



Revenues Services

Discretionary Business Rate Relief Policy

June 2022

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1. Introduction

South Cambridgeshire District Council recognises the importance of business to the local economy and understands the challenges that businesses face. The Council wants to provide support to businesses within the area where it is reasonable to do so. We also recognise the contribution that is made to the community by voluntary, charitable and non-profit-making organisations.

The Council has discretionary powers to award relief from payment of Non-Domestic Rates in a range of circumstances: -

- Properties partly occupied for a temporary period. Awarded under Section 44a of the Local Government Finance Act 1988.
- Properties occupied by charities and other not-for-profit organisations. Awarded under Section 47 of the Local Government Finance Act 1988
- Properties occupied and located in rural settlements. Awarded under Section 47 of the Local Government Finance Act 1988
- Ratepayers that would otherwise suffer hardship. Awarded under section 49 of the Local Government Finance Act 1988.
- In exercise of the Council's general power to award discretionary rate relief. Awards under Section 47 of the Local Government Finance Act 1988 as amended by Section 69 of the Localism Act 2011.

This policy provides guidance for Council Officers and ratepayers on the application of Discretionary Rate Relief. The following reliefs are covered in this policy:

- Section 44A relief – discretionary relief for partly empty properties
- Hardship relief
- Charitable rate relief (Top-up relief)
- Rate relief for not-for-profit organisations
- Relief for Community Amateur Sports Clubs
- Relief for rural businesses
- Section 69 / Section 47
- Local Newspapers' Relief
- Retail, Hospitality and Leisure Discount 2022
- Covid-19 Additional Relief Fund
- Discretionary Transitional Relief and Supporting Small Business relief

Each application for relief will be considered on its own merits. Due consideration will be given to the guidance within this policy and to national legislation. In determining an award consideration will also be given to the interests of the council taxpayers of the District.

We would expect, as a matter of course, that all other options would have been considered before an application for discretionary rate relief is submitted. Awards will only be made where the benefits to the taxpayers outweigh the financial implication of the award.

Format of applications

Applications for relief must be made on the Council's application form. Applications should be submitted with the supporting information that is requested. Any applications submitted without the supporting information will be assessed solely on the information that is available at the time of the decision.

The Government and South Cambridgeshire District Council will not tolerate any business falsifying their records or providing false evidence to gain a discount. Any ratepayer who is found to have falsely applied for any relief, provided false information or representation in order to gain a relief could be subject to investigation which may lead to prosecution.

Payment of Instalments

Ratepayers must continue to pay any rates that fall due whilst their application is pending. In the event that payments are not received in line with the bill, the Council will continue with its normal recovery procedures to secure payment.

Effective date of relief

It is the Council's policy that discretionary relief will only be awarded from the date of the application, or in the case of hardship, the point at which the hardship occurred. Only in the most exceptional circumstances will consideration be given to awarding relief for a retrospective period. Consideration may be given where the ratepayer can establish a solid reason for not submitting their application at an earlier date.

Relief will not be awarded if the Council is not satisfied that the circumstances as declared in the application have occurred.

Cost of Relief

The cost of awarding discretionary relief is apportioned as follows:

- 50% funded by Central Government
- 40% funded by the District Council
- 9% funded by County Council
- 1% funded by the Fire Service

The Council will be reimbursed for the cost of awarding some reliefs by Central Government.

Where discretionary relief is given under section 69 of the Localism Act 2011, the full cost will fall to the local authority.

Decisions

Decisions regarding rate relief will be communicated to the ratepayer in writing. If the decision is a refusal of the relief, reasons for the refusal will be provided in the letter.

Period of award

All awards will expire at the end of the financial year if the award has not ended at an earlier date or at the anniversary of the granting of the relief. The Council will look to contact recipients for confirmation of entitlement and potential renewal of relief, with the exception of Hardship and Section 44a Relief.

