



Discretionary Rate Relief Policy 2024/25

Document Title	Discretionary Rate Relief Policy
Version	1.0
Policy Owner	Head of Revenues and Benefits
Policy Issue Date	March 2024
Review Period	Annually
Date of Next Review	March 2025
Committee Considered	

Document Control

Version Control

Issue No.	Author	Status	Issue Date	Reason for Issue
V1.0	Business Rates Team Leader	Draft	02/2024	Policy refresh, and review for 2024/25

Approval Control

Issue No.	Approval Authority	Approval Date	Due for Review
Final V1.0	Portfolio Holder for Finance	03/2024	March 2025

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Introduction

This policy sets out the Council's intentions for dealing with applications for discretionary rate relief.

This includes applications from Charities, Community Amateur Sports Clubs (CASC's), Non-Profit Making Organisations, rural businesses and other businesses situated within East Lindsey.

The policy has regard to the use to which business premises are put, and in particular the contribution that businesses seeking rate relief make to local communities. It also has regard to the financial cost to council taxpayers.

Addendums to this Policy include time limited or other specific schemes that are delivered using discretionary provisions.

Legislation

The Council has discretionary powers with regard discretionary rate relief under: -

The Local Government Finance Act 1988
The Local Government and Rating Act 1997
Non-Domestic Rating Act 2023

Policy Aims

Through this policy, East Lindsey District Council seeks to support its aims and objectives:

- Enabling people to get actively involved in their community
- Improving equality of opportunity and life chances
- Contributing to environmental sustainability and adapting to climate change
- Developing and nurturing the character and viability of our towns, villages and rural areas
- Helping to develop the right environment for a growing economy – building on current strengths and creating new business sectors.

We will assess each case on its own merits having regard to: -

- The eligibility criteria set out in this policy,
- The benefit that the organisation or business brings to the local community and
- The cost to the Council Taxpayer of awarding the relief.

CHARITIES, COMMUNITY AMATEUR SPORTS CLUBS (CASC'S), AND NON-PROFIT MAKING ORGANISATIONS

Eligibility Criteria

We will expect organisations to: -

- Operate in line with our Equality Objectives.
- Demonstrate a clear link to our Corporate Strategy.
- Be open to all sections of the community.
- Have membership rates set at levels that do not exclude the general community.
- Demonstrate that the criteria by which it considers application for membership is consistent with open access.

We will also consider: -

- Whether facilities are made available other than to members (for example schools).
- Whether the organisation provides training or education for its members, or schemes for particular groups to develop their skills (for example young people, people with disabilities or retired people).
- Whether the organisation is local or national and its connections within East Lindsey's area.

Information that will be required to support an application for discretionary rate relief:-

- A copy of the organisations constitution.
 - Documented community support from the local parish or town council and from the local ward member(s)
 - A copy of the organisations Equal Opportunity Policy.
 - A copy of the organisations membership application and subscription levels.
 - Copies of the last 2-years audited accounts.
- Reserves held should not exceed 12 months running costs.
- If reserves exceed 12 months running costs and are held for a planned project, details of the project must be provided along with costings and timescales.

Village Halls

Village Halls are public buildings run by dedicated groups of volunteers who have the responsibility for all aspects of management of the building in line with current legislation. We recognise that village and community halls play important roles in their community as they provide a facility for social, recreational and cultural activity.

In recognition of the importance of village halls within communities, and alignment with our Corporate Strategy, top up rate relief will be awarded in full.

Organisations not eligible for Discretionary Rate Relief

The Council is not permitted to award discretionary rate relief to a precepting authority, or itself as a billing authority.

In addition, under this policy, the following organisations will not normally be eligible: -

- Charity Shops
- Schools, including academies, voluntary aided, voluntary controlled, church or grant aided.

Levels of Rate Relief

Rate relief is awarded at different levels for the different categories of qualifying organisations and businesses. These are shown at Appendix A.

