

Burnley Council

Policy for the granting of Discretionary Non-Domestic Rate Relief

Version Control

<i>Version</i>	<i>Version date</i>	<i>Revised by</i>	<i>Description</i>
1	December 2023/ January 2024	LM/DA	Complete Policy including all reliefs for 2024, including the Non Domestic Rating Act 2023.
2	March 2026	LM/DA	Complete Policy including all reliefs for 2026.

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1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of discretionary relief and related areas to be granted to certain defined ratepayers within the Council's area. The policy includes all changes effective from 1st April 2026 and includes all new reliefs due to the revaluation of rateable values in April 2026. The Council is keen to support businesses during the crisis, as far as possible.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant mandatory relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for mandatory relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2026. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met. In the case of the new reliefs, some guidance has been issued by Central Government outlining actions expected to be taken by local authorities. This policy includes Government guidance where appropriate but also looks to target discretionary relief in line with the Council's priorities.
- 1.5 This document outlines the following areas:
 - Details of the criteria for receiving Discretionary Reliefs for all relevant areas;
 - The Council's policy for the granting of all types of Discretionary Reliefs;
 - Guidance on granting and administering the reliefs and awards;
 - Governments requirements including provisions for Subsidy; and
 - The Council's Scheme of Delegation.
- 1.6 Where organisations apply for relief they will be granted (or not granted) relief or reductions in line with the following policy.

2.0 Mandatory Relief - Legislative Background

Charity Relief

- 2.1 The powers relating to the granting of mandatory and discretionary relief are given to the Council under the Local Government Finance Act 1988¹. Charities and Trustees for Charities are only liable to pay one fifth of the Non-Domestic Rates that would otherwise be payable where property is occupied and used wholly or mainly for charitable purposes. This amounts to mandatory relief of 80%. For the purposes of the Act, a charity is an organisation or trust established for charitable purposes, whether or not it is registered with the Charity Commission. The provision has been extended under the Local Government Act 2003 (effective from 1st April 2004) to registered Community Amateur Sports Clubs (CASCs). Full details of the mandatory provisions are given later within this policy.
- 2.2 In the case of charity shops, the premises must meet the criteria laid down by section 64 (10) of the Local Government Finance Act 1988 which states that the premises are to be treated as used for charitable purposes at any time it is wholly or mainly used for the sale of goods donated to the charity and the proceeds of goods (after any deductions for expenses) are applied for the purpose of the charity.
- 2.3 The Council has discretion to grant relief of up to a further 20% for these mandatory cases under its discretionary provisions.

Private Schools

- 2.4 From 1st April 2025, Central Government have determined that all Private Schools which would have previously been entitled to mandatory relief (either as a charity or charitable organisation), will **no longer be entitled to mandatory relief**. For the purposes of this change the definition of 'Private School' is an educational establishment that provides compulsory full time education where a fee is payable.
- 2.5 Private schools which are 'wholly or mainly' concerned with providing full time education to pupils with an Education, Health and Care Plan will remain eligible for relief.

Rural Rate Relief

- 2.6 From 1st April 1998, under powers originally granted to the Council by the Local Government and Rating Act 1997², certain types of business in rural settlements, with a population below 3000 may qualify for mandatory rate relief of 100 per cent.
- 2.7 Where businesses in rural settlements have a Rateable Value of up to £16,500 and are not in receipt of mandatory relief, the Council may decide to give up to 100 per cent discretionary relief if it is satisfied that the business is of benefit to the community and having regard to the interests of its Council Taxpayers.

¹ S43 & S45 Local Government Finance Act 1988

² S47 & S48 Local Government Finance Act 1988

³ LGFA 1988, s.47, as amended by Sch. 1 to the Local Government and Rating Act 1997