Subsidy Control

Providing discretionary relief to ratepayers is likely to amount to a subsidy. Any relief provided by local authorities will need to comply with the UK's domestic and international subsidy control obligations. Further details can be found at:

www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities/technical-guidance-on-the-uks-international-subsidy-control-commitments

2. Section 44A relief - Discretionary relief for partly empty properties

In rating law, occupation of part of a property is occupation of the whole. There may be occasions where a property is only partly occupied for a short period of time. This may be due to a business moving in or relocating to a new property within the District. In certain circumstances, the Council may use its discretion to award a part empty relief; also known as Section 44A (s.44A of the Local Government Finance Act 1988).

In these circumstances the Council may request that the Valuation Officer apportion the rateable value of the property between the occupied and unoccupied elements.

In what circumstances might relief be awarded?

Section 44A relief may be applicable in the following circumstances:

- Where the occupied and unoccupied parts of the property can be easily segregated
- Where there are short term practical difficulties in occupying. Phased vacations may be considered when moving within the SCDC district
- Where the business is relocating machinery
- Where Fire/Flood has rendered a part of the assessment unoccupied for a short period

In all cases, the period of partial occupation must be for a temporary period only, and relief will not be awarded where it appears to the Council that the reason that part of the property is empty is for the purpose of applying for partial empty rate relief.

Rate relief will not be awarded where the partial occupation is due to the normal day to day operation of the business i.e. a warehouse which has recently despatched a large order and has limited stock. Nor will Relief normally be considered where the property is due for demolition.

All applications will be subject to an inspection visit, therefore retrospective applications will not be considered.

For the purposes of this policy a period of up to 12 months will be considered to be temporary. Periods which exceed this time period will be treated as a permanent change and will not attract an award of section 44A. A period of less than 6 weeks will not be considered for Section 44A purposes except in exceptional circumstances.

Where the Valuation Officer may be able to split the assessment any application for discretionary relief will not be considered until the Valuation Officer's decision is known.

How will a decision be made?

Prior to an award being made, a visit to the premises will be made by a Council Officer to establish the exact area of the property that is empty. The application must be supported by a plan of the property which clearly marks the boundary of the empty and occupied parts. If the Council agrees that relief is appropriate, this plan will be given to the Valuation Officer to apportion the rateable value.

Further visits may be made to the property throughout the award to establish that the property is still partly empty.

Further applications for part empty relief may be considered in the following circumstances:

- Where there is a change to the area of the property that is unoccupied
- Where the financial year comes to an end. Part empty property relief will end if one of the following circumstances applies:
 - The end of the financial year
 - The end of the award
 - Where part or all of the unoccupied parts become occupied
 - Where the whole of the property becomes unoccupied
 - Where liability for the property changes

Amount of award

The amount of relief awarded will be dependent on the size of the empty space in the property based on the rateable value.

Period of award

An award will apply for a 6-month period for industrial premises and 3 months for non-industrial properties, unless it is ended by the changes in circumstance as listed above.

3. **Hardship relief**

Hardship relief may be awarded where the business is suffering from unexpected hardship which is outside of normal risks associated with the business. Reduction or remission of business rates on the grounds of hardship will only be awarded in exceptional circumstances.

Hardship relief is granted at the discretion of the Council, which can reduce or remit the amount of business rates due provided it is satisfied that:

- The ratepayer would sustain hardship if it did not do so; and
- It is reasonable for the Council to do so, having regard to the interests of its taxpayers.

In what circumstances might relief be awarded?

The test of hardship need not be confined strictly to financial hardship; all relevant factors affecting the ability of a business to meet its liability for rates will be taken into account. The following factors will also be considered:

- The interests of council taxpayers in the area. For example, where the employment prospects in the area would be severely worsened by a company going out of business, or the amenities of an area might be reduced. Where the granting of relief would have an adverse effect on the financial interest of the taxpayers, the case for reduction or remission may still, on balance, outweigh the cost to the taxpayers
- Whether the business provides goods and services which are of great benefit to the district or the neighbourhood in which it is located, such as the business taking on apprentices or trainees, or providing guaranteed interviews to young people of the District
- The ratepayer must provide evidence of hardship e.g. a severe loss in trade, a marked decline in trade compared to corresponding periods in previous years.
- The business must be viable for the foreseeable future i.e. a period of 3 years.