Discretionary Rate Relief will be awarded to the full extent on offer, unless this exceeds £2,000, in which case relief will be capped at this amount.

The cap does not apply to village and community halls.

Period of Discretionary Rate Relief Award

Discretionary Rate Relief will be granted to 31 March of the financial year for which the award relates. Continuation of relief will be subject to reapplication or review.

DISCRETIONARY RURAL RELIEF

Discretionary Rural Rate Relief of up to 100% may be awarded to any business provided that all the following criteria are met:

- The property is located in a qualifying rural settlement,
- The rateable value of the property does not exceed £16,500 at the beginning of the rating year concerned,
- The property is occupied by a business that benefits the local community,
- It is reasonable to award relief given the cost to the Council Taxpayers of the district.

HARDSHIP RELIEF

The Local Government Finance Act 1988 permits discretionary relief to be awarded on the basis of hardship, with consideration to the interest of local taxpayers.

We will consider written applications for Hardship Relief from ratepayers whose business, if it were to cease trading, would have a detrimental effect on the local community, including local employment.

Every case will be considered on its own merit, and we will have particular regard to evidence of exceptional or unforeseen circumstances to justify reduction.

Applications will need to be supported by:

- Details of the reason for an application, including evidence of any exceptional or unforeseen circumstances
- Details of the business and its importance to the local community
- Copies of the last 2 years audited accounts
- Nature of the hardship
- Other evidence that the rate payer feels supports their application
- Details of the number of people who are employed by the business who reside in East Lindsey

Any award of hardship relief will be exceptional and will be time limited.

Any reduction will be short term assistance and should not be considered a means of reducing rates liability in the longer term.

LOCAL DISCRETIONARY DISCOUNTS

The Localism Act 2011 introduced a new power for local authorities to be able to grant discounts on business rates as they think fit.

Every case will be considered on its own merit. Any award will be the exception rather than the rule and will be time limited.

Written applications will need to be supported as a minimum by: -

- Clear reasoning for the request, including a statement of the business type and the impact on the local community if the business were to come into the area/move away from the area.
- Details of the business and its importance to the local community, including an explanation as to what is unique and how the business sets itself apart from other businesses.

- Copies of the last 2 years audited accounts.
- Copy of any business plan.
- Details of any other support already received from other sources, or reasons why support was not forthcoming.
- Details of the number of people who are, or will be, employed by the business who reside in East Lindsey. Information about future employment opportunities and business growth.
- Any other evidence that the rate payer feels supports their application, and that would assist us to be satisfied that the granting of the relief would be in the interest of the local council taxpayer.

Specific local schemes that are in place at any time are shown as Addendums to this Policy.

SECTION 44A, PARTLY OCCUPIED PREMISES

A ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Where a property is partly occupied for a short time, we have discretion in certain cases to award relief in respect of the unoccupied part.

Written applications must be supported by: -

- Detailed maps which outline the whole property and indicate the partly occupied section.
- Details of the planned period of time for the part occupation.
- Details of future intentions.
- Details of the cause for the part occupation.

In the first instance it will be considered if a split of the assessment is appropriate, and if so, a report will be referred to the Valuation Office Agency to consider amending the valuation list entry.

If it is not capable of being separately assessed, then the application for Section 44A will be considered.

A site visit will normally be undertaken.

Making an Application

Any Non-Domestic Rates payment due must be paid in line with the most recent bill until such time as any relief is awarded.

Written applications, with the exception of applications for Section 44a relief, are required on the approved application form. Application forms can be printed from our website

www.e-lindsey.gov.uk, or a paper version can be provided on request.

Applications must be accompanied by evidence as outlined in this policy and on the application form. Where necessary the ratepayer may be required to provide additional information to support their application.

Failure to complete the application in full or provide requested information will cause delays in the decision-making process.

Subsidy control

The UK subsidy control regime, from 4 January 2023, enables public authorities, including devolved administrators and local authorities, to deliver subsidies that are tailored for local needs.