3.0 Discretionary Relief – Legislative Background

Introduction

- 3.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top' up cases where ratepayers already receive mandatory relief.
- 3.2 Over recent years and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 3.3 The range of bodies, which are eligible for discretionary rate relief, is wide and not all of the criteria laid down by the legislation will be applicable in each case.
- 3.4 Unlike mandatory relief, ratepayers are obliged to apply to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information and evidence as required in order to determine whether relief should be awarded.
- 3.5 The Council is obliged to carefully consider every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority's area. There is no statutory appeal process or Tribunal against any decision made by the Council although, as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made.
- 3.6 Granting of the relief falls broadly into the following categories:
- (a) Discretionary Relief – Charities who already receive mandatory relief;
 - (b) Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes of recreation;
 - (c) Discretionary Relief – Rural Rate Relief - premises not receiving mandatory relief but of benefit to the local community and less than £16,500 RV;
 - (d) Discretionary Relief – Granted under the Localism Act 2011 provisions;
 - (e) Supporting Small Businesses Relief (from 1st April 2026);
 - (f) Retail Hospitality & Leisure Relief (from 1st April 2025 for a period of one year only);
 - (g) Pubs and Live Music Venues Relief;
 - (h) Electric Vehicle Charging Point Relief; and
 - (i) S49 Relief (Hardship Relief).
- 3.7 The decision to grant or not to grant discretionary relief is a matter purely for the Council.

The Council's general approach to granting Discretionary Relief

- 3.8 In deciding which organisations should receive discretionary rate relief, the Council has considered the following factors and priorities:
- (a) The awarding of relief will be in line with the Council's vision and values - The organisation will need to demonstrate how its use of business property contribute to the Council's priorities.
 - (b) Be equitable and balance the wider interests of the community with the resources made available by the Council Taxpayer;
 - (c) Be clear and transparent;
 - (d) Any award should support business, charities, organisations, and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
 - (e) The award should help and encourage business, charities, organisations, groups, and communities to become self-reliant;
 - (f) Awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
 - (g) Local organisations will be given priority over national organisations;
 - (h) Where requested, the organisation will need to supply the Council with clear evidence of **all** financial affairs (normally two full years) including, and most importantly, the amounts of monies raised, used, and invested locally;
 - (i) To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which without granting discretionary relief they would be unable to do;
 - (j) To assist the Council in delivering services which could not be provided otherwise; and
 - (k) If an organisation is in receipt of a grant from the Council, this will be considered favourably. However, a decision to award grants does not mean that the Council is bound to award discretionary relief, either in full or in part;
- 3.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then this will be provided **after** applying any Government funded relief, where possible and subject to the requirements of individual reliefs.
- 3.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

The Council's approach to granting Government led Discretionary Relief schemes.

- 3.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.

4.0 Effect on the Council's Finances

- 4.1 The granting of discretionary relief will, in the main, involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.

- 4.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. For any amounts granted for similar cases, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme shown above. This also applies where mandatory relief is granted.
- 4.3 Where Central Government leads an initiative, grants are often available through section 31 of the Local Government Act 2003. This is not automatic and Central Government will look to the Council to adopt the recommended approach when granting in these areas.
- 4.4 The financial effects of discretionary reliefs covered by this policy are as follows:

Appendix	Relief Type	Granted after 1 st April 2026
	Charity Relief	
A	Discretionary relief granted to Mandatory Relief recipients.	40% borne by the Council
B	Non-profit Making Organisations including Sports Clubs and societies.	40% borne by the Council
	Rural Discretionary	
C	Discretionary Relief – Rural Rate Relief - premises not receiving mandatory relief but of benefit to the local community and less than £16,500 RV.	40% borne by the Council
	Localism	
D	Discretionary Relief granted to ratepayers generally and not covered by any other section.	40% borne by the Council
	Supporting Small Business Relief 2026	
E	Supporting Small Businesses Relief 2026 (from 1 April 2026 for a period of up to three years if conditions are met).	Section 31 Grant
	Retail, Hospitality and Leisure Relief	
F	Retail, Hospitality and Leisure Relief Scheme (from 1 April 2025 for a period of one year only).	Section 31 Grant
	Pubs and Live Music Venues Relief	
G	Pubs and Live Music Venues Relief	Section 31 Grant
	Electric Vehicle Charging Point Relief	
H	Electric Vehicle Charging Point Relief	Section 31 Grant
	S49 Hardship Relief	
I	Granting relief where the ratepayer is suffering hardship	40% borne by the Council

5.0 Discretionary Relief – Subsidy

- 5.1 Discretionary relief is potentially subject to the Subsidy Control Act 2022. The purpose of the Subsidy Control Act 2022 is to implement a domestic subsidy control regime in the United Kingdom that reflects the UK's strategic interests and particular national circumstances, providing a legal framework within which public authorities make subsidy decisions.
- 5.2 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act 2022 allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2023/24 year and the two previous financial years).
- 5.3 In those cases where it is clear to the Council that the ratepayer is likely to breach the MFA limit then the Council will withhold relief. Otherwise, the Council may include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the Council if they are in breach of the MFA limit.
- 5.4 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

6.0 Administration of Discretionary Relief

- 6.1 The following section outlines the procedures followed by officers in granting, amending, or cancelling discretionary relief and reduction. This is essentially laid down by legislation.