Hardship Relief would not be considered in the following circumstances:

- Where the business is profitable, or where the business has experienced a minor loss in trade in comparison to the annual turnover of the business
- Where the drawings/remuneration of the Director(s) or proprietor are above a “reasonable” amount.
- Where the business is new and hardship relief is being requested to fund the initial progression of the business
- Where the property is empty
- Where a similar facility is already being provided within the same locality or within a reasonable distance

Prior to the award being made, the business is expected to have taken all appropriate action to mitigate or alleviate their hardship. This would include, but is not limited to taking professional business advice,

reviewing pricing structures, re-negotiating with creditors, including the landlord regarding rent (where appropriate), and ensuring that a business plan is in place to address the hardship.

Full details of action taken to date should be included with any application. No award shall be given where it appears to the Council that the ratepayer has failed to take appropriate steps or anticipate circumstances that could lead into financial difficulties and hardship.

How will a decision be made?

An application for relief must be made by completing the Council's hardship rate relief application form. Applications must detail the following:

- An outline of the reasons why relief should be given, including full details of action taken to date to alleviate any issues leading to hardship
- The impact on the business of not awarding relief
- The amount of expenditure attributable to rates
- A suggestion of the amount of rate relief that is being claimed
- Copies of the last 3 years financial accounts to be submitted with the application. This must include full financial details for the period in which relief is being sought.

Amount of Award

The amount of relief awarded will be determined on a case by case basis and may in this case be up to 100% of the rates payable, but will be limited to a maximum of £20,000, unless exceptional circumstances apply.

Period of Award

Awards will only be granted for short periods of time, usually up to a maximum of 6 months.

4. **Discretionary relief for charitable organisations (Top up relief).**

Where the organisation is a registered charity, 80% mandatory relief must be awarded to the organisation when the property is occupied. The Council may consider awarding up to an additional 20% in discretionary top up relief.

In what circumstances might relief be awarded?

The property must be wholly or mainly used for the organisation's charitable purposes, and the organisation must benefit the local residents of the District by the services or facilities that it provides.

Applications will be considered favourably where:

- The organisation has a demonstrable or measureable impact of a beneficial nature on the local community which it serves. Consideration will be given to how many residents of the District benefit from the charitable work of the organisation, how accessible the organisation is to members of the community throughout the District, and the extent to which the service is used by the community.
- Training or education is provided by the organisation to residents or members of the organisation for the purposes of that organisation.

Relief will generally not be awarded in the following circumstances:

- Properties which support overseas organisations and out of area organisations.
- Housing Associations
- Schools and other educational establishments

How will a decision be made?

The organisation will be expected to provide the following in support of their application:

- A copy of the articles of association / memorandum which clearly state the objects of the organisation; and
- A copy of the last 3 years certified financial accounts. The financial position of the organisation may be taken into account.

Amount of award

The amount of relief awarded will be determined on a case by case basis. It will however be limited to a maximum of £20,000, unless exceptional circumstances apply.

Period of award

Any award will last a maximum of 1 year.

5. Discretionary relief for non profit organisations

A not-for-profit organisation is one that is not established or conducted for profit, whose objectives are charitable, but the organisation is not registered as a charity.

In what circumstances might relief be awarded?

Applications will be considered favourably where:

- The organisation has a demonstrable or measureable impact of a beneficial nature on the local community which it serves.
- The organisation is accessible to members of the community throughout the district. The extent to which the service is used by the community will also be considered.
- Facilities are provided which would not otherwise be available to the local community
- Training or education is provided by the organisation to residents or members of the organisation for the purposes of the organisation.

