Finance Officer and S151 Officer and Executive member for Resources summarising the position on applications received, granted and not granted.

### Appeals

- 7.7 Where the Council receives an appeal or request for reconsideration of a decision regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Revenues Manager or Strategic Manager, Business Centre. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.

## **8.0 Reporting changes in circumstances**

- 8.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief to be reported as soon as possible and, in any event, not more than 21 days from the happening of the event. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 8.2 Where a change of circumstances is reported, the relief will, if appropriate be revised or cancelled. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

## **9.0 Fraud**

- 9.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.



## **Appendix A**

### **Discretionary Relief – Mandatory Relief recipients**

## Discretionary Relief – Mandatory Relief recipients

### General Explanation

- A.1 S43 of the Local Government Finance Act 1988 allows mandatory relief (80%) to be granted on premises if the ratepayer is a charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes. No charge is made in respect of unoccupied premises where it appears that *when next in use* it will be used wholly or mainly for those purposes.
- A.2 The legislation has been amended by the Local Government Act 2003 (effective from 1<sup>st</sup> April 2004) to include registered<sup>6</sup> Community Amateur Sports Clubs (CASC). These organisations can now receive the mandatory (80%) relief.

### Charity registration

- A.3 Charities are defined within the legislation as being an institution<sup>7</sup> or other organisation established for charitable purposes only or by persons administering a trust established for charitable purposes only.
- A.4 The question as to whether an organisation is a charity may be resolved in the majority of cases by reference to the register of charities maintained by the Charity Commissioners under s.4 of the Charities Act 1960. Entry in the register is conclusive evidence. By definition, under the Non-Domestic Rating legislation, there is no actual need for an organisation to be a registered charity to receive the relief and this has been supported by litigation<sup>8</sup>, however in all cases the organisation must fall within the following categories:
- trusts for the relief of poverty;
  - trusts for the advancement of religion;
  - trusts for the advancement of education; and
  - trusts for other purposes beneficial to the community, but not falling under any of the preceding heads.
- A.5 Certain organisations are exempted from registration generally and are not required to make formal application to the Charity Commissioners these are:
- the Church Commissioners and any institution administered by them;
  - any registered society within the meaning of the Friendly Societies Acts of 1896 to 1974;
  - units of the Boy Scouts Association or the Girl Guides Association; and
  - voluntary schools within the meaning of the Education Acts of 1944 to 1980.
- A.6 The Council would consider charitable organisations, registered or not, for mandatory relief.

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<sup>6</sup> Registered with HMRC as a CASC

<sup>7</sup> S67(10) Local Government Finance Act 1988

<sup>8</sup> Income Tax Special Commissioners v Pemsell (1891)

## Use of Premises – wholly or mainly used

- A.7 Irrespective of whether an organisation is registered as a charity or not, the premises **must** be wholly or mainly used for charitable purposes. This is essential if any relief (either mandatory or discretionary) is to be granted. In most cases this can be readily seen by inspection but on occasions the Council has had to question the actual use to which the premises are to be put. It will be an essential part of the process of the application for the Council to inspect any premises fully.
- A.8 Guidance from the Ministry of Housing, Communities and Local Government (MHCLG) has stated that in the case of ‘mainly’, at least 51% must be used for charitable purposes whether of that charity or of that and other charities.
- A.9 The following part of this section gives details on typical uses where relief may be given plus additional criteria that have to be satisfied. The list is not exhaustive but gives clear guidance on premises for which mandatory relief can be granted *and therefore* premises which could be equally considered for discretionary rate relief.

## Offices, administration and similar premises

- A.10 Premises used for administration of the Charity including:
- Offices
  - Meeting Rooms
  - Conference Rooms

## Charity shops

- A.11 Charity shops are required to meet additional legislative criteria if they are to receive mandatory relief. Section 64(10) of the Local Government Finance Act 1988 provides that a property is to be treated as being wholly or mainly used for charitable purposes at any time if, at the time, it is wholly or mainly used for the sale of goods donated to a charity and the proceeds of the sale of the goods (after any deduction of expenses) are applied for the purposes of the charity.
- A.12 In order to ascertain whether an organisation meets these requirements, inspections may be made by an officer of the Council when an application is received.

## Charity Relief – Mandatory Relief recipients, the Council’s Policy for granting discretionary relief.

- A.13 The Council will consider applications for a discretionary rate relief top up from charities based on their own merits, on a case-by-case basis.
- A.14 In determining the application, the following matters will be taken in to consideration:
1. How the charity supports and links into the Council’s corporate vision and priorities;
  2. The purpose of the charity and the specific activity carried out within the premises for which the relief is requested;
  3. Whether the charity operates at a local or national level and where appropriate,

the local and national funding streams and financial position of the charity;

- A15 The Council is keen to support businesses that have a critical role to play in the local economy and which meet the strategic priorities and direction of the council. The vision is for the Isle of Wight to be an inspiring place in which to grow up, work, live and visit and which:
- Create opportunities for all;
  - Deliver economic growth and prosperity;
  - Preserve our environment;
  - Protect our community;
  - Plan for our future needs; and
  - Provide sound financial management.
- A.16 In the case of registered Community Amateur Sports Clubs, the key criteria in determining the application will be:
1. The ratepayer occupies the whole hereditament;
  2. Relief cannot be granted in respect of premises that are occupied by the Council or any Town and Parish Council, although the latter could be a minority tenant of such premises;
  3. How the CASC supports and links into the Council's corporate vision and priorities;
  4. The membership and fee structure and whether the CASC is accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
  5. Membership numbers and the number and percentage of these members that are Island residents;
  6. If the CASC has due regard to equality issues and if it actively encourages members from under-represented groups, for example black and minority ethnic residents, people over 50 and people with disabilities;
  7. Whether facilities are available to the wider community regardless of ability. We will also require additional financial information including:
  8. If the CASC runs a bar or food provision, the level of income from this activity and how this money is used; and whether the CASC operates at a local or national level and where appropriate, the local and national funding streams and financial position of the CASC.
- A17 The Council wishes to support and enable appropriate businesses to start, develop and continue with their operations that deliver outcomes directly related to the Council's corporate plan. In the main this will be done through other means rather than granting discretionary relief. There may be occasions where applications are made for such relief or where a package of measures, including discretionary relief, are appropriate in supporting businesses. This would need to be in accordance with any limitations in respect of state aid.