Applications and Evidence

- 6.2 The Council will specify how applications are to be received (if required) and this may vary from time to time.
- 6.3 Where indicated by the Council, organisations may be required to provide a completed application form plus any such evidence, documents, accounts (normally the last two years), financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.
- 6.4 Where applications are required, they should initially be made to the Revenues and Benefits Service and will be determined in accordance with this policy.
- 6.5 The Council will provide this service and provide guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties. Applications for relief will be accepted from ratepayers only.**

Granting of relief

- 6.6 In all cases, the Council will notify the ratepayer of decisions made.
- 6.7 Where an application is successful, the ratepayer will be notified. Where relief is not granted, then the following information is provided;
- An explanation of the decision within the context of the Council's statutory duty; and
 - An explanation of the appeal rights (see below).
- 6.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made or when liability begins whichever is the later. Where the relief is fully Government funded, relief will be granted as long as the ratepayer is eligible.
- 6.9 A fresh application for discretionary relief may be necessary for each financial year **or** at such time-period as the Council determines.

Variation of a decision

- 6.10 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect on a date determined by the Council.
- 6.11 A decision may be revoked at any time by the Council.

7.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

- 7.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003, and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 7.2 The Council's scheme of delegation allows for the Head of Resources to award, revise or revoke any discretionary relief applications. However, any application which is considered to be of a significant nature will be subject to consultation with the relevant executive or committee prior to final determination.
- 7.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

- 7.4 The policy for granting relief will be reviewed annually or where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

Appeals

- 7.5 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Head of Resources. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 7.6 Where the ratepayer wishes to appeal the decision of the Head of Resources, the case will be considered by the Executive Member for Resources whose decision on behalf of the Council will be final.
- 7.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

8.0 Reporting changes in circumstances

- 8.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief, to be reported as soon as possible or in any event within 21 days of the change. This will be important where the change would result in the amount of the award being reduced or cancelled e.g., where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 8.2 Where a change of circumstances is reported, the relief will, if appropriate, be revised or cancelled. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

9.0 Fraud

- 9.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

Appendix A

Discretionary Relief – Mandatory Relief recipients

Discretionary Relief – Mandatory Relief recipients

General Explanation

- A.1 S43 of the Local Government Finance Act 1988 allows mandatory relief (80%) to be granted on premises if the ratepayer is a charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes. No charge is made in respect of unoccupied premises where it appears that *when next in use* it will be used wholly or mainly for those purposes.
- A.2 The legislation has been amended by the Local Government Act 2003 (effective from 1st April 2004) to include registered Community Amateur Sports Clubs (CASC). These organisations can now receive the mandatory (80%) relief.

Charity registration

- A.3 Charities are defined within the legislation as being an institution or other organisation established for charitable purposes only or by persons administering a trust established for charitable purposes only.
- A.4 The question as to whether an organisation is a charity may be resolved in the majority of cases by reference to the register of charities maintained by the Charity Commissioners under s.4 of the Charities Act 1960. Entry in the register is conclusive evidence. By definition, under the Non-Domestic Rating legislation, there is no actual need for an organisation to be a registered charity to receive the relief and this has been supported by litigation, however in all cases the organisation must fall within the following categories:
- trusts for the relief of poverty;
 - trusts for the advancement of religion;
 - trusts for the advancement of education; and
 - trusts for other purposes beneficial to the community, but not falling under any of the preceding heads.
- A.5 Certain organisations are exempted from registration generally and are not required to make formal application to the Charity Commissioners these are:
- the Church Commissioners and any institution administered by them;
 - any registered society within the meaning of the Friendly Societies Acts of 1896 to 1974;
 - units of the Boy Scouts Association or the Girl Guides Association; and
 - voluntary schools within the meaning of the Education Acts of 1944 to 1980.
- A.6 The Council will consider charitable organisations, registered or not, for mandatory relief.