Relief will generally not be awarded in the following circumstances:

- Properties which support overseas and out of area organisations
- Housing Associations
- Schools and other educational establishments

How will a decision be made?

The organisation will be expected to provide the following in support of their application:

- A copy of the articles of association / memorandum which clearly state the objects of the organisation; and
- A copy of the last 3 years certified financial accounts. The financial position of the organisation may be taken into account. The income of the business will be considered, and the proportion of business rates on total expenditure.
- Where the premises include a bar and the sale of drink or food is conducted in the Club, the percentage of takings attributable to this in the overall income of the Club

Amount of award

The amount of relief awarded will be determined on a case by case basis and may in this case be up to 100% of the rates payable but will be limited to a maximum of £20,000 unless exceptional circumstances apply.

Period of award

Any award will last up to a maximum of 1 year.

6. Community Amateur Sports Clubs (CASC's)

CASC's are entitled to 80% mandatory relief. The Council has discretion to consider awarding up to an additional 20% in discretionary top up relief.

Where an amateur sports club is neither a registered charity nor a CASC, the organisation will be encouraged by the Council to submit an application to either HMRC for CASC status or to the Charity Commission for charitable status, although the absence of either status will not automatically prevent an application from being considered.

In what circumstances might relief be awarded?

In considering applications from CASCs, Consideration will be given as follows:

- **Membership** – Is membership open to all sections of the community within the District? Membership fees must not be at a level where they exclude the general community. Membership of the organisation should be mainly resident in the District.
- **Education** – the organisation will provide training, education or learning to its members. The organisation will be treated favorably where the training delivered supports and reduces the Council's need to do so.
- **Direct benefit to local residents** – the organisation should directly benefit the needs of the local residents of the District. The organisation must show how it benefits the residents of the District. Examples could include the creation of job opportunities within the area.
- **Provision of facilities** – does the organisation provide facilities which would not otherwise be available to the local community?

How will a decision be made?

Information will need to be provided which details the financial circumstances of the club. This will include:

- Financial accounts for the last 3 years; and
- Where the premises include a bar and the sale of drink or food is conducted in the Club, the percentage of takings attributable to this in the overall income of the Club
- Details of all funding streams which the club has received or is due to receive.

Amount of award

The amount of relief awarded will be determined on a case by case basis. The award will be up to a maximum of 20% of the total business rates payable and will be limited to a total of £20,000.

Period of award

Any award will last for up to a maximum of 1 year.

7. **Rural rate relief (discretionary)**

Mandatory Rural Rate Relief is awarded to properties within a defined rural settlement which has a population of less than 3000. The Council's rural settlement list is published in December each year and can be viewed on the Council's website at www.scambs.gov.uk . The rateable value (RV) of a qualifying property will be:

- For the sole food shop, general store or post office in a settlement, the RV will not exceed £8,500
- For the sole petrol filling station or pub in a settlement, the RV will not exceed £12,500.

Prior to April 2017, the mandatory award of Rural Rate Relief was 50%. From 1st April 2017, a further 50% is granted through the Council's discretionary powers which is funded by the Government.

Where a property meets either of the above criteria, but the rateable value exceeds the set limits but is still below £16,500 the Council has discretion to award further relief.

In what circumstances might relief be awarded?

Discretionary relief will be considered where:

- The RV of the property is below the limits as outlined above
- The property is used for the benefit of the local community
- The award of the relief is in the interests of the Council's taxpayers.

The following will be taken into consideration when deciding whether discretionary relief should be awarded:

- Whether the business employs a significant number of staff who are resident in the local community in which the business is located
- Whether there are any other suppliers of the service concerned which are easily accessible to residents within the rural settlement.

How will a decision be made?

The Council will give consideration to the financial viability of the business concerned, thereby having regard to the interests of the council taxpayers in general. Ratepayers may be asked to provide their latest trading accounts or equivalent along with evidence as to the proportion of expenditure attributed to rates.