## **Appendix B**

### **Discretionary Relief – Non-Profit Making Organisations including Recreation**

## Discretionary Relief – Non-Profit Making Organisations including Recreation

### General explanation

#### Non-Profit

- B.1 The legislation<sup>9</sup> allows the Council to grant discretionary relief where the property is not an *excepted* one and all or part of it is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts.
- B.2 Relief cannot be granted to any premises occupied by the Council, or any town, parish council or major Precepting Authority (*excepted premises*).
- B.3 A number of issues arise from the term ‘not established or conducted for profit’. This requires the Council to make enquiries as to the overall purpose of the organisation although if surpluses and such amounts are directed towards the furtherance or achievement of the objects of the organisation then it does not necessarily mean that the organisation was established or conducted for profit.<sup>10</sup>

#### Recreation Clubs

- B.4 Ideally all recreation clubs should be encouraged to apply for Community Amateur sports Club (CASC) status, which would automatically entitle them to 80% relief. The relief granted to CASCs is covered earlier within this policy.
- B.5 Recreation Clubs can also apply to the Charity Commissioners for registration as a Charity (thereby falling under the mandatory provisions for 80% relief) where they meet the following conditions:
- The promotion of community participation in healthy recreation and by the provision of facilities for the playing of particular sports; and
  - The advancement of the physical education of young people not undergoing formal education.
- B.6 Where sports clubs do not meet the CASC requirement, and are not registered charities, discretionary relief can be granted (0-100%) where the property is not an *excepted* one, it is wholly or mainly used for purposes of recreation and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

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<sup>9</sup> S47 Local Government Finance Act 1988

## Definition of Recreation

B.7 Recreation is clearly defined by the Sports Council as any of the following<sup>11</sup>

Aikido	Croquet	Kabaddi	Real Tennis	Tang Soo Do
American Football	Crossbow	Karate	Roller Hockey	Tenpin
Angling	Curling	Kendo	Roller Skating	Bowling
Archery	Cycling	Korfball	Rounders	Trampolining
Arm Wrestling Association	Disability Sport	Lacrosse	Rowing	Triathlon
Football	Dragon Boat	Lawn Tennis	Rugby League	Tug of War
Athletics	Racing	Life Saving	Rugby Union	Unihoc
Australian Rules Football	Equestrian	Luge	Sailing	Volleyball
Badminton	Fencing	Modern Pentathlon	Sand/Land Yachting	Water Skiing
Ballooning	Fives	Motor Cycling	Shinty	Weightlifting
Baseball	Flying	Motor Sports	Shooting	Wrestling
Basketball	Gaelic Football	Mountaineering	Skateboarding	Yoga
Baton Twirling	Gliding	Movement, Dance, Exercise & Fitness	Skiing	
Biathlon	Golf	Netball	Skipping	
Bicycle Polo	Gymnastics	Orienteering	Snowboarding	
Billiards and Snooker	Handball	Parachuting	Softball	
Bobsleigh	Hang/Para	Petanque	Sombo	
Boccia	Gliding	Polo	Wrestling	
Bowls	Highland Games	Pony Trekking	Squash	
Boxing	Hockey	Pool	Skater/Street Hockey	
Camogie	Hovering	Quoits	Sub-Aqua	
Canoeing	Hurling	Racketball	Surf Life	
Caving	Ice Hockey	Rackets	Saving	
Chinese Martial Arts	Ice Skating	Raquetball	Surfing	
Cricket	Jet Skiing	Rambling	Swimming & Diving	
	Ju Jitsu		Table Tennis	
	Judo		Taekwondo	

## Access to clubs

B.8 Guidance issued by the MHCLG also requires the Council to consider access to clubs within the community before granting discretionary relief.

B.9 Membership should be open to all sections of the community. There may be legitimate restrictions placed on membership which relate for example to ability in sport or to the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited, but in general membership should not be exclusive or restrictive.

B.10 Membership rates should not be set at such a high level as to exclude the general community. However, membership fees may be payable at different rates that

<sup>11</sup> Definition last reviewed by Sport England in 2002

distinguish the different classes of membership such as juniors, adults, students, pensioners, players, non-players, employed and unemployed. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.

- B.11 The Council also asks the following question to help establish the level of access 'Does the organisation actively encourage membership from particular groups in the community e.g. young people, women, older age groups, persons with disability, ethnic minorities' etc.?'

### **Provision of facilities**

- B.12 Clubs which provide training or education are encouraged as are those who provide schemes for particular groups to develop their skills e.g. young people, the disabled, retired people.
- B.13 A number of organisations run a bar. The mere existence of a bar will not in itself be a reason for not granting relief. However, the Council focuses on the main purpose of the organisation. The Council is encouraged to examine the balance between playing and non-playing members.
- B.14 Within this area the Council also considers whether the facilities provided relieve the Council of the need to do so or enhance and supplement those that it does provide.

### **Discretionary Relief - Non-Profit Organisations including Recreation – the Council's Policy**

- B.15 The Council will consider applications for discretionary rate relief from non-profit making organisations on their own merits on a case-by-case basis. In determining the application, the following matters will be taken in to consideration (The list is not exhaustive):
- How the organisation supports and links into the Council's corporate vision and priorities;
  - Whether the facilities provided include education and/or training for members as a whole or for special groups;
  - The extent to which the facilities provided reduce the demand for Council services or produce savings;
  - Any membership and fee structure and whether the facilities are accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
  - If covered by a membership scheme, membership numbers and the number and percentage of these members that are Island residents;
  - If the organisation has due regard to equality issues and if its facilities are used by all members of the community, for example black and minority ethnic residents, people over 50 and people with disabilities.
- B.16 The Council will also require additional financial information including:



- 
- If the organisation runs a bar or food provision, the level of income from this activity and how this money is used; and
  - Whether the organisation operates at a local or national level and where appropriate, the local and national funding streams and financial position of the organisation.