Public authorities giving subsidies must comply with the UK's international subsidy control commitments. The subsidy control legislation provides the framework for a new, UK-wide subsidy control regime. Further information about subsidy control can be found at [UK subsidy control regime - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Timescales

Wherever possible applications should be made within the financial year for which the relief is being sought.

Requests for backdating will be considered on a case-by-case basis, and in line with legislation.

Decision Making

Applications will be administered within the Business Rates Team.

Decisions in respect of applications for discretionary relief in respect of the following categories will be made by officers: -

- Charity,
- Community Amateur Sports Clubs (CASC's),
- Non-Profit Making Organisations
- S44A Partly Occupied Premises
- Local Discretionary Discount (those within the policy addendums)

Decisions will be made by the Portfolio Holder for Finance, in consultation with the Section 151 Officer in respect of individual applications for: -

- Hardship Relief
- Local Discretionary Discount (those outside the policy addendums)
- Discretionary Rural Rate Relief

The decision-making process in respect of schemes introduced under the Localism Act is set out for each relevant scheme included as Addendums to this Policy.

Successful applicants will be notified of the amount of discretionary rate relief awarded by the issue of a new rates bill. The relief will be shown as a reduction on the bill. If the account is in credit as a result of the award, a refund will be made to the ratepayer.

Unsuccessful applicants will be notified in writing and the reason for the decision will be provided.

Complaints and appeals

Any customer who feels that they have not been correctly dealt with can use the Customer Feedback procedure to make a complaint.

Rating Law does not allow for a ratepayer to appeal a decision by the Council on discretionary rate relief. However, in the interest of natural justice and in keeping with good customer care practice and principles of open government, this policy provides a mechanism for review of any decision.

If a ratepayer is unhappy with the decision made, full details should be submitted, in writing, to the Business Rates Team within 30 days of notification of the decision.

The case will be reviewed, and where the outcome remains the same the case will be referred to the Portfolio Holder for Finance (an Executive Board Member responsible for Non-Domestic Rates), in conjunction with the Section 151 Officer, for further consideration.

We aim to conclude any review within 30 days.

Service Delivery

The Business Rates function is delivered for East Lindsey District Council by Public Sector Partnership Services Limited.

Appendix A - Levels of Relief

CATEGORY OF RATEPAYER	MANDATORY RELIEF	DISCRETIONARY RELIEF
Charity Shop	80%	Nil
Certain voluntary and foundation schools	80%	Nil
Village Halls	80%	20%
Other charities meeting application criteria	80%	20%, to a maximum of £2,000
Registered Community Amateur Sports Clubs (CASC's)	80%	20%, to a maximum of £2,000
Non-Profit Making Organisations	Nil	Up to 100%, to a maximum of £2,000
Any business meeting the rateable value criteria in a rural settlement which demonstrates exceptional circumstances and benefits to the local community	Nil	Cases considered on individual merit
Hardship relief, and Local Discretionary Discount	Nil	Cases considered on individual merit

Addendums

The following local discount schemes are currently in place, and are administered under the provisions of Section 47 of the Local Government Finance Act 1988, as inserted by Clause 69 of the Localism Act 2011

Schemes will be subject to [Subsidy control](#).

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Addendum 1 - Retail Discount

The 2024/25 Retail, Hospitality and Leisure Business Rates Relief scheme provides occupied retail, hospitality and leisure properties with a 75% relief up to a cash cap limit of £110,000 per business.

Ratepayers who occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap per business. This cash cap of £110,000 applies at a Group company level, which means holding companies and subsidiaries cannot claim up to the cash cap for each company. No Business Rates payer should in any circumstances exceed this limit across all of their properties in England.

