

Appendix A

Discretionary Rate Relief Policy

1 Introduction

If an organisation occupies a property on which it pays National Non-Domestic Rates (NNDR) it may be eligible for up to 100% Discretionary Rate Relief if it is operated within some or all of the following guidelines appropriate to the particular organisation.

The guidelines for determining relief are not intended to be a rigid set of rules; neither are all the guidelines applicable to every organisation. Each case will be judged on its merits taking into account the contribution which each organisation/business makes to the districts amenities and its residents lifestyles and wellbeing.

2 Eligibility Criteria

Eligibility Criteria for Rate Relief	Rate Relief	Amount of Relief
Property wholly or mainly used for charitable purposes which is occupied by a registered charity, charity shop or registered Community Amateur Sports Club (CASC)	Mandatory (Charity)	80%
	Discretionary	20% (maximum)
Property, all or part of which is occupied for the purposes of a non-profit making: a) Institution or other organisation whose main objects are philanthropic or religious or concerned with social welfare, science, literature or the fine arts. b) Club ,society or other organisation and is used for the purposes of recreation	Discretionary	100%(maximum)
Property is a qualifying: Food Shop General Store Post Office Sole Public House Sole Petrol Filling Station	Mandatory (Rural Rate Relief)	50%
	Discretionary (Rural Rate Relief)	50%(maximum)

3 Scope

The policy will be adhered to by all staff and members involved with consideration of Discretionary Rate Relief applications.

4 Applications

Applications must be supported by the organisations constitution, main purposes and objectives e.g. written constitution, memorandum of association, membership rules etc.

A full set of audited accounts for the latest financial year at the application date.

Details of how organisations/ businesses meet the criteria within the guidelines.

Applications from excepted businesses/organisations can not be considered. These are properties which are occupied by a billing or precepting authority e.g. District Council. County Council.

5 Factors to be taken into account

North Norfolk District Council is keen to ensure that any relief awarded is justified and directed to those organisations making a valuable contribution to the well-being of local residents. The following factors will therefore be considered:

- a. The organisation should provide facilities that indirectly relieve the authority of the need to do so, or enhance or supplement those that it does provide
- b. The organisation should provide training or education for its members, with schemes for particular groups to develop skills
- c. It should have facilities provided by self-help or grant aid. Use of self-help and / or grant aid is an indicator that the club is more deserving of relief
- d. The organisation should be able to demonstrate a major local contribution.
- e. The organisation should have a clear policies on equal opportunity, freedom of access and membership.
- f. It should be clear as to which members of the community benefit from the work of the organisation.
- g. Membership should be open to all sections of the community and the majority of members should be NNDC residents.

h. If there is a licensed bar as part of the premises, this must not be the principle activity undertaken and should be a minor function in relation to the services provided by the organisation.

i. The organisation must be properly run and be able to produce a copy of their constitution and fully audited accounts.

j. Those organisations applying for relief, whose work involves young children, young people or vulnerable adults must be able to demonstrate that appropriate checks have been carried out on staff and volunteers, and that sound child protection policies are in place.

k. The organisation must not have any unauthorised indebtedness to NNDC.

Rates are due and payable until a claim for discretionary rate relief is agreed.

6 Period of Relief

Relief will be granted for one year at a time.

The granting of relief will be reviewed annually and those in receipt of relief will be asked to supply or confirm relevant information for the purposes of the review.

7 Approval

Approval of discretionary rate relief applications up to £2,000 cost to NNDC will be approved by the Revenues Manger under delegated authority shown below.

Initial recommendations are to be made by the Revenues Manager to the Discretionary NDR Relief Panel for all other cases with a cost to NNDC of £2,000 and above, plus any new cases which the policy does not cover and needs further discussion.

The Discretionary NDR Relief Panel will consist of the following:

Revenues Manager
Section 151 Officer/Director for Resources and
Portfolio Member for Revenues and Finance.

Authorities must determine applications within six months after the end of the financial year for which the application for relief is made. Determinations after this time are invalid.