## **Appendix C**

### **Discretionary Relief - Rural Rate Relief – Mandatory Relief recipients**

## Discretionary Relief - Rural Rate Relief – Mandatory Relief recipients

### What are the qualifying criteria for Mandatory Relief?

- C.1 For a Post Office or General Store to be entitled to 50% Mandatory Relief, all the following criteria must be met:
- The Rateable Value of the property must not exceed £8,500 (from 1 April 2017);
  - The property must be used as a Post Office or a General Store (see below for definition), or both;
  - The property must be the only Post Office or the only General Store within the Rural Settlement.
- C.2 For a Public House or Petrol Filling Station to be entitled to 50% Mandatory Relief, all the following criteria must be met:
- The Rateable Value of the property must not exceed £12,500 from 1 April 2017);
  - The property must be used as a Public House (see below for definition) or a Petrol Filling Station (see below for definition); and
  - The property must be the only Public House or the only Petrol Filling Station within the Rural Settlement.
- C.3 For a village food shop to be entitled to 50% Mandatory Relief, all the following criteria must be met:
- The Rateable Value of the property must not exceed £8,500 from 1 April 2017); and
  - The property must be used as a shop selling mainly food (see below for definition).

### What rural settlements exist within the Isle of Wight?

- C.4 The following settlements currently exist within the Isle of Wight. Each rural settlement area can be viewed at the Council Offices:

Arreton; Bembridge; Brading; Brightstone; Calbourne; Chale; Freshwater; Gatcombe; Godshill; Gurnard; Nettlestone; Newchurch; Niton and Whitwell; Rookley; Seaview; Shalfleet; Shanklin; Shorwell; St. Helens; Totland; Ventnor; Wroxall; Yarmouth

### What is the definition of a General Store?

- C.5 For the purposes of Rural Rate Relief, 'General Store' means a business or trade, which wholly or mainly sells by retail both food (other than confectionery) for human consumption and general household goods. Where there are two or more General Stores within the same Rural Settlement, none can qualify for Mandatory Relief on that basis, although if one of them functions as a Post Office or a Food Shop relief

may be claimed independently on that ground. However, both a General Store and a Post Office in the same Rural Settlement will qualify for Mandatory Relief, provided that they both meet the criteria. Although a General Store or a Post Office may not meet the criteria for Mandatory Relief, they may still be eligible to apply for Discretionary Relief.

### **What is the definition of a Public House?**

- C.6 For the purposes of Rural Rate Relief, 'Public House' means any premises as defined in the Licensing Act 2003, which has a premises license authorising sale by retail of alcohol for consumption on the premises. In addition, the premises must be used principally for retail sales of alcohol to members of the public for consumption on the premises, and sales must not be subject to the condition that buyers reside at or consume food on the premises.

### **What is the definition of a Petrol Filling Station?**

- C.7 For the purposes of Rural Rate Relief, 'Petrol Filling Station' means premises where petrol or other automotive fuels are sold retail to the general public for fuelling motor vehicles intended or adapted for use on roads

### **What is the definition of a Food Shop?**

- C.8 For the purpose of Rural Rate Relief, "Food Shop" means a trade or business consisting wholly or mainly of the sale by retail of food for human consumption (excluding confectionery and catering – in this context catering means any supply of food for consumption on the premises on which it is supplied and any supply of hot food for consumption off the premises). Thus, this definition may also include shops, which sell mainly household foods, and which may partly also sell hot take away food or food consumed on the premises. But shops whose main business is a restaurant, tearoom, take-away, or confectionery sales are not food shops and so will not qualify for Mandatory Relief.

### **What are the qualifying criteria for Discretionary Relief?**

- C.9 The Council may grant up to 50% Discretionary Relief in respect of any property which qualifies for 50% Mandatory Relief and the Council may also grant up to 100% Discretionary Relief to any rural business which does not meet the mandatory provisions.

### **Rural Rate Relief – Mandatory Relief recipients, the Council's Policy for granting discretionary relief.**

- C.10 As Central Government has requested and fully funds any additional relief granted to ratepayers who receive mandatory rural rate relief, the Council will automatically grant the additional 50% until such time as primarily legislation is changed.

## **Appendix D**

### **Discretionary Relief – Premises within Rural Settlements**

## Discretionary Relief – Premises within Rural Settlements

- D.1 In addition to having the ability to grant discretionary relief to those in receipt of mandatory relief, the Local Government and Rating Act 1997 allows discretionary relief of up to 100% to be granted where the rateable value is £16500 or less and:
- a. Property is used for purposes which are of benefit to the local community, and
  - b. It would be reasonable for the billing authority to award relief, having regards to the Council's Council Taxpayers
- D.2 As with all discretionary relief, part of the cost, is met by Central Government and the balance from local sources.
- D.3 The main criteria for granting discretionary relief in respect of rural rate relief is that premises are used to benefit the local community.

### Benefit to the local community

- D.4 Whilst each application for the relief will be considered on its own merits, there are certain factors which weigh heavily in the decision-making process. It is this Council's belief that the spirit of the legislation is to assist businesses and amenities, which contribute significantly to the quality of life of the people who have their main home in the Rural Settlement.
- D.5 To be successful for consideration, a business must show that its existence is a significant benefit to the local community with the majority of local residents directly benefiting from services or facilities provided by that business

### Rural Rate Relief – the Council's Policy for granting discretionary relief.

- D.6 The Council will also consider applications for a discretionary rural rate relief from all ratepayers, not entitled to mandatory relief.
- D.7 In determining the application the following matters will be taken in to consideration:
- The granting of any discretionary relief will be essential in ensuring the viability of any business within the rural settlement;
  - The granting of any discretionary relief is proportionate given the level of any business rates charged compared with the overall turnover of the business;
  - The granting of any discretionary relief will assist the business in continuing to be viable and / or prevent the business from failing;
  - The business is considered by the Council to be essential and that any reduction or withdrawal of the business will have a serious detrimental effect on the rural settlement; and
  - The granting of any discretionary relief is reasonable having regard to the effect on taxpayers of the Island.