This will be balanced by the detrimental effect on the rural community should the business have to cease trading either as a direct or indirect result of not awarding relief.

Amount of award

The amount of relief awarded will be determined on a case by case basis and will be limited to a maximum of £20,000, unless exceptional circumstances apply.

Period of award

An award will be made for a maximum period of 1 year.

8. **Section 69/Section 47**

Section 69 of the Localism Act 2011 amends section 47 of the 1988 Act to allow Local Authorities the discretion to award rate relief to all types of business.

In what circumstances might relief be awarded?

As this relief is fully funded by the local authority, applications will only be considered favourably where the Council is satisfied that an award will result in real benefits for local residents and has the potential to generate further investments and jobs.

From time to time it may be necessary to use these local powers to meet Government requirements prior to relevant legislation being passed. In such instances, restrictions on the amount of award may not apply, as these may be funded by a Central Government grant.

How will a decision be made?

Applications must fully detail the benefits that will be delivered to council taxpayers should the relief be awarded. Due consideration will be given to any previous awards, the benefit to local taxpayers and the cost to the Council, as well as the probability of attracting new businesses and jobs, should the award be given.

Amount of award

The amount of award will be determined on an individual basis, but the total amount of relief awarded will not exceed £20,000, unless exceptional circumstances apply.

Period of award

When granted, the relief will apply to the current financial year only.

9 Local Newspapers' Relief

The following discretionary discount was introduced in 2017/18 and has been extended to 2024/25.

In what circumstances might relief be awarded?

This relief is available for office space occupied by local newspapers up to a maximum of one discount per hereditament, per title.

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

The relief is not available for magazines.

How will a decision be made?

Each application will be considered on its own merits following receipt of a written application form.

Where any other types of relief are applicable to the property, these will be applied first. The relief will be applied against the net bill.

Amount of award

The sum of £1,500 relief is limited to a maximum of one discount:

- Per newspaper title; and
- Per hereditament

Period of award

Awards will be made annually, up until 2024/25.

11 Retail, Hospitality and Leisure Relief 2022/23

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 for 2022/23 only.

In what circumstances might relief be awarded?

Hereditaments that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day provided they are wholly or mainly being used:

- 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

We 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
- 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

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:

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).

We consider 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

We consider 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

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.

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, and consideration will be given to those hereditaments which are broadly similar to those listed.

The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount.

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, betting shops)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents)
- Post office sorting offices

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

How will a decision be made?

Where it is clear to the billing authority that a property is used wholly or mainly for one of the uses detailed in the first list, the relief will be automatically applied. Where it is not clear, ratepayers may wish to contact the council to discuss eligibility.

A ratepayer may refuse the Retail Relief for each eligible hereditament at any time up until 30th April 2023. However, the ratepayer cannot subsequently withdraw their refusal for either all or part of the financial year.

Amount of award and Subsidy Control

In 2022/23, the amount of relief awarded will be equivalent to 50% of the chargeable amount, after other reliefs and exemptions are applied. The amount of relief awarded will be capped at £110,000 per business.

Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.

Where a ratepayer has a qualifying connection with another ratepayer then those ratepayers will be considered as one ratepayer for the purposes of the cash cap.

A ratepayer shall be treated as having a qualifying connection with another:

- a) where both ratepayers are companies, and
 - i. one is a subsidiary of the other, or
 - ii. both are subsidiaries of the same company; or
- b) where only one ratepayer is a company, the other ratepayer (the “second ratepayer”) has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.

The Retail, Hospitality and Leisure Relief Scheme is subject to the subsidies chapter within the UK-EU Trade and Cooperation Agreement (TCA). The subsidies chapter within the TCA only applies to subsidies over the value of approximately £343,000 per beneficiary over a 3-year period (consisting of

the current financial year and the two previous financial years) (the Small Amounts of Financial Assistance limit).

