



Business Rates Local Discounts Policy



The following local relief/discount schemes are currently in place and are administered under the provision of Section 47 of the Local Government Finance Act 1988: -

- Rural Rate Relief
- Expanded Retail Discount
- Local Newspaper Relief
- Nursery Discount 2020/21
- Transitional Relief
- Covid-19 Additional Relief Fund

Service Delivery - The Business Rates function is delivered for Boston Borough Council by Public Sector Partnership Services Limited.

This policy was approved on 6th September 2017 and replaces the former Local Discounts Policy approved in 2014 that is now null and void. Future updates to this policy have been delegated to the Section 151 Officer in consultation with the Finance Portfolio Holder, in accordance with legislation and guidance. Last updated February 2022

Rural Rate Relief

Overview Rural Rate Relief is available for post offices, village shops, petrol filling stations and public houses subject to rateable value restriction, where they are the only business of that type in the rural settlement.

The Government announced in the Autumn Statement on 23 November 2016 that the relief will double from 50% to 100% from 1 April 2017.

As a measure the government is not changing legislation, instead 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).-

The scheme

Anyone who is entitled to mandatory Rural Rate Relief will be eligible for the increased level of discount to 100% off their business rates bill.

Qualifying Criteria

Properties that will benefit from the relief will be hereditaments that:

- Are those which are located in a rural settlement with a population of less than 3,000 and are either:
- The sole general store, food shop or post office with a rateable value of up to £8,500, or
- The sole public house or petrol filling station with a rateable value of up to £12,500

The districts Rural Settlement List is reviewed annually and designates settlements within a rural area which have a population of 3,000 or less. The Rural Settlement List currently includes all parishes in Boston except Boston, Kirton and Fishtoft.

Changes in liability will affect this relief

The amount of relief awarded will be recalculated in the event of a change in circumstances, including a backdated change to the rateable value or the hereditament, whether arising during the year in question or during a later year.

Application for Rural Rate Relief Written applications are required on the approved application form. Amounts of Rural Rate Relief awarded under this policy will be notified by the issue of a rates bill.

State Subsidy

Will follow the process set out in the Council's main Discretionary Rate Relief Policy.

Decision Making

Decisions in respect of applications for Rural Rate Relief will be made by officers.

Complaints and Appeals

Will follow the process set out in the Council's main Discretionary Rate Relief Policy.

Expanded Retail Discount

Overview As part of their financial response to Covid-19 the Government announced the Expanded Retail Discount to provide 100% relief for qualifying properties for the 2020/21 financial year. On the 3 March 2021 the Government extended the discount in to 2021/22 as follows:

- 100% for the period 1st April 2021 to 30th June 2021; followed by
- 66% for the period 1st July 2021 to 31st March 2022, with a maximum discount of:
 - £2 million for business that were required to close on 5th January 2021; or
 - £105,000 for business that were permitted to remain open at 5th January 2021.

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

Eligibility Criteria

Boston Borough 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

[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)

Applications for Retail Relief/Expanded Retail Relief

Written applications are not always required. Where possible, and in line with governments direction, relief has been automatically applied to accounts as part of the billing process. In some cases, the council will write to retailers inviting them to make an application.

Conditions of the award

Eligibility for the relief will be calculated on a daily basis. Relief will be adjusted, including retrospective adjustment, in cases where the amount of rates payable changes.

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.

State Subsidy

Will follow the process set out in the Council's main Discretionary Rate Relief Policy.

Decision Making

Decisions in respect of awards of Retail Relief will be made by officers.

Complaints and Appeals

Will follow the process set out in the main Discretionary Rate Relief Policy.

Local Newspaper Discount

Overview 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).

Boston Borough 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

Applications for Local Newspaper Discount

Where possible ratepayers entitled to local newspaper relief under this local scheme will be identified by Boston Borough Council.

Conditions of the award

Eligibility for the relief will be calculated on a daily basis. 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.