## **Appendix E**

### **Discretionary Relief – Localism Act 2011**

## Discretionary Relief – Localism Act 2011

### General explanation

- E.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988. These provisions allow all Councils to grant discretionary relief in **any** circumstances where it feels fit having regards to the effect on the Council Tax payers of its area.
- E.2 The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Tax payers.

### Discretionary Relief – Localism – the Council’s Policy

- E.3 Applications will be considered from any ratepayer who wishes to apply however, where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then relief can be granted under the existing provisions as laid down by Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council’s discretionary relief policy.
- E.4 Any ratepayer applying for discretionary rate relief under these provisions and who does not meet the criteria for existing relief (charities, non-profit making organisations or rural premises) must meet **all** of the following criteria and the amount of relief granted will be dependant on the following key factors:
- a. The ratepayer **must not** be entitled to mandatory rate relief (Charity or Rural Rate Relief);
  - b. The ratepayer **must not** be an organisation that could receive relief as a non-profit making organisation or as a sports club or similar;
  - c. The ratepayer **must** occupy the premises (no discretionary rate relief will be granted for unoccupied premises);
  - d. The premises and organisation **must** be of *significant* benefit to residents of the Island;
  - e. The premises and organisation **must** relieve the Council of providing similar facilities;
  - f. The ratepayer **must**;
    - a. Provide facilities to certain priority groups such as elderly, disabled, minority groups, disadvantaged groups; **or**
    - b. Provide *significant* employment or employment opportunities to residents of the Island; **or**
    - c. Provide the residents of the area with such services, opportunities or facilities that cannot be obtained locally or are not provided locally by another organisation;
  - g. The ratepayer **must** demonstrate that assistance (provided by the discretionary rate relief) will be for a *short time only* **and** that any business / operation is financially viable in the medium and long term; **and**



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- h. The ratepayer **must** show that the activities of the organisation are consistent with the Council's core values and priorities.
  - E.5 Where a ratepayer can demonstrate that **all** the above criteria are met, relief will be considered for initially a short period.
  - E.6 A formal application from the ratepayer will be required in each case and any relief will be granted in line with State Aid requirements.

## **Appendix F**

### **Local Newspaper Relief**

- F.1 This is a relief that will be awarded until 2025 and the Government is not changing the legislation around the reliefs available to these properties. Central Government will reimburse local authorities that use their discretionary relief powers (under section 47(3)) of the Local Government Finance Act 1988 to grant relief in line with the eligibility criteria set out in this guidance.
- F.2 The Council will be compensated by Central Government through a grant under section 31 of the Local Government Act 2003.

### Eligibility criteria

- F.3 The scheme will provide a £1,500 relief for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per hereditament.

### Local Newspapers

- F.4 The relief is to be specifically for local newspapers and by that, the Council means what would be considered a “traditional local newspaper.” The relief will not be available to magazines.

### Office Space

- F.5 The hereditament **must** be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

### Amount of Relief

- F.6 The amount of relief is limited to a maximum of one discount per newspaper title (e.g. per newspaper name) **AND** per hereditament. As with all discretionary rate relief, any grant will be subject to State Aid limits as defined within section 6 of this policy.

### Local Newspaper Relief – the Council’s policy for granting discretionary relief.

- F.7 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

## **Appendix G**

### **Supporting Small Businesses Relief**

## General Explanation

- G.1 Central Government has increased the thresholds for Small Business Rate Relief from 1 April 2017 to £12,000 for the 100% relief and £15,000 for the tapered relief. They have also allowed rural rate relief to be granted up to 100% using S47 of the Local Government Finance Act 1988 as a top up to the mandatory level of 50%, albeit that the rateable value limits have not been changes in respect of rural hereditaments (see section D of this policy). Unfortunately, despite these changes, some small businesses and businesses in rural areas may lose their entitlement to the relief due to increases in Rateable Value through the revaluation on 1<sup>st</sup> April 2017.
- G.2 The transitional relief scheme (provided under the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265) does not provide support in respect of changes in reliefs. Therefore, those ratepayers who have lost some or all of their small business or rural rate relief may face large percentage increases in bills from 1 April 2017.
- G.3 In view of this, Central Government announced that a new scheme of relief would be made available to those ratepayers facing large increases as a result of the loss of small business or rural rate relief due to the revaluation. All authorities are encouraged to grant the relief in accordance with the guidelines laid down by Central Government and if granted strictly in accordance with guidance, the Council will be compensated by Central Government through a grant under section 31 of the Local Government Act 2003.
- G.4 The relief is to be known as the 'Supporting Small Businesses Scheme'.

## Who is eligible for the relief and how much relief will be available?

- G.5 The Supporting Small Businesses relief will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.
- G.6 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 the greater of:**
- a. a percentage increase per annum. of 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation. ( Unlike the transitional relief scheme under the Chargeable Amount regulations), for the first year of the scheme the percentage increase is taken against the bill for 31 March 2017 after small business rate relief or rural rate relief;  
**or**
  - b. a cash value of £600 per year (£50 per month).