8 No Right of Appeal

Once the application has been processed, the ratepayer will be notified in writing of the decision. As this is a discretionary power there is no formal right

of appeal process against the Council's decision. However, we will reconsider the decision in the light of any additional points made.

If the application is successful and the organisation is awarded discretionary rate relief it will be applied to the account and an amended bill will be sent.

9 Notification of Change of Circumstances

Rate payers are required to notify any change of circumstances which may have an impact on the award of discretionary rate relief.

10 Withdrawal of relief

Should an applicant in receipt of discretionary rate relief be found to be guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

11 Costs to the Council

The Local Government Finance Act 2012 introduced the Business Rate Retention Scheme in England from 1 April 2013. The Business Rate Retention Scheme currently provides for 50% of rate revenue to be retained by local authorities (40% NNDC and 10% NCC) and 50% by central government. As a result of this most discretionary reliefs are paid for by the local authority and central government, in these proportions.

Enterprise Zone Discount

The District Council, alongside other Local Authorities, was invited by the Anglia Local Enterprise Partnership (LEP) in 2015 to submit applications for sites within the District area to be included in a New Anglia 'Space to Innovate' multi-site Enterprise Zone programme.

Two Sites have been agreed within North Norfolk District Council commencing 1 April 2016. Egmere Business Zone and Scottow Enterprise Park are geographically defined areas, hosted by Local Enterprise Partnerships in which commercial and industrial businesses can receive incentives.

Businesses that started up or relocating to the enterprise zone and were occupied by 31 March 2021 could qualify for business rates relief. This relief is applied if the hereditament is within the Enterprise Zone.

Up to 100% business rate discount can be awarded subject to subsidy controls.

Eligibility criteria

The discount is for businesses occupied within the Enterprise Zone defined area from 1 April 2016 up to 31 March 2021.

Amount of Relief

The Enterprise Discount is awarded at 100% of the rates liability.

Time Limited Relief – Rural Rate Relief

In the Autumn 2016 Budget Statement, the chancellor announced the doubling of rural rate relief from 50% to 100% with effect from 1 April 2017.

Rate relief for businesses in rural areas

Rural Rate Relief of 50% is currently awarded as mandatory relief under legislation.

Certain types of properties in a rural settlement (see Appendix B) with a population below 3,000 may be entitled to this relief. The property must be the only general store, the only post office or a food shop and have a rateable value of less than £8,500, or the only public house or the only petrol station and have a rateable value of less than £12,500. The property has to be occupied. An eligible ratepayer is entitled to relief at 50% of the full charge whilst the local authority also has discretion to give further relief on the remaining bill.

Currently NNDC can award up to 50% discretionary top up relief.

The 2016 Autumn Statement confirmed the doubling of rural rate relief from 50% to 100% from 1st April 2017. The Government set out their intention to amend the relevant primary legislation to require local authorities to grant 100% mandatory rural rate relief. Local authorities were expected to use their discretionary rate relief powers to grant 100% rural rate relief to eligible ratepayers from 1st April 2017. Following the decision not to reintroduce the Local Government Finance Bill, for 2018/19 the Government announced it expects local authorities to continue to use their powers to grant 100% rural rate relief to eligible ratepayers, as they have done so since 2017/18. The 50% top up discretionary rate relief will be fully funded by government through a Section 31 Grant.

Time Limited Relief – Relief for Local Newspapers

In the March 2016 Budget Statement, the government announced a new scheme of discretionary rate reliefs to assist and encourage the development and occupation of business premises.

Relief for Local Newspapers

This relief is government funded to local authorities so that they can provide a rates discount for office space occupied by local newspapers worth up to £1,500 a year.

This was originally for 2 years only from 1st April 2017 however the Government extended this in the 2018 Autumn Budget to include 2019/20. On 27 January 2020, the Financial Secretary to the Treasury made a Written Ministerial Statement announcing additional business rates measures that will apply from 1 April 2020 including the extension of the £1,500 business rates discount for office space occupied by local newspapers that will apply for an additional 5 years until 31 March 2025.