Eligibility Criteria

East Lindsey District Council will administer the scheme in line with Government guidance set out in its Retail Guidance (links below) using its discretionary powers under section 47 of the Local Government Finance Act 1988 to grant relief to eligible businesses

[Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme - GOV.UK](https://www.gov.uk/government/guidance/business-rates-relief-2024-25-retail-hospitality-and-leisure-scheme)
www.gov.uk

Businesses are able to refuse this discount, the Council has assumed that all businesses that qualify for the discount will want to benefit from it. However, if they do not wish to receive this discount this will be removed on request.

Decision Making

The scheme will be administered by the Business Rates team. Decisions in respect of applications for Retail Discount Relief will be made by officers.

Complaints and Appeals

Will follow the process set out in the main policy.

Addendum 2 - Relief for Local Newspapers

From 1 April 2017 the Government announced a business rates discount of up to £1,500 a year to business rates accounts for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per hereditament. This relief scheme has been extended to 31 March 2025.

Local Authorities are required to adopt a local scheme and decide each individual case using their discretionary relief powers introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988).

East Lindsey District Council will use the Government criteria to determine qualifying ratepayers and will review this for 2025/26.

Eligibility Criteria

Properties that will benefit are those that meet the following criteria:

- The property must be occupied by a local newspaper and must be wholly or mainly used as office premises for journalists and reporters
- The local newspaper must be what is considered to be a 'traditional local newspaper'; the relief is not available to magazines.

'Wholly or mainly' is a test on use rather than occupation. Therefore, properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

Amount of Relief available

Up to £1,500 relief a year, the amount of relief is limited to a maximum of one discount:-

- Per newspaper title (e.g. per newspaper name) And
- Per hereditament (property) that is wholly or mainly occupied by the local newspaper

Recalculation of Relief

The amount of local newspaper relief awarded will be recalculated in the event of a change in circumstances, including changes to occupation of premises by the local newspaper or identification that the relief has been applied on additional accounts.

Application for Local Newspaper Relief

Where possible ratepayers entitled to local newspaper relief under this local scheme will be identified by East Lindsey District Council.

Ratepayers who believe they might be entitled to this relief should contact the Business Rates team.

Amounts of relief awarded under this policy will be notified by the issue of a rates bill.

Decision Making

Decisions in respect of Local Newspaper Relief will be made by officers.

Complaints and Appeals

Will follow the process set out in the main Policy.

Addendum 3 - Supporting Small Business Relief

At the Autumn Statement on 17 November 2022 the Government announced that it would create a new Supporting Small Business relief scheme to ensure no small business faces a bill increase greater than £50 per month (£600 per year) as a result of losing eligibility for Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation.

East Lindsey District Council will administer the scheme in line with Government guidance [Business Rates Relief: 2023 Supporting Small Business Relief, local authority guidance - GOV.UK \(www.gov.uk\)](#) using its discretionary powers under section 47 of the Local Government Finance Act 1988 to grant relief to eligible businesses.

Eligibility Criteria

Ratepayers facing increases in their rateable value due to revaluation who are losing some or all of their Small Business Rate Relief or Rural Rate Relief.

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 a cash value of £600 per year (£50 per month). This cash maximum increase ensures that ratepayers do not face large bill increases from 1 April 2023 after Transitional Relief and Small Business Rate Relief or Rural Rate Relief (as applicable) have been applied.

Ratepayers entitled to Supporting Small Business Relief, whose 2023 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 Supporting Small Business Relief.

Application for Supporting Small Business Relief

Where possible ratepayers entitled to Supporting Small Business Relief under this local scheme will be identified by East Lindsey District Council.

Successful applicants will be notified of the amount of Supporting Small Business Relief awarded by the issue of a new rates bill.

Conditions of the award

In the event of a change in circumstances Supporting Small Business Relief will be recalculated.

Ratepayers who believe they might be entitled to this relief should contact the Business Rates team.

Amounts of relief awarded under this policy will be notified by the issue of a rates bill.

Decision Making

Decisions in respect of Supporting Small Business Relief will be made by officers.

Complaints and Appeals

Will follow the process set out in the main Policy.