- G.7 This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought into paying something.
- G.8 In the first year of the scheme, this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter. This means that ratepayers who in 2016/17 paid nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 in year 5.
- G.9 The Government has also decided that those on the Supporting Small Businesses relief scheme whose 2017 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 the Supporting Small Businesses relief scheme.
- G.10 Ratepayers will remain in the Supporting Small Businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme (this would be the charge payable as their true rates payable or the charge calculated under the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016).
- G.11 A change of ratepayer will not affect eligibility for the Supporting Small Businesses relief scheme, **but** eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.
- G.12 The rules for state aid (as detailed in section 6 of this policy) shall apply when considering Supporting Small Businesses Relief.

## Recalculation of relief

- G.13 The amount of relief awarded under the Supporting Small Businesses relief scheme will be recalculated in the event of a change of circumstances including the following:
- This could include, for example, a backdated change to the rateable value or the hereditament; or
  - The awarding of another relief.
- G.14 The Council will, in effect, calculate the award on a daily basis taking into account the above, and the relief will be re-calculated if the rateable value changes.

## Other Reliefs

- G.15 Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for Supporting Small Businesses Relief. Likewise, the same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties). The presence of a section 44A

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certificate will not further reduce the bill further under the Supporting Small Business scheme.

- G.16 In accordance with Central Government guidelines, all other discretionary reliefs, will be considered **after** the application of Supporting Small Businesses relief.

**Supporting Small Businesses Relief – the Council’s policy for granting discretionary relief.**

- G.17 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

## **Appendix H**

### **Public House Relief**



## General Explanation

- H.1 This is a temporary relief for 2020/21 only and the Government is not changing the legislation around the reliefs available to premises. Central Government will reimburse local authorities that use their discretionary relief powers (under section 47(3)) of the Local Government Finance Act 1988) to grant £5000 relief in line with the eligibility criteria set out in guidance to be produced by Central Government. It should be noted that, until the Budget in March 2020, the relief was only set at £1000.
- H.2 Central Government guidelines have been received and it has been established that any amount granted will be reimbursed by a section 31 grant.

## Eligibility criteria

- H.3 The Council's policy, in line with Central Government requirements, will provide a relief of £5,000 relief for one year only (1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021) for all eligible public houses who have a rateable value of less than £100,000 on 1<sup>st</sup> April 2017.
- H.4 The definition of a 'Public House' means any premises as defined in the Licensing Act 2003, which has a premises license authorising sale by retail of alcohol for consumption on the premises. In addition, the premises **must** be used principally for retail sales of alcohol to members of the public for consumption on the premises, and sales must not be subject to the condition that buyers reside at or consume food on the premises.
- H.5 It will be for the Council to decide whether any premises falls within the definition give in the above paragraph. No relief shall be given where the premises are unoccupied.

## Other Reliefs

- H.4 Pubic House relief will be granted **after** applying any other mandatory reliefs, discretionary reliefs and reductions.

## Public House Relief – the Council's policy for granting discretionary relief.

- H.5 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

## **Appendix I**

### **Discretionary Business Rate Relief Scheme**

## General Explanation

- I.1 In March 2017, Central Government announced that it would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Government determined that Councils would be best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.
- I.2 Every authority within England is to be provided with a share of a £300 million fund to support their local businesses. This is to be administered through billing authorities' discretionary relief powers under section 47 of the Local Government Act 1988.
- I.3 Government also believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.
- I.4 The funding is not provided equally over the four-year period but in the following approximate proportions:
- Year 1 (2017/18) 58%
- Year 2 (2018/19) 28%
- Year 3 (2019/20) 12%
- Year 4 (2020/21) 2%
- I.5 Councils will be compensated for any relief granted under section 31 of the Local Government Act 2003. The Government has decided that any underspend cannot be 'vired' from one year to the next.
- I.6 A key criteria of reimbursement will be that all Billing Authorities will consult with major precepting authorities when formulating their schemes.
- I.7 The financial effects to the Council of the Discretionary Business Rates Relief Scheme are shown in the following table

<b>Amount of discretionary fund awarded (£000s) – Isle of Wight Council</b>			
2017-18	2018-19	2019-20	2020-21
504	245	101	14

## Consultation

- I.8 The Council has consulted with the major preceptors in relation to this scheme and has taken their comments into account when determining the eligibility criteria. This is an essential part of the Discretionary Business Rates Relief Scheme and is in line with the grant determination issued by the Ministry of Housing, Communities and Local Government (MHCLG) No.31/3071.
- I.9 The grant determination states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purposes of this scheme means:
- a. Any major precepting authority; and
  - b. Any combined authority.
- I.10 In the case of The Isle of Wight Council only the major precepting authorities have been consulted namely the Police and Crime Commissioner for Hampshire and the Isle of Wight.

## State Aid

- I.11 The rules relating to State Aid (as defined within section 6 of this policy) apply. The Council will ensure full compliance in this area to ensure that relief can be given to the most deserving ratepayers.

## Decisions by the Council

- I.12 Decisions by the Council are made directly in line with the Scheme of Delegation as outlined within section 7 of this policy. Any decision to award relief under this scheme will follow the core principles of the Council's discretionary relief policy as defined by section 3.8.
- I.13 It should be noted that whilst the funding from Central Government for Discretionary Business Rate Relief Scheme is limited, the decision of the Council whether to award any relief under this scheme **will not take account** of the level of any funding.