Use of Premises – wholly or mainly used.

- A.7 Irrespective of whether an organisation is registered as a charity or not, the premises **must** be wholly or mainly used for charitable purposes. This is essential if any relief (either mandatory or discretionary) is to be granted. In most cases this can be readily seen by inspection, but on occasions the Council has had to question the actual use to which the premises are to be put. In some cases, it will be necessary for the Council to inspect any premises fully.
- A.8 Guidance from MHCLG has stated that in the case of 'mainly', at least 51% must be used for charitable purposes whether of that charity or of that and other charities.

A.9 The following part of this section gives details on typical uses where relief may be given plus additional criteria that have to be satisfied. The list is not exhaustive but gives clear guidance on premises for which mandatory relief can be granted *and therefore* premises which may be equally considered for discretionary rate relief.

Offices, administration, and similar premises.

A.10 Premises used for administration of the Charity include:

- Offices;
- Meeting Rooms; and
- Conference Rooms.

Charity shops

A.11 Charity shops are required to meet additional legislative criteria if they are to receive mandatory relief. Section 64 (10) of the Local Government Finance Act 1988 provides that a property is to be treated as being wholly or mainly used for charitable purposes at any time if, at the time, it is wholly or mainly used for the sale of goods donated to a charity and the proceeds of the sale of the goods (after any deduction of expenses) are applied for the purposes of the charity.

A.12 In order to ascertain whether an organisation meets these requirements, inspections may be made by an officer of the Council when an application is received.

Granting of Mandatory Relief - the Council's Policy

A.13 Where the criteria for awarding mandatory relief are met, the rate charges shall be calculated in accordance with the legislation reducing the liability of ratepayers for each day that the criteria are met.

Charity Relief – Mandatory Relief recipients, the Council's Policy for granting discretionary relief.

A.14 The Council will consider applications for a Discretionary Rate Relief top up from charities based on their own merits, on a case by case basis. However, the principal consideration is that the relief is in the best interests of the residents and taxpayers of Burnley and produces a local benefit as the Council must contribute to the cost of each award.

A.15 A discretionary relief will generally be awarded to charities whose work is beneficial to the community at large, or who actively encourage membership from a full cross section of the community, or who provide facilities which directly or indirectly relieve the local authority of the need to do so.

A.16 A relief will generally be awarded to CASCs whose work is beneficial to the community at large, or who actively encourage membership from a full cross section of the community, or who provide facilities which directly or indirectly relieve the local authority of the need to do so.

A.17 The Council wishes to support and enable appropriate businesses to start, develop and continue with their operations that deliver outcomes directly related to the Council's aims and vision. In the main, this will be done through other means rather than granting discretionary relief. There may be occasions where applications are made for such relief or where a package of measures, including discretionary relief, are appropriate in supporting businesses. This would need to be in

accordance with any limitations in respect of subsidy.

Appendix B
Discretionary Relief – Non-Profit Making Organisations including Recreation.

Discretionary Relief – Non-Profit Making Organisations including Recreation.

General explanation

Non-Profit

- B.1 The legislation allows the Council to grant discretionary relief where the property is not an *excepted* one and all or part of it is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature, or the fine arts.
- B.2 Relief cannot be granted to any premises occupied by the Council, or any town, parish council or major Precepting Authority (*excepted premises*).
- B.3 A number of issues arise from the term 'not established or conducted for profit'. This requires the Council to make enquiries as to the overall purpose of the organisation although if surpluses and such amounts are directed towards the furtherance or achievement of the objects of the organisation then it does not necessarily mean that the organisation was established or conducted for profit.