State Subsidy

Will follow the process set out in the Council's main Discretionary Rate Relief Policy.

Decision Making

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

Complaints and Appeals

Will follow the process set out in the main Discretionary Rate Relief Policy.

Extension of Transitional Relief

Overview At the Budget on 27 October 2021 the Government announced that it would extend the current transitional relief scheme 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 businesses with medium properties (up to and including £100,000 rateable value)

This scheme does not apply to those in downward transition to lower bills – they will fall to their full bill on 1 April 2022.

Eligibility Criteria

Boston Borough 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 guidance: Extension of Transitional Relief and Supporting Small Business Relief for small and medium properties - GOV.UK](https://www.gov.uk/guidance/business-rates-guidance-extension-of-transitional-relief-and-supporting-small-business-relief-for-small-and-medium-properties)
(www.gov.uk)

Decision Making

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

Complaints and Appeals

Will follow the process set out in the main Discretionary Rate Relief Policy.

Covid-19 Additional Relief Fund

Overview On 25 March 2021 as part of their financial response to Covid-19, the Government announced a new Covid-19 Additional Relief Fund (CARF) which will be available to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates.

Boston Borough Council has designed its local scheme having regard to government guidance, which sets out the eligibility criteria for the scheme: -

- a) not award relief to ratepayers who for the same period of the relief either are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS),
- b) not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief), and
- c) direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

The full government guidance can be found here:

<https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance>

BBC will use its discretionary powers under section 47 of the Local Government Finance Act 1988 to grant relief to eligible businesses.

Covid-19 Additional Relief Fund is available to reduce chargeable amounts in respect of 2021/22 only.

Amount of Relief

Grant funding for this scheme is limited, with the total amount allocated to Boston Borough Council of £1,296,426.

The level of relief to be awarded to qualifying businesses will be determined following the closure of the application process on 31 July 2022.

For eligible businesses, the CARF relief will be assessed and calculated on a daily basis.

A business cannot receive rate relief that exceeds their total rates liability.

Where a business has paid its business rates in full for 2021/22, and is subsequently awarded this rate relief, any credit on the account will be carried forward and offset against the 2022/23 Business Rates liability.

A review of any remaining funds will be undertaken during the 2022/23 financial year to determine if additional relief may be awarded.

Eligibility Criteria

Only ratepayers of hereditaments occupied and liable for business rates for the 2021/22 financial year on 31st March 2022, are eligible to apply for the relief.

Relief will only apply for occupied periods during the 2021/22 financial year, the relief itself will be assessed and calculated on a daily basis.

Where Boston Borough Council has reason to believe that the information it holds about the ratepayer is inaccurate, it may withhold or remove the relief and take reasonable steps to identify the correct ratepayer.

Ratepayers must be able to evidence that they have been adversely impacted by the pandemic and have been unable to adjust to that impact.

Boston Borough Council reserves the right to cancel any award of this relief if subsequent information comes to light.

Businesses will not meet the eligibility criteria for the relief in the event that any of the exclusions and ineligibility set out below apply.

Exclusions and Ineligibility

Ratepayers who are unable to evidence that they have been significantly impacted by the coronavirus will be ineligible for this rate relief.

Ratepayers occupying properties for storage purposes only for short periods of less than 12 weeks will be ineligible for this rate relief.

Ratepayers in administration, liquidation, subject to a strike off notice on Companies House and those that have entered into a CVA or IVA on 31 March 2022 are ineligible for this relief.