## Discretionary Business Rate Relief Scheme– the Council's policy for granting discretionary relief.

### Applications for relief under this scheme

- I.14 The Council is keen to identify ratepayers who may qualify for the relief and as such will look to encourage certain ratepayers to apply. The Council will look to simplify the application process wherever possible, but it will expect any ratepayers to provide such information as is required by the Council to support their application.
- I.15 The Council has decided that relief under the scheme will be awarded using the following criteria:

- a. The scheme is designed to assist ratepayers who have suffered significant increases in rate liability due to the revaluation and the subsequent increase to their Rateable Value;
- b. Relief will not be awarded where mandatory relief is granted;
- c. In assessing any potential entitlement to an award under this scheme, the Council will compare the following:
  - i. The rate liability of the ratepayer at 31<sup>st</sup> March 2017 after any reliefs and reductions; and
  - ii. The rate liability of the ratepayer at 1<sup>st</sup> April 2017 taking into account any transitional relief or discretionary relief within this policy;
- d. Relief will be awarded where the calculation in c. above would result in an increase in rates payable. The award shall be calculated in accordance with paragraph I.17;
- e. Relief will only be given to premises which are liable for occupied rates. No relief within this scheme will be granted for unoccupied premises;
- f. Relief will only be granted to ratepayers who were in occupation at 31<sup>st</sup> March 2017 and in occupation on 1<sup>st</sup> April 2017 and for each day subsequently.
- g. Ratepayers taking up occupation after the 1<sup>st</sup> April 2017 will **not** be eligible for relief on the basis that new ratepayers would not have suffered from increases due to a revaluation;
- h. Relief will be targeted to local businesses and not those business that are national or multi-national in nature. Local businesses are, for the purposes of this scheme, those which have premises wholly in the Councils area;
- i. Relief may be awarded for more than one premises as long as **all** other criteria are met;
- j. Relief will **not** be awarded where:
  - i. mandatory relief is awarded; or
  - ii. where the ratepayer has applied for a reduction under S44a of the Local Government Finance Act 1988; and
  - iii. the hereditament has an increase in Rateable Value after the 1<sup>st</sup> April 2017 which increases the rate charge above the 1<sup>st</sup> April 2017 value.
- k. Relief will **not** be awarded for hereditaments who are wholly or mainly used for the following:
  - Financial services (e.g. banks, building societies, cash points, bureau 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 office

## Amount of Relief

I.16 The amount of relief is tapered and will be calculated as follows:

### 2017/18

Hereditaments meeting the criteria as defined within I.15 shall be awarded relief depending on the size of their increase and their rateable value at 1<sup>st</sup> April 2017. The authority has decided that there shall be three tiers of relief, based on a range of rateable values. Each hereditament in each tier shall receive the percentage relief indicated in the following tables:

		Yr1	Yr2	
<b>Tier 1</b>		<b>RV (0 - 20000)</b>		
<b>Increase between</b>		<b>Award up to (as % of increase)</b>		
0.00%	3.00%	0	0	
3.01%	5.00%	100	50	
5.01%	10.00%	100	50	
10.01%	15.00%	100	50	
15.01%	20.00%	100	50	
20.01%	25.00%	100	50	
25.01%	30.00%	100	50	
30.01%	35.00%	100	50	
35.01	+	100	50	

		Yr1	Yr2	
<b>Tier 2</b>		<b>RV (20001 - 100000)</b>		
<b>Increase between</b>		<b>Award up to (as % of increase)</b>		
0.00%	3.00%	0	0	
3.01%	5.00%	55	27.5	
5.01%	10.00%	60	30	
10.01%	15.00%	65	32.5	
15.01%	20.00%	70	35	
20.01%	25.00%	75	37.5	
25.01%	30.00%	80	40	
30.01%	35.00%	85	42.5	
35.01%	+	85	42.5	

Tier 3		RV (100001 - 200000)	
		Yr1	Yr2
Increase between		Award up to (as % of increase)	
0.00%	3.00%	0	0
3.01%	10.00%	40	20
5.01%	15.00%	45	22.5
10.01%	20.00%	50	25
15.01%	25.00%	55	27.5
20.01%	30.00%	60	30
25.01%	35.00%	65	32.5
30.01%	35%	70	35
35.01%	+	75	37.5

**2018/19**

The award for 2018/19 shall be 50% of any award for 2017/18 (see above table)

**2019/20**

The award for 2019/20 shall be 45% of the Year 2 award.

**2020/21**

Allocation of funding will be as follows:

Number of Ratepayers	2019 Allocation £	2020 Allocation £	Total £
68	150-249	40.00	2720
43	250-499	70.00	3010
14	500-999	140.00	1960
7	1000-1999	280.00	1960
9	1999-4000	500.00	4500

- (a) The minimum amount of relief to be awarded is £40 on the basis that amounts of relief less than this would have no material effect on business viability.
- (b) The amount of relief awarded then rises up the valuation bands in broadly direct proportion i.e. For 100% change in RV there would be a 100% change in relief (not all percentages will be equally directly proportionate but will be a close match – variations being required to make awards meet the allocated grant)

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## Variation and amendment of relief under the scheme

- I.17 As with all reliefs, the amount of relief awarded under the Discretionary Businesses Rates relief scheme will be recalculated in the event of a change of circumstances. In effect relief is calculated on a daily basis in line with the ratepayer's liability on that day. This will include, for example, a backdated change to the rateable value of the hereditament. This change of circumstances could arise during the year in question or during a later year.
- I.18 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) requires the Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.



## **Appendix J**

### **Retail Discount**

## General Explanation

- J.1 The Government announced on 29 October 2018 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. However, since that time, the scheme has been substantially changed and a new **Expanded Retail Discount Scheme** has been put in place with effect from 1<sup>st</sup> April 2020. This section (J) details the provision of the Retail Discount Scheme for 2019/20. The Expanded Retail Discount Scheme can be found within Section K of this policy
- J.2 The value of discount should be one third of the bill and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied.
- J.3 Where an authority applies a locally funded relief, under section 47 this is must be applied after the Retail Discount.
- J.4 As this is a measure for 2019-20 and 2020-21 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria defined by them, reimburse any authorities that use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief.
- J.5 It is for the Council to adopt a local scheme and determine in each individual case when to grant relief under section 47.

## Who is eligible for the relief?

- J.6 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, drinking establishments, cinemas and live music venues. The Government consider shops, restaurants, cafes and drinking establishments to mean:
- i. **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; and

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

**ii. 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; and
- Car hire.

**iii. 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; and
- Bars.

J.7 To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), 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.