Recreation Clubs

- B.4 Ideally all recreation clubs should be encouraged to apply for Community Amateur sports Club (CASC) status, which would automatically entitle them to 80% relief. The relief granted to CASCs is covered earlier within this policy.
- B.5 Recreation clubs can also apply to the Charity Commissioners for registration as a Charity (thereby falling under the mandatory provisions for 80% relief) where they meet the following conditions:
- The promotion of community participation in healthy recreation and by the provision of facilities for the playing of particular sports; and
 - The advancement of the physical education of young people not undergoing formal education.
- B.6 Where sports clubs do not meet the CASC requirement, and are not registered charities, discretionary relief can be granted (0-100%) where the property is not an *excepted* one, it is wholly or mainly used for purposes of recreation and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

Access to clubs

- B.7 Guidance issued by the MHCLG also requires the Council to consider access to clubs within the community before granting discretionary relief.
- B.8 Membership should be open to all sections of the community. There may be legitimate restrictions placed on membership which relate for example to ability in sport or to the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited, but in general membership should not be exclusive or restrictive.
- B.9 Membership rates should not be set at such a high level as to exclude the general community. However, membership fees may be payable at different rates that distinguish the different classes of membership such as juniors, adults, students, pensioners, players, non-players, employed and unemployed. In general, the club or organisation must be prepared to show that the criteria by

which it considers applications for membership are consistent with the principle of open access.

B.10 The Council also asks the following question to help establish the level of access ‘Does the organisation actively encourage membership from particular groups in the community e.g., young people, women, older age groups, persons with disability, ethnic minorities’ etc.?’

Provision of facilities.

B.11 Clubs which provide training or education are encouraged, as are those who provide schemes for particular groups to develop their skills e.g., young people, the disabled, retired people.

B.12 A number of organisations run a bar. The mere existence of a bar will not in itself be a reason for not granting relief. However, the Council focuses on the main purpose of the organisation. The Council is encouraged to examine the balance between playing and non-playing members.

B.13 Within this area, the Council also considers whether the facilities provided relieve the Council of the need to do so or enhance and supplement those that it does provide.

Private Schools

B.14 Schools will be specifically excluded from receiving relief This will also include Private Schools who formally received mandatory relief prior to 1 April 2025

Discretionary Relief - Non-Profit Organisations including Recreation – the Council’s Policy.

B.15 Discretionary Rate Relief will not normally be considered for public sector or public sector type organisations such as government bodies / housing associations and the like.

B.16 Each application will be considered individually on its own merits but as a guideline, the following percentages will apply:

- 80% relief to be granted to organisations that do not have charitable status but actively encourage membership from particular groups in the community, for example young people, women, older age groups, disabled people, ethnic minorities etc. or make facilities available to people or groups other than members, for example use by schools, casual public sessions etc;
- 70% relief to be granted to qualifying organisations that do not have charitable status but provide training or education for members or conduct schemes for particular groups to develop their skills;
- 70% relief to be granted to qualifying organisations that do not have charitable status but whose main purpose is to provide sporting facilities of a physical nature excluding ‘games room’ type facilities, but which also have a social aspect with a licensed bar.

Appendix C

Discretionary Relief – Premises within Rural Settlements

Discretionary Relief – Premises within Rural Settlements

- C.1 In addition to having the ability to grant discretionary relief to those in receipt of mandatory relief, the Local Government and Rating Act 1997 allows discretionary relief of up to 100% to be granted where the rateable value is £16,500 or less and:
- (a) Property is used for purposes which are of benefit to the local community; and
 - (b) It would be reasonable for the billing authority to award relief, having regards to the Council's Council Taxpayers.
- C.2 As with most discretionary relief, part of the cost, is met by Central Government and the balance from local sources.
- C.3 The main criteria for granting discretionary relief in respect of rural rate relief is that premises are used to benefit the local community.

What rural settlements exist within the Council's area?

- C.4 The following are deemed to be rural settlements within the Council's area. The boundary of each settlement is the same as the Parish boundary, except where otherwise defined.
- Worsthorne with Hurstwood
 - Cliviger
 - Dunnockshaw

Benefit to the local community

- C.5 Whilst each application for the relief will be considered on its own merits, there are certain factors which weigh heavily in the decision-making process. It is this Council's belief that the spirit of the legislation is to assist businesses and amenities, which contribute significantly to the quality of life of the people who have their main home in the Rural Settlement.
- C.6 To be successful for consideration, a business must show that its existence is a significant benefit to the local community with the majority of local residents directly benefiting from services or facilities provided by that business.

Rural Rate Relief – the Council's Policy for granting discretionary relief.