This is up to a maximum of one discount per local newspaper title and per hereditament, and up to subsidy controls. The relief will be delivered through local authority discretionary discount powers (under section 47 of the Local Government Finance Act 1988 as amended).

This relief will be fully funded by government through a Section 31 Grant.

Eligibility criteria

The relief will provide £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

The relief is to be specifically for local newspapers and by that we mean what would be considered to be a “traditional local newspaper.” The relief will not be available to magazines.

Office Space

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

Amount of Relief

The amount of relief is limited to a maximum of one discount per newspaper title (e.g. per newspaper name) and per hereditament.

The case for a business rates relief for local newspapers, can be obtained at www.gov.uk/government/consultations/the-case-for-a-business-rates-relief-for-local-newspapers

No Right of Appeal

As this is a discretionary power there is no formal right of appeal process against the Council’s decision. However, we will reconsider the decision in the light of any additional points made.

If the application is successful and the organisation is awarded discretionary rate relief it will be applied to the account and an amended bill will be sent.

Notification of Change of Circumstances

Rate payers are required to notify any change of circumstances which may have an impact on the award of discretionary rate relief.

Withdrawal of relief

Should an applicant in receipt of discretionary rate relief be found to be guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

Time Limited Relief – Supporting Small Businesses Relief

At the Budget on 8 March 2017 the Chancellor announced the Government would make available the following business rate reliefs at the Spring Budget 2017. At the Budget on 27 October 2021 the Chancellor announced the Government would extend this by another year until 31 March 2023.

The Supporting Small Businesses Relief

This relief is government funded to local authorities so that they can provide relief for businesses that had a Rateable Value (RV) increase from 1 April 2017 caused by the 2017 NDR revaluation and as a consequence lost Small Business Rates Relief or Rural Rate Relief. This relief will limit any increase to £600 per year subject to subsidy control rules.

This scheme was due to end on 31 March 2022 however the government has extended this scheme by a further year until 31 March 2023.

The relief will be delivered through local authority discretionary discount powers (under section 47 of the Local Government Finance Act 1988 as amended). Eligibility criteria for this relief are set out below.

This relief will be fully funded by government through a Section 31 Grant.

Eligibility criteria

This relief will limit any increase to £600 per year subject to subsidy control rules until 31 March 2023.

Amount of Relief

The amount of relief will limit these rate increases to £600 per year.

No Right of Appeal

As this is a discretionary power there is no formal right of appeal process against the Council's decision. However, we will reconsider the decision in the light of any additional points made.

If the application is successful and the organisation is awarded discretionary rate relief it will be applied to the account and an amended bill will be sent.

Notification of Change of Circumstances

Rate payers are required to notify any change of circumstances which may have an impact on the award of discretionary rate relief.

Withdrawal of relief

Should an applicant in receipt of discretionary rate relief be found to be guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

Time Limited Relief – Retail, Leisure and Hospitality Discount and Nursery Discount

This relief was announced in the budget on 29 October 2018 for a two-year period that ended on 31 March 2021. This discount was extended and expanded to include Retail, Leisure and Hospitality Discount plus Nursery Discount until 31 March 2022.

The relief will be delivered through local authority discretionary discount powers (under section 47 of the Local Government Finance Act 1988 as amended). Eligibility criteria for this relief are set out below.

This relief will be fully funded by government through a Section 31 Grant.

Eligibility criteria

To qualify for retail, Leisure and Hospitality discount the business must be a:

- shop
- restaurant, café, bar or pub
- cinema or music venue
- hospitality or leisure business - for example, a gym, a spa, a casino or a hotel

To qualify for nurseries discount, it must have the following:

- the nursery is on Ofsted's Early Years Register
- and the premises is wholly or mainly used to provide the [Early Years Foundation Stage](#) of education

Amount of Relief

If eligible, the business could get:

- 100% off your business rates bills for the period 1 April 2020 to 31 March 2021.
- 100% off your business rates bills for the first 3 months of the 2021 ie for the period 1 April 2021 to 30 June 2021.
- 66% off your business rates bills for the rest of the 2021 ie for the period 1 July 2021 to 31 March 2022 - up to a total value of £2 million

The above amounts have a cash cap up to up to £110,000 per business.

