

LOCAL DISCRETIONARY RETAIL DISCOUNT SCHEME LANCASTER CITY COUNCIL

This scheme forms part of the Council's wider Local Discretionary Rate Relief Policy. It sets out the principles upon which the Council will administer retail discount for occupied retail properties with a rateable value of less than £51,000.

This document sets out the broad framework of principles to be used in decision making for this new scheme in line with Government guidance, covering two financial years from 1 April 2019 (i.e. ending on 31 March 2021).

The value of discount awarded will be one third of the bill (33.33%), to be applied after mandatory reliefs and other discretionary reliefs funded by S31 grants have been applied.

Any retail discount granted under this scheme will be reviewed each year but normally expire on 31st March 2021, subject to a change in circumstances that falls outside the principles of the scheme (ie. property becomes empty, change of use) in which case relief will be apportioned to the qualification dates.

Scheme Principles:

To qualify for Retail Relief a property must be:

- Occupied
- Have a Rateable value of less than £51,000 (this is shown on your Business Rate bill)
- Be wholly or mainly used for Retail Purposes as shops, restaurants cafes and drinking establishments.

To qualify for the relief the business premises should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. Properties that are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

Properties considered to be retail for the purposes of this relief:

1) Properties 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 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)

2) 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

3) 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

The list above, whilst not exhaustive, is a guide as to the type of uses that the government considers to be retail for this purpose. Relief will be granted for occupation that is broadly similar in nature to those listed above.

As this relief is discretionary, the Council will not grant support in any case where it is not considered appropriate to do so, for example where granting the relief would go against the authority's wider objectives for the local area.

Properties that are not broadly similar in nature to those listed above; or are broadly similar in nature to those listed below will not normally be eligible for relief. However, the Council reserves the right to consider favourably, individual businesses contributing to a healthy high street, where the provision of service in the area to visiting members of the public is beneficial to the community as a whole.

Properties not considered to be retail for the purposes of this relief:

1) 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 offices

2) Properties that are not reasonably accessible to visiting members of the public

- Government guidance does not consider other assembly or leisure uses beyond those listed in this guidance 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 which are not similar in nature to the properties described above. Properties used for sport or physical recreation (e.g. gyms) are also considered outside the scope of this discount.

Decision Making & Appeals:

Where there is doubt in determining discount, the local authority will exercise their discretion with reference to the above list, considering the interests of the ratepayer and that of council tax payers in general, taking into consideration local factors.

In line with the Council's wider rate relief decision-making arrangements all decisions regarding the granting of applications of relief under this Policy are finally determined by the Deputy Director (Customer Services)/Head of Shared Services under delegated powers.

Under the Local Government Finance Act 1988, there is no statutory right of appeal against the Council's use of discretionary powers. However, the Council will accept a customer's request for a review of its decision, with appeals to be presented to the Interim Financial Services Manager for further consideration.

State Aid:

State Aid is any assistance or subsidy given to an organisation by the State (Central Government, devolved administrations, regional and local authorities) or by companies and agencies established by the state to distribute public support; which distorts or threatens to distort competition (i.e. the organisation receiving the State Aid is in a stronger competitive position relative to its competitors).

Under the De Minimis Regulations EC 1407/2013 the ratepayer is required to confirm if they have received any other State Aid that when added together exceeds in total €200,000 (approx. £181,000), including any other rates relief (other than exemptions,

transitional or mandatory reliefs) granted for premises other than the one receiving retail discount.

You do not need to complete a declaration unless you have received any other De Minimis State Aid (this includes Retail Discount granted for other properties). However, if you have received any other De Minimis State Aid, you should download a declaration form from the website www.lancaster.gov.uk/business/business-rates/download-a-business-rates-document and complete and return the form to confirm that the award of Retail Discount does not exceed the overall limit of €200,000.

For further guidance on State Aid please visit www.gov.uk/state-aid.

Retail discount will appear on bills for 2019/20, and it will be for qualifying retailers to make statutory declarations in relation to receiving other de minimis state aid, or in refusing the retail discount offered.