- C.7 The Council will also consider applications for a discretionary rural rate relief from all ratepayers, not entitled to mandatory relief up to a maximum of 100%.
- C.8 In determining the application, the following matters will be taken into consideration:
- The granting of any discretionary relief will be essential in ensuring the viability of any business within the rural settlement;
 - The granting of any discretionary relief is proportionate given the level of any business rates charged compared with the overall turnover of the business;
 - The granting of any discretionary relief will assist the business in continuing to be viable and / or prevent the business from failing;
 - The business is considered by the Council to be essential to the community and that any reduction or withdrawal of the business will have a serious detrimental effect on the rural settlement; and
 - The granting of any discretionary relief is reasonable having regard to the effect on taxpayers of the Council.

Appendix D

Discretionary Relief – Localism Act 2011

Discretionary Relief – Localism Act 2011

General explanation

- D.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988. These provisions allow all Councils to grant discretionary relief in **any** circumstances where it feels fit having regards to the effect on the Council Taxpayers of its area.
- D.2 The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Taxpayers. An example where the Council has granted relief in the past are where premises were affected by flooding.

Discretionary Relief – Localism – the Council's Policy

- D.3 Applications will be considered from any ratepayer who wishes to apply. However, where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then relief can be granted under the existing provisions as laid down by Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council's discretionary relief policy.
- D.4 Ratepayers seeking assistance will be required to submit an application form to the Economy and Growth Business Support Team detailing the rationale for seeking business rate relief and the business benefits it will bring.
- D.5 The Council's Economy and Growth Team will review applications from businesses requesting relief under these powers to determine if providing relief would support the economic objectives of the borough.
- D.6 The decision to award localism relief will be made by the Council's Section 151 Officer.
- D.7 Applicants will also be signposted to the Council's Economy and Growth Team for support and for advice on other options available to the business prior to an award being considered.

Appendix E

Supporting Small Businesses Relief

Introduction

- E.1 At the 2025 Autumn Budget the Chancellor announced that the 2026 SSBR scheme will cap bill increases at £800 per year or the relevant caps within transitional relief (whichever is the greatest) for any business losing eligibility for certain reliefs, including Small Business Rate Relief and Rural Rate Relief, at the 2026 revaluation.

How will 2026 SSBR be provided?

- E.2 For 2026/27 to 2028/29, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988, to grant 2026 SSBR.
- E.3 It will be for individual local authorities, which administer the 2026 SSBR, to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
- E.4 Central government will reimburse billing authorities and major precepting authorities for the actual cost to them under the rates retention scheme of the 2026 SSBR that falls within the definitions in this guidance.

Who is eligible for the 2026 SSBR and how much relief will be available?

- E.5 2026 SSBR will help those ratepayers who at the revaluation are seeing large increases in their bills as a result of losing some or all of their:
- (a) Small Business Rate Relief or Rural Rate Relief;
 - (b) 40% Retail Hospitality and Leisure Relief, and/or;
 - (c) 2023 Supporting Small Business Relief.
- E.6 Charities and Community Amateur Sports Clubs, who are already entitled to mandatory 80% relief, are not eligible for 2026 SSBR.
- E.7 To support eligible ratepayers, 2026 SSBR will ensure that the increase in the bills of these ratepayers is limited to £800 per year or the relevant caps within transitional relief whichever is the greater.
- E.8 For those ratepayers receiving 2023 SSB relief on 31/3/26 (including those also receiving SBRR, Rural Rate Relief and/or RHL Relief on 31/3/26), any eligibility for 2026 SSBR will end on 31 March 2027.
- E.9 All other eligible ratepayers remain in 2026 SSBR for either 3 years or until they reach the bill they would have paid without the scheme.
- E.10 A change of ratepayers will not affect eligibility for the Supporting Small Business scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.
- E.11 There is no second property test for eligibility for the 2026 SSBR scheme. However, those ratepayers who during 2025/26 lost entitlement to Small Business Rate Relief (because they failed the second

property test) but have, under the rules for Small Business Rate Relief, been given a 12 month period of grace before their relief ended (or from 27/11/25 3 years) - can continue on the 2026 SSBR scheme for the remainder of their period of grace.

Sequence of reliefs

E.12 Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for 2026 SSBR. And, for the avoidance of doubt, small business rate relief or rural rate relief should not be applied to further reduce the bill found under 2026 SSBR.