## **Hereditaments that are not likely to receive relief under the scheme**

J.8 The list below sets out the types of uses that the Government does **not** consider to be retail use for the purpose of this relief. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

**i. 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

**ii. Hereditaments that are not reasonably accessible to visiting members of the public**

- Generally speaking, Government also does not consider other assembly or leisure uses beyond those listed 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. Hereditaments used for sport or physical recreation (e.g. gyms) are also outside the scope of the discount. Where there is doubt, the Council will exercise discretion.

**How much relief will be available for 2019/20?**

J.9 The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for particular hereditament in the financial year 2019-20.

J.10 Amount of relief to be granted =  $V / 3$  where V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs.

**Retail Discount – the Council’s policy for granting discretionary relief.**

J.11 The Council has decided to grant relief strictly in accordance with Central Government guidelines.



## **Appendix K**

### **Expanded Retail Discount Scheme (2020/21)**

## General Explanation

- K.1 In response to the coronavirus pandemic (Covid-19), in the Budget on 11<sup>th</sup> March 2020, the Government announced that it would provide a discount of 100% to all those premises that received Retail Discount and extend it to include the leisure and hospitality sectors.
- K.2 Following the announcement on 23 March 2020 of further measures to limit the spread of Covid-19, the Government confirmed that some of the exclusions for this relief have been removed, so that retail, leisure, and hospitality properties that will have had to close as a result of the restriction measures will now be eligible for the relief.
- K.3 This relief will apply to occupied retail, leisure and hospitality properties in the year 2020/21.
- K.4 There will be no rateable value limit on the relief.**

## Who is eligible for the relief?

- K.5 Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:
- a. as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,
  - b. for assembly and leisure; or
  - c. as hotels, guest & boarding premises and self-catering accommodation.
- K.6 The Council consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:
- i. **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; and
    - Art galleries (where art is for sale/hire).

**ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:**

- Hair and beauty services (such as: hairdressers, 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
- Employment agencies
- Estate agents and letting agents
- Betting shops

**iii. 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

**iv. Hereditaments which are being used as cinemas;**

**v. Hereditaments that are being used as live music venues:**

- For the purposes of this policy live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although the Council would expect this would



be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.

- K.7 The Council considers assembly and leisure to mean:
- i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).**
    - Sports grounds and clubs
    - Museums and art galleries
    - Nightclubs
    - Sport and leisure facilities
    - Stately homes and historic houses
    - Theatres
    - Tourist attractions
    - Gyms
    - Wellness centres, spas, massage parlours
    - Casinos, gambling clubs and bingo halls
  - ii. Hereditaments that are being used for the assembly of visiting members of the public.**
    - Public halls
    - Clubhouses, clubs and institutions
- K.8 The Council considers hotels, guest & boarding premises and self-catering accommodation to mean:
- i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:**
    - Hotels, Guest and Boarding Houses
    - Holiday homes
    - Caravan parks and sites
- K.9 To qualify for the relief, the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), 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. For the avoidance of doubt, hereditaments which have closed temporarily due to the government's advice on COVID19 should be treated as occupied for the purposes of this relief.
- K.10 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes. There will also be mixed uses. However, it is intended to be a guide as to the types of uses that the Council considers for this purpose to be eligible for relief. The Council will determine whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.

K.11 The list below sets out the types of uses that the Council does not consider to be an eligible use for the purpose of this relief. Again, it is for the Council to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

**i. 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, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers)
- Post office sorting offices

**ii. Hereditaments that are not reasonably accessible to visiting members of the public**

K.12 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, Council may not grant the discount to itself or a precepting authority.

### **How much relief will be available?**

K.13 The total amount of government-funded relief available for each property for 2020/21 under this scheme is 100% of the bill, after mandatory reliefs and, other discretionary reliefs funded by section 31 grants have been applied, excluding those where local authorities have used their wider discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants.

K.14 The eligibility for the discount and the discount itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2020/21

K.15 The amount of relief to be granted =  $V$ , where  $V$  is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants. This will be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.

K.16 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties.

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**Expanded Retail Discount – the Council’s policy for granting discretionary relief.**

K.17 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

## **Appendix L**

### **Nursery Discount Scheme (2020/21)**

## General Explanation

- L.1 The Government announced a business rates Nursery Discount on 18 March 2020. This relief will apply to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to business rates in the year 2020/21. There will be no rateable value limit on the relief and Ofsted will ensure that all local authorities can access the Ofsted Early Years Register to help authorities identify eligible properties.

## Who is eligible for the relief?

- L.2 Properties that will benefit from the relief will be hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage.
- L.3 To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purpose. In a similar way to other reliefs (such as charity relief), 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. For the avoidance of doubt, hereditaments which have closed temporarily due to the government's advice on COVID19 should be treated as occupied for the purposes of this relief.
- L.4 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, the Council may not grant the discount to itself or a precepting authority.

## How much relief will be available?

- L.5 The total amount of government-funded relief available for each property for 2020/21 under this scheme is 100% of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where local authorities have used their wider discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants.
- L.6 The eligibility for the discount and the discount itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2020/21:
- L.7 The Amount of relief to be granted =  $V$ , where  $V$  is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs, and those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants. This is calculated ignoring any prior year adjustments

in liabilities which fall to be liable on the day.

- L.8 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties

**Nursery Discount – the Council’s policy for granting discretionary relief.**

- L.9 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

## **Appendix M**

### **Hardship Relief – S49 Reduction of remission of rate liability.**

## Section 49 – Hardship Relief

### General explanation

M.1 The Council is able to exercise its discretion under Section 49 of the Local Government Finance Act 1988 to provide either partial or full relief for non-domestic rate payments in cases of hardship where it would be reasonable to do so having due regard to the interests of council tax payers in general.

### Section 49 Hardship Relief – the Council’s Policy

M.2 The Council will consider applications for hardship relief from individuals and organisations based on their own merits on a case-by-case basis. The Revenues Manager / the Strategic Manager, Business Centre, will consider applications. Application forms are available from the Council.