No Right of Appeal

As this is a discretionary power there is no formal right of appeal process against the Council's decision. However, we will reconsider the decision in the light of any additional points made.

If the application is successful and the organisation is awarded discretionary rate relief it will be applied to the account and an amended bill will be sent.

Notification of Change of Circumstances

Rate payers are required to notify any change of circumstances which may have an impact on the award of discretionary rate relief.

Withdrawal of relief

Should an applicant in receipt of discretionary rate relief be found to be guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

Time Limited Relief – COVID-19 Additional Relief Fund (CARF)

This relief was announced by government on 25 March 2021 to support businesses in England for one year only for the period 1 April 2021 to 31 March 2022 affected by COVID-19 but not eligible for existing support linked to business rates.

Guidance on this support package, the COVID-19 Additional Relief Fund (CARF), applies to England only and can be found at [CARF Guidance.docx \(publishing.service.gov.uk\)](#)

The guidance is intended to support billing authorities in administering the CARF business rates scheme and includes information on the eligibility criteria and operation of the scheme.

The government has allocated £1.5 billion to be allocated to local authorities based upon the estimated rateable value in each local authority rating list which falls within the scope of the fund.

NNDC has received an allocation of £1.580,862 and has been working with other Norfolk councils to develop a scheme which shares commonality and best practice across Norfolk. Please see Appendix C for the details of the scheme.

Time Limited Relief – Retail, Leisure and Hospitality Discount

At the Budget on 27 October 2021 the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties in 2022/23.

The 2022/23 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible retail, hospitality and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business.

The relief will be delivered through local authority discretionary discount powers (under section 47 of the Local Government Finance Act 1988 as amended). Eligibility criteria for this relief are set out below.

This relief will be fully funded by government through a Section 31 Grant.

Eligibility criteria

To qualify for retail, Leisure and Hospitality discount the business must meet the following conditions:

- be an occupied property and
- it is wholly or mainly

- i. as shops, restaurants, cafes, drinking establishments, cinemas or live music venues
- ii. for assembly and leisure; or
- iii. as hotels, guest & boarding premises or self-catering accommodation

For more information regarding the above types of properties and what we consider them to mean, please visit the government's guidance [2022/23 Retail, Hospitality and Leisure Relief Scheme: local authority guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/2022-23-retail-hospitality-and-leisure-relief-scheme-local-authority-guidance)

Amount of Relief

If eligible, the business could get:

- 50% off the business rates bills for the period 1 April 2022 to 31 March 2023.

The above amounts have a cash cap up to up to £110,000 per business.

No Right of Appeal

As this is a discretionary power there is no formal right of appeal process against the Council's decision. However, we will reconsider the decision in the light of any additional points made.

If the application is successful and the organisation is awarded discretionary rate relief it will be applied to the account and an amended bill will be sent.

Notification of Change of Circumstances

Rate payers are required to notify any change of circumstances which may have an impact on the award of discretionary rate relief.

Withdrawal of relief

The business may refuse this relief for each eligible property anytime up to 30 April 2023. The ratepayer cannot withdraw their refusal for either all or part of the financial year.

Should an applicant in receipt of discretionary rate relief be found to be guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

Discretionary Transitional Relief

At revaluation, the Valuation Office Agency (VOA) adjusts the rateable value of business properties to reflect changes in the property market.

It usually happens every 5 years. The most recent revaluation came into effect in England and Wales on 1 April 2017, based on rateable values from 1 April 2015.

There was due to be a revaluation from 1 April 2022 however this has been delayed by government.

At the Budget on 27 October 2021 the government announced that it would extend the current transitional relief scheme and for one year to the end of the current revaluation cycle. The scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value) subject to control limits.

Costs to the Council

The above reliefs are government funded.

