



NORWICH
City Council

Norwich City Council Business Rates Retail Relief Policy

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Norwich City Council Retail Relief Policy

Introduction

The retail sector is changing, particularly due to internet shopping, and many high streets are experiencing challenges as they look to adapt to changing consumer preferences in how people shop. The Government wishes to support town centres in their response by providing particular support to retailers.

Therefore the Government announced in the Autumn Statement on 5 December 2013 that it will provide a relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014-15 and 2015-16.

As this relief will only apply to the years 2014-15 and 2015-16 the Government is not changing the legislation however Norwich City Councils power to award will fall under the use of their discretionary relief powers, introduced by the Localism Act 2011 (under section 47 of the Local Government Finance Act 1988, as amended).

Norwich City Council will adopt the scheme as set out in this document.

The policy

1. Which properties will benefit from the relief?

Properties which will benefit from the relief will be

- Occupied
- Business premises
- Have a rateable value of £50,000 or less and
- Be wholly or mainly used for shops, restaurants, cafes and drinking establishments

Definition of shops, restaurants, cafes and drinking establishments

Norwich City Council shall adopt the guidance from the Department for Communities and Local Government (DCLG) and will consider shops, restaurants, cafes and drinking establishments to mean:

I. Properties that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, 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
- Art galleries (where art is for sale/hire)

II. Properties 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
- DVD/ video rentals
- Tool hire
- Car hire

III. Properties 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

Similarly Norwich City Council shall adopt the guidance that the following will not be considered as shops, restaurants, cafes and drinking establishments

IV. Properties 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, 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

V. Properties that are not reasonably accessible to visiting members of the public

These lists are not exhaustive and Norwich City Council shall determine whether particular properties, on an individual basis, are broadly similar or not in nature to those listed and grant or not grant relief as it determines.

2. How much relief will be available?

The total amount relief available for each property will be £1,000 each year. This does not vary with rateable value nor is there a taper. The relief is calculated

- On a daily basis
- After all other reliefs
 - Therefore where the net rate liability on a day is less than the maximum amount of the relief the relief will not exceed the net rate liability
- On all qualifying properties
 - Therefore if ratepayers occupy more than one property they will be entitled to relief on each eligible property, subject to State Aid 'de minimis' limits

3. Applications

The Council shall publicise this relief on literature it sends to ratepayers and on the Council's website.

Ratepayers shall be required to make a claim for the relief, in respect of each property, by completing a claim form and a 'de minimis' declaration.

State Aid

European Union competition rules prohibit government subsidies to businesses. This means that where an organisation (regardless of type) is engaged in commercial activities which put them in direct competition with other organisations, they cannot be given the advantage of favourable treatment by being selected for financial aid by a local authority. Discretionary rate relief is included in this definition, as are grants and loans.

There are a limited number of exceptions, the most relevant in respect of this relief will be the 'de minimis' rules, which is up to €200,000 over a period of three years.

4. Decisions and reviews

Each application will be decided on its individual merits however in determining relief Norwich will take into consideration

- This policy,
- The guidance document provided by the DCLG
- Relevant legislation.
- The impact of granting a relief if it was to go against the authority's wider objectives for the local area
- Other reliefs / grants awarded to the ratepayer
- How the activities of the business contribute to the corporate plan priorities
 - Safe and clean city
 - Prosperous city
 - Decent housing for all
 - City of character and culture
 - Value for money services

Claims will be determined by the executive head of business relationship management.

The Council will aim to make a decision within 4 weeks of receiving the application with all supporting evidence.

Asking for a review

Any ratepayer may make a request for a review only where there is

- additional information not available at the time of the original decision or
- there are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was taken

A request for a review should be made in writing to the council within 4 weeks of notification of the original decision supplying the additional supporting information.

Reviews will be considered by the Councils s151 officer

5. Requirements to make payment of amounts falling due

Ratepayers must continue to pay any amount of rates that fall due whilst an application is pending. In the event that payments are not received as due the Council may continue with its normal enforcement procedures.

6. Length of award

This relief is a temporary relief and only in place for the years 2014/15 and 2015/16 only. Any claim received during the period 1 April 2014 shall be considered.

At the date of determination, if it is considered that the circumstances for qualification existed from 1 April 2014 the relief will be back dated to the 1 April 2014 or to a later date when the qualifying circumstances were in existence from.

The length of award shall be to 31 March 2016. However the relief shall be removed when the Council has reason to believe that the qualifying circumstances have ended or the ratepayer advises the same. There is a duty on the ratepayer to advise the Council of any changes of circumstances that they consider will affect their entitlement to relief. Removal of the relief will be backdated to the date of the relevant change in circumstances.