M.3 In making decisions on whether to award the relief the Council considers the following criteria (not listed in any priority):

- Any reduction or remission of rates on the grounds of hardship should be made after applying for any other statutory or discretionary reliefs that are available;
- Hardship relief will be considered the exception rather than the rule;
- Any reduction of the rates must be shown to be significant to the future viability of the business;
- The business must continue to trade;
- Cash flow forecasts for a minimum of the next twelve months must be provided together with a comprehensive Business Plan incorporating a brief history of the business. Further details of information to be supplied are also given below;
- The test of "hardship" is not strictly confined to financial hardship and that this, in itself, is not a deciding factor;
- The loss of the business would reduce amenities of an area or the Island in general, if it is the sole provider of a service in the area;
- Details of any state aid, grants or subsidies either from Central or Local government over the previous three years;
- The loss of the business would worsen the employment prospects in the area or of the Island in general;
- The interests of the Council Tax payers of the area would be best served by awarding the relief (as required by Section 49 of the Local Government Finance Act 1988);
- The business must demonstrate how it is beneficial to the local community or the Island in general and why it is currently suffering financial hardship;
- The business provides employment to local residents in an area, or to the Island in general, where employment opportunities are limited;
- Independent advice given by banks or financial advisors should be sought to demonstrate the future viability of the business;
- The ratepayer will provide additional information as deemed necessary by the Council to be essential in order for a fair evaluation of the application; and



- The amount of relief awarded may be reviewed in year and may be revised depending on the individual circumstances, appeals and reductions in rateable value.

## Applications and Decision Making

- M.4 Hardship relief is intended to provide short term assistance to a business suffering unexpected hardship, financial, or otherwise, arising because of exceptional circumstances or short-term crisis beyond the business' control and outside of the normal risks associated with running a business of that type, to the extent that the viability of the business would be threatened if an award were not made. As the Hardship Relief scheme covers unforeseen events, it is not possible to offer precise definitions. However, a 'crisis' would have to result in a serious loss of trade or have a major effect on the services that can be provided.
- M.5 'Exceptional circumstances' will usually be circumstances that came from outside the business or organisation and are beyond the normal risks faced by businesses and cannot be foreseen or avoided. The effect of strikes within a business or organisation, increased running costs and increased competition would not be considered as 'exceptional circumstances' as they are normal business risks.
- M.6 Applications to reduce or remit the business rate charge will only be considered where the Council is satisfied that the ratepayer would otherwise sustain hardship if no award was made and that it is reasonable to grant relief having regard to the interest of council tax payers who are affected by decisions under this section.
- M.7 Applications for hardship will be examined on a case by case basis by the Revenues Manager and each application will be assessed on its individual merits. Other issues or requirements will also be considered in relation to the application as they arise including:
- All applications should be made in writing from the ratepayer, their advocate/appointee or a recognised third party acting on their behalf, preferably using the relevant form, and should contain the necessary information to substantiate the request;
  - All applications are only intended as short-term assistance and will not extend beyond the current financial year, and should not be considered as a way of reducing rate liability indefinitely;
  - The financial interests of the council tax payers will not be the sole overriding factor e.g. the impact on employment and amenities provision will also be considered;
  - The test of 'hardship' is not confined strictly to financial hardship - all relevant factors affecting the ability of a business to meet its liability for rates are considered where readily available. Where the granting of relief will have an adverse effect on the financial interests of the council tax payers, relief may still be granted if the case for relief on balance outweighs the costs to taxpayers;
  - The potential amount of any relief may in some cases constitute state aid and therefore adherence to EU State Aid provisions must be followed; and
  - The test of hardship will include an assessment of the ratepayer's individual accounts to verify that the payment of rates would cause hardship.

- M.8 Upon receipt of a written application, all supporting information must be included for consideration.
- M.9 An application will need to be submitted to the business rates section who will undertake the initial first stage assessment to confirm it is valid. They will produce an overall decision sheet and submit it to the Revenues Manager. The Revenues Manager will review the application and supporting details and provide a recommendation of award date and amount to the Director of Finance. In the absence of the Revenues Manager, the Strategic Manager, Business Centre will review applications and recommend awards to the Director of Finance. The Revenues Manager has authorisation up to a limit of £2,000 per financial year and with a maximum of £6000; any reductions over this amount will be referred to the Director of Finance or Assistant Director of Finance for any award over £6000 for consideration.
- M.10 Once a decision has been approved the ratepayer will be advised in writing of the decision.

## Review of Decision

- M.11 Under the Local Government Finance Act 1988, there is no right of appeal against the Council's use of discretionary powers. However, on individual applications, the Council will accept a request from a ratepayer for a re-determination of its decision. The Council will consider whether the ratepayer has provided any additional information that will justify a change to its original decision.
- M.12 The Council will notify the ratepayer of its decision within 21 days of receiving a request for a redetermination.

## Award of Relief and Period of the award

- M.13 Relief will normally only be awarded retrospectively. However, where the ratepayer can show that the circumstances will remain the same for a period up to the end of the current financial year, relief may be award for the remainder of the year.
- M.14 Hardship Relief would not be granted in respect of an empty property or where there is little expectation of economic survival.
- M.15 It is expected that businesses should have taken prompt action to mitigate any factors giving rise to hardship. Examples of mitigating actions may include: seeking business advice; discounts and promotions; reviewing pricing; extending the range of stock or services; and negotiating with creditors etc. Applications may be declined in circumstances where the business is unable to demonstrate that it is taking reasonable steps to alleviate the hardship.
- M.16 In all cases relief will end in the following circumstances:
- At the end of a financial year;
  - A change of ratepayer;
  - The property becomes empty, partly empty or is used for a different purpose;

- 
- The ratepayer enters any form of formal insolvency; or
  - The ratepayer's financial circumstances significantly change.

M.17 The ratepayer must inform the Council if their circumstances change. Circumstances may also be reviewed by the Council periodically where awards are made to confirm hardship persists.