All applicants / recipients of the relief will be required to provide a declaration confirming compliance with:

- a) the cash cap; and
- b) any Small amounts of Financial Assistance in line with Subsidy arrangements

Where the declaration indicates that the limits have been breached, or no declaration is returned within the timescale requested, any relief awarded in 2022/23 may be withdrawn.

Period of award

The relief will be applied for the financial year 2022/23, provided that the properties are used wholly or mainly for a qualifying purpose.

11. Covid-19 Additional Relief Fund

In December 2021, the Government announced a new rates relief to support businesses impacted by Covid that had not been eligible for other relief schemes.

In what circumstances might relief be awarded?

This relief scheme is available to ratepayers that have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

Without knowing the specific operational issues affecting a business, it is difficult to state the types of business that would likely benefit from the scheme. To this end, the scheme is open to applications from any business that can demonstrate they have been adversely impacted by the pandemic, and the issues that have prevented them from adapting to minimise that impact.

To qualify, ratepayers will need to have been in continuous occupation since before 11th March 2020, and relief will not be paid in respect of periods where the hereditament has been empty. Hereditaments which closed temporarily due to the Government's advice on Covid restrictions would be treated as occupied for this relief, provided they became occupied once restrictions allowed.

Where ratepayer is or would have been eligible for support under the Extended Retail Discount, the Nursery Discount or the Airport and Ground Operations Support Scheme, they will not be eligible for support. Where those ratepayers would have been eligible for those schemes but became ineligible due to the cap on overall amounts claimed by the economic actor, or where subsidy rules for those schemes prevented the claim, this relief will not apply.

The following list sets out those properties that are unlikely to be eligible for the relief, unless exceptional circumstances apply. Applications received in respect of such properties will be considered on a case by case basis:

- Financial services e.g. banks, building societies, cash points, bureaux de changes, short-term loan providers
- Medical services in receipt of public funding
- Professional services e.g. solicitors, accountants, insurance agents, financial advisors,
- Post Office sorting offices
- Education Establishments eg schools, colleges and universities, except language schools or schools for overseas pupils
- Utilities, infrastructure, fuel and industrial eg communication stations, water treatment plants, energy generation, aggregate processing, concrete plants, petrol stations
- Hereditaments that are used as car parks, advertising hoardings, communal areas,
- Hereditaments where the ratepayer is in administration
- Ratepayers already in receipt of, or eligible to apply for, another relief or reduction equal to 100% of the rates payable will not be eligible for this relief.
- Hereditaments where the ratepayer is a preceptor are unable to benefit from this relief

This list is not exhaustive, and properties used for other or mixed purposes will be considered on an individual basis.

How will a decision be made?

An application window will commence on 1st April 2022, and end on 13th May 2022. All applications will be considered against the criteria set out in this policy.

Businesses must demonstrate a marked reduction in turnover in their 2020/21 accounts, compared to accounts for 2019/20. This reduction must be as a result of the pandemic, and businesses will be asked

to provide proof of the reduction and full details of how the pandemic has impacted their business, and how this has also prevented them from adequately adapting. Evidence will be required as part of the application process, and further evidence may be sought to aid decision making, as required.

Amount of award and Subsidy Control

South Cambridgeshire District Council has been provided with funding of nearly £6.3m to deliver the relief. Because of the difficulties in identifying which businesses may have been adversely affected, it is not possible to confirm the exact amount of award at this time.

Instead, on closure of the application window, applications will be assessed and if the criteria is met relief will be awarded on a fixed percentage basis, with an overall cap per business.

The exact amount of relief to be awarded will be dependent on the number of qualifying applications, and will be determined once all applications have been assessed. This is due to the limited funding available for this relief.

In the event the event that funding remains unused after the initial application window, the council may:

- A) Offer a further application window for new applications; and / or
- B) Increase either the percentage awarded or cap per business

No further awards will be made once the funding has been exhausted.