Discretionary Rate Relief - Guidelines

There are two ways in which Discretionary rate relief is granted

- a) To 'top-up' mandatory relief already awarded
- b) To award up to 100% based on various criteria

Mandatory Relief is granted where:-

- the ratepayer of a property is a charity or the trustees of a charity and
 - the property is wholly/mainly used for charitable purposes (including charity shops, where the goods sold are mainly donated and the proceeds are used for the purposes of the charity)
 - the ratepayer of a property is registered with Her Majesty's Revenues and Customs (HMRC) as a Community Amateur Sports Club (CASC)
- or

in the case of Mandatory Rural Rate Relief, the property is a qualifying:-

- food shop
- general store
- post office
- public house
- petrol filling station

Registration under the Charities Act 1993 as amended is conclusive evidence of charitable status. Bodies which, under the 1993 Act, are exempt from registration or are exempt charities are also eligible for mandatory relief. Providing the above criteria are met 80% mandatory relief will be granted.

Discretionary Rate Relief

When deciding whether to award discretionary rate relief consideration should be given to the interests of the taxpayers of North Norfolk District Council. The factors outlined in the policy should be taken into account when considering any application for relief.

The guidelines for determining relief are not intended to be a rigid set of rules; neither are all the guidelines applicable to every organisation. Each case will be judged on its merits taking into account the contribution which each organisation/business makes to the Districts amenities and its residents lifestyles and wellbeing.

Discretionary Rate Relief Criteria 'Top –Up'

The Council has the discretion to award up to a further 20% additional rate relief to reduce the liability still further and the policies detailed below are to be followed when dealing with an application.

Up to 20% Discretionary Rate Relief may be given.

Charity Shops

Mandatory relief will be granted where the ratepayer for a property is

- a charity or the trustees of a charity and
- donated goods relate to more than 50% of total sales and
- the proceeds of goods (after any deductions for expenses) are applied for the purpose of the charity

Providing the above criteria are met 80% mandatory relief will be granted.

Up to 20% Discretionary Rate Relief may be given in exceptional circumstances. Generally relief will be limited to the 80% mandatory entitlement.

1	Meets local needs in the district and benefits local people	<ul style="list-style-type: none"> • if the premises are used for the purposes of a national organisation or a semi-national (or county-wide) organisation the Council will not normally grant any discretionary relief • if the premises are used for a local organisation the extent to which the District and its residents benefit from the organisation will be taken into account.
2	As a guide does not have more than 12 months spending available as “free reserves” (not legally restricted)	<ul style="list-style-type: none"> • unless a Business Plan exists detailing how these reserves are to be used to the benefit of the local community

Non-Profit Organisations, Clubs and Societies

The Council has the discretion to award up to 100% Discretionary Rate Relief to organisations whose main objects are charitable or philanthropic, or concerned with education, social welfare, science, literature or fine arts or recreation. The determination of charitable status largely relies on case law which has established 4 main divisions of charity:-

- relief of poverty
- advancement of religion
- advancement of education and
- other trusts beneficial to the community and not falling under the other headings.

Criteria

Discretionary relief can only be awarded if the organisation is not excepted (a billing authority or precepting authority) and:-

1	The main objects of the organisation are concerned with	<ul style="list-style-type: none"> • relief of poverty • advancement of religion • advancement of education • social welfare • science • literature • fine arts or • recreation or • in other ways are beneficial to the community
2	Meets local needs in the district and benefits local people	<ul style="list-style-type: none"> • if the premises are used for the purposes of a national organisation or a semi-national (or county-wide) organisation the Council will not normally grant any discretionary relief • if the premises are used for a local organisation the extent to which the District and its residents benefit from the organisation will be taken into account.
3	Provides a valuable service to the community	<ul style="list-style-type: none"> • which is complimentary to those services provided by or supported by the Council or • which relieves the need for the Council to provide such services
4	Is open to all sections of the community	<ul style="list-style-type: none"> • or access is restricted by providing a service for a specific sector of the community for justifiable reasons such as addressing inequality
6	Is non-profit making	<ul style="list-style-type: none"> • as a guide, no more than 12 months expenditure in unrestricted reserves unless a Business Plan exists detailing how these reserves are to be used to the benefit of the local community

Sports Clubs

There are additional considerations in the case of sports clubs.