This relief is not available on hereditaments where any of the following rate reliefs or discounts have been awarded for the 2021/22 financial year:

- 100% Small Business Rate Relief
- 80% Mandatory Rate Relief and 20% Discretionary Rate Relief
- 100% Discretionary Rate Relief
- 100% Rural Rate Relief
- 100% Expanded Retail Discount (for the period 1 April 2021 to 30 June 2021)
- 66% Expanded Retail Discount (for the period 1 July 2021 to 31 March 2022)
- 100% Nursery Discount (for the period 1 April 2021 to 30 June 2021)
- 66% Nursery Discount (for the period 1 July 2021 to 31 March 2022)
 - Organisations that opted out of receipt of Expanded Retail Discount or Nursery Discount are also excluded from CARF

The following properties are ineligible for this relief under either the Government Guidance or the Local Scheme: -

- i. Private Car Park Spaces (apart from Airport Parking)
- ii. Networks supplying utilities and associated properties, including electricity, gas, telecommunications, water, renewable energy, fossil fuel, nuclear power, independent network operator etc
- iii. Properties used for public administration - including Armed Forces,
- iv. Local Authority (County Council, District Council, Parish Council and Town Council),
- v. Government Departments, Legislative bodies, Fire, Police, Prison County Courts, Magistrates Courts, NHS and foundation Trusts, Lifeboat Stations
- vi. Banks, Financial institutions, including ATM machines
- vii. Educational establishments such as schools, University, Colleges

Recalculation of Relief

The amount of relief awarded will be recalculated in the event of any backdated 2021/22 changes including changes to the rateable value or the hereditament which arise before 31 July 2022 and result in a reduction in the business rates payable. No additional relief will be awarded as a result of an increase in the business rates payable.

Where it appears likely that the rating list or business rates liability was inaccurate, Boston Borough Council may withhold the CARF relief award and/or award the CARF relief based on its view had the inaccuracy not existed.

Application for Covid Additional Relief Fund (CARF) scheme

A completed relief application must be received by Boston Borough Council by 31 July 2022. Late applications will not be accepted.

Applicants will need to declare that by accepting the relief payment, the business is eligible for the relief scheme, and that any relief accepted will be fully in compliance with Subsidy Allowance limits (See main policy)

Boston Borough Council will not accept deliberate manipulation and fraud, and any business caught falsifying their records to gain relief awarded will face prosecution and any relief awarded will be subject to clawback, as may any relief awarded in error.

By applying for a COVID19 additional relief, applicants give authority to administering Local Authorities to share data for efficient system administration and to protect the Public Purse, subject to the GDPR. This will include sharing data other Local Authorities, and with Government Departments for monitoring and other reasons.

Boston Borough Council does not accept any liability for any issues that may arise for businesses because of applying for, receiving, or not receiving relief awards under this scheme.

Boston Borough Council may use the details provided in the application and declaration, including data sharing, to prevent and detect fraud, and to check compliance and eligibility for this relief.

Audit and Assurance

Audit and assurance checks will be carried out on a proportion of ratepayers who make applications for the CARF funding. Selected ratepayers will be contacted and asked to provide evidence in support of their application form, which must be provided within 28 days of the request.

Any ratepayer who is selected, will be required to provide supporting evidence and documentation including: -

- Evidence to demonstrate the adverse effect on the business during 2021/22 as a result of the covid pandemic. This may be in the form of accounts or bank statements for previous years, and for the period 1st April 2021 to 31st March 2022. Certification from an accountant or legal representative that confirms the loss of income due to the pandemics impact on the business may also be provided.
- Confirmation that the business has not received any other covid relief or discount.
- Confirmation of Subsidy Allowance compliance including the cumulative total of the grants and subsidy that has been received.
- Evidence of trading - this will include but not limited to, invoices, orders, salary payments, bank statements etc.

Falsifying records or providing false evidence to gain this discount will be considered to be fraud. If a ratepayer does not provide sufficient evidence to support their claim, the rate relief will be removed, and the decision of the Local Authority is final.

Decision Making

The scheme will be administered by the Business Rates team. Decisions in respect of applications for Covid-19 Additional Relief Fund will be made by officers.

Complaints and Appeals

Will follow the process set out in the main policy.

Contact us

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Other formats

We can provide this information in other languages and formats for example, in large print, in Braille, on CD or audio cassette.

Please phone 01205 314200.