The Covid-19 Additional Relief Fund relief is likely to amount to a subsidy within the UK-EU Trade and Cooperation Agreement (TCA), and so any relief provided under this scheme will need to comply with the UK's domestic and international subsidy control obligations.

The subsidies chapter within the TCA only applies to subsidies over the value of approximately £343,000 per beneficiary over a 3-year period (consisting of the current financial year and the two previous financial years) (the Small Amounts of Financial Assistance limit).

All applicants / recipients of the relief will be required to provide a declaration confirming compliance with Subsidy arrangements

Period of award

The relief will be paid against the 2021/22 rates bill only

13. Discretionary Transitional Relief and Supporting Small Business Relief 2022

Transitional Relief is a scheme to limit the impact of changes in Rateable Value following a revaluation. Legislation to define the scheme comes into force at the start of each rating list, and relief is automatically applied to bills.

At the Budget in October 2021, the Government announced an extension to the Transitional Relief and Supporting Small Business schemes which ended in 2021/22, for a further year. Government advised that instead of extending legislation, they would reimburse local authorities that use their discretionary powers under section 47 of The Local Government Finance Act 1988 to deliver the support.

In what circumstances might relief be awarded?

Properties that will benefit are those with a rateable value up to and including £100,000 who would have received transitional relief and/or SSB in 2022/23. In line with the existing thresholds in the transitional relief scheme, the £100,000 rateable value threshold should be based on the rateable value shown for 1 April 2017 or the substituted day in the cases of splits and mergers.

This relief does not apply to those in downward transition to lower bills.

How will a decision be made?

No application will be required, and the relief will be automatically applied to relevant bills.

Amount of award and Subsidy Control

The practical effects of the transitional relief scheme should be assumed to remain as it is in within the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265) except that:

- a. the cap on increases for small properties (with a rateable value of less than or equal to £20,000) in 2022/23 should be assumed to be 15%, before the increase for the change in the multiplier. Specifically, X in regulation 10(6) for the year commencing 1 April 2022 should be assumed to be 115. Q in regulation 10(12) should be assumed to be 1, and
- b. the cap on increases for other properties (up to and including £100,000 rateable value) in 2022/23 should be assumed to be 25%, before the increase for the change in the multiplier. Specifically, X in regulation 10(4) for year commencing 1 April 2022 should be assumed to be 125. Q should be assumed to be 1.

The SSB scheme should be assumed to remain as it is in the current non-statutory scheme (Found in Annex A of the Business Rates Information Letter 4/2017) with a percentage cap in 2022/23 of 15% plus inflation (or a cash value increase of £600 if greater).

The extension of Transitional Relief and Supporting Small Business relief is likely to amount to a subsidy within the UK-EU Trade and Cooperation Agreement (TCA), and so any relief provided under this scheme will need to comply with the UK's domestic and international subsidy control obligations.

The subsidies chapter within the TCA only applies to subsidies over the value of approximately £343,000 per beneficiary over a 3-year period (consisting of the current financial year and the two previous financial years) (the Small Amounts of Financial Assistance limit).

All applicants / recipients of the relief will be required to provide a declaration confirming compliance with Subsidy arrangements

Where the declaration indicates that the limits have been breached, or no declaration is returned within the timescale requested, any relief awarded in 2022/23 may be withdrawn.

Review of Decisions

All unsuccessful applicants will receive a letter detailing the reasons why their application has not been successful. If the ratepayer is dissatisfied with this decision, they can request a review of the decision by writing to:

The Business Rates Team
South Cambridgeshire Hall
Cambourne Business Park
Cambourne
Cambridge
CB23 6EA

A request for a review must be received within 6 weeks of the date of the decision regarding the award or refusal of a discretionary relief. The request should detail the reasons why a review is considered necessary and provide any additional supporting information which may assist the decision maker in support of the request.

The outcome of the review will be notified in writing.

Where the taxpayer remains dissatisfied with the decision there is an appeal route by way of judicial review.

Business rates remain payable as demanded pending the decision on any application, review or appeal.