If a club effectively discriminates by only accepting members who have already reached a certain standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not have an open membership policy. So, a club selecting members on the basis of existing attainment would not come within the requirements.

Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are not discriminatory in intent but a genuine result of physical restraints (such as changing room facilities) or the requirements of the sport

(2) Organisations with Licensed Bar Facilities

Sports Clubs/Other Organisations

Any Discretionary Rate Relief award will be aimed at the sporting activity of the club.

- If the bar income aids the overall operation and development of the organisation this would be allowable as long as the sporting activity remains the overall objective of the organisation. This will be particularly relevant where the organisation is the only such one in the Parish.

(3) Membership and Entry Fees

If the organisation requires a membership or entry fee the Council will give regard as to whether:-

- The subscription or fees are set at a high level which excludes the general community
- Fee reductions are offered for certain groups such as under 18s or over 60s
- Membership is encouraged from particular groups such as young people, older age groups, persons with disabilities or ethnic minorities
- Facilities are available to people other than members, e.g. schools, public sessions

Where the Council gives relief practice has been to award up to 80% to Clubs and organisations and up to 50% where organisations operate bar facilities.

Community Amateur Sports Clubs (CASC)

If a sport's club is registered with HM Revenues and Customs (HMRC) as a CASC it will be entitled to 80% mandatory relief. The club may also be awarded 20% discretionary rate relief.

Normally sports clubs that can register with HM Revenues & Customs as a CASC and have not done so will not be awarded discretionary rate relief.

Details can be found on the HMRC website <https://www.gov.uk/register-a-community-amateur-sports-club>

Discretionary Rural Rate Relief

Rural Rate Relief applies to certain properties which are situated in a rural settlement (see Appendix B). A rural settlement is one which appears to have a population of not more than 3,000 on the 31st December preceding the financial year in question, which is wholly or partly within a designated area. The Rural Settlement list is published each year. If a business meets the criteria for mandatory relief (50%) under the Rural Rate Relief legislation then an application for discretionary rate relief can be considered.

Up to 50% Discretionary Rate Relief may be given See details of mandatory relief for rural rate relief properties.

Sole - General Store/Post Office/Food Shops with a Rateable Value of £8,500 or less.

If the above business meets the criteria for mandatory relief (50%) under the Rural Rate Relief legislation then an application for discretionary rate relief can be considered.

Up to 50% Discretionary Rate Relief may be given.

Criteria

- as a guide, no more than 12 months expenditure in unrestricted reserves unless a Business Plan exists detailing how these reserves are to be used to the benefit of the local community
- The business must be considered to be of benefit to the local community in accordance with the criteria in the policy.

Sole - Public Houses/ Petrol Filling Stations Rateable Value of £12,500 or less

If the above business meets the criteria for mandatory relief (50%) under the Rural Rate Relief legislation then an application for discretionary rate relief can be considered.

Up to 50% Discretionary Rate Relief may be given.

Criteria

- as a guide, no more than 12 months expenditure in unrestricted reserves unless a Business Plan exists detailing how these reserves are to be used to the benefit of the local community
- The business must be considered to be of benefit to the local community in accordance with the criteria in the policy.

Any Other Business within a Rural Settlement

Up to 100% Discretionary Rural Rate Relief may be given.

Criteria

- Rateable Value above £8,500 and less than £14,000
- as a guide, no more than 12 months expenditure in unrestricted reserves unless a Business Plan exists detailing how these reserves are to be used to the benefit of the local community
- The business must be considered to be of benefit to the local community in accordance with the criteria in the policy.

UK Subsidy Control

Following Brexit, the UK Subsidy Control Bill replace State Aid with Subsidy Control.

Providing relief under this policy is likely to amount to Subsidy. This policy is covered by the rules set out in the following guidance document:

[CARF Guidance.docx \(publishing.service.gov.uk\)](#)

Revised 21 January 2022.