For example,

- a non-RHL ratepayer eligible for Small Business Rate Relief whose rateable value has increased from £3,000 (paying £0 in 2025/26) to £14,000 would be paying the following in 2026/27 before 2026 SSBR:

Bill before reliefs (including 1p Transitional Relief Supplement):	£6,188
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Bill after transitional relief:	£1,572
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Bill after Small Business Rate Relief (@1/3)	£1,048
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- After 2026 SSBR the bill for 2026/27 would be reduced to £800. No further Small Business Rate Relief should be applied to the £800 bill. No addition for Transitional Relief Supplement is made to a bill within SSBR.

E.13 The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties).

E.14 The presence of a section 44A certificate should not further reduce the bill found under 2026 SSBR.

E.15 All other discretionary reliefs, including those funded by section 31 grants, should be considered **after** the application of 2026 SSBR.

Subsidy control

E.16 The 2026 SSBR is likely to amount to a subsidy. Therefore, any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations.

E.17 To the extent that a local authority is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2026/27 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. Any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted under the £315,000 allowance.

E.18 In those cases where it is clear to the local authority that the ratepayer is likely to breach the MFA limit then the authority should automatically withhold the relief. Otherwise, local authorities may

include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the authority if they are in breach of the MFA limit.

- E.19 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the local authority will need to include details of the subsidy on the subsidy control database.

Recalculations of reliefs

- E.20 As with other reliefs, the amount of SSBR awarded should be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or to the hereditament. This change of circumstances could arise during the year in question or during a later year.

Detailed guidance for operation of the 2026 Supporting Small Business Relief (2026 SSBR)

Day 1 Eligibility for the Scheme

- E.21 For 1 April 2026, a hereditament will be eligible for 2026 SSBR where:
- (a) the chargeable amount for 31 March 2026 was calculated in accordance with:
 - (i) paragraph 4 of Schedule 4ZA (SBRR not in transitional relief), or
 - (ii) regulation 12(6) of, or paragraph 4(5) or 5(5) of the Schedule to, the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022 SI 2022 No. 1403 (SBRR within transitional relief), or
 - (iii) paragraph 5 of Schedule 4ZA by virtue of paragraph 8 of Schedule 4ZA (Rural Rate Relief), or
 - (iv) section 47 by virtue of being eligible for schemes introduced by local authorities to deliver:
 - a. the 2023 Supporting Small Business Relief Scheme as set out in guidance issued by this Department on 21 December 2022, or
 - b. the 2025/26 Retail, Hospitality and Leisure Scheme as set out in guidance issued by this Department on 16 January 2025, and
 - (b) the hereditament for 1 April 2026 was occupied, and
 - (c) the ratepayer for 1 April 2026 was not a charity or trustees for a charity or a community amateur sports club eligible for relief under paragraph 2 of Schedule 4ZA or regulation 12(5) of, or paragraphs 2(4), 3(4), 4(4) or 5(4) of the Schedule to, the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026.
- E.22 Where a hereditament meets these criteria then the rules for determining a chargeable amount below will apply provided that the chargeable amount within the 2026 SSBR scheme is less than it would otherwise be absent the 2026 SSBR scheme.

Ceasing of eligibility for the scheme after 1 April 2026

- E.23 After 1 April 2026, 2026 SSBR will cease to apply where:
- (a) the chargeable amount for a day found under 2026 SSBR is the same as or more than the chargeable amount found in the absence of 2026 SSBR. This ensures that where, for example, the increase in the chargeable amount in 2026 SSBR would take the bill above the level it would otherwise have been then the hereditament will drop out of 2026 SSBR. It also ensures that

where, for example, with effect from after 1 April 2026, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of 2026 SSBR, or

- (b) the ratepayer changes to a charity or trustees for a charity or a community amateur sports club eligible for relief under paragraph 2 of Schedule 4ZA or regulation 12(5) of, or paragraphs 2(4), 3(4), 4(4) or 5(4) of the Schedule to, the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026, or
- (c) the hereditament for a day is unoccupied, or
- (d) in respect of days from the 1 April 2027 onwards the hereditament had its chargeable amount for 31 March 2026 found by section 47 by virtue of being eligible for schemes introduced by local authorities to deliver the 2023 Supporting Small Business Relief Scheme as set out in guidance issued by this Department on 21 December 2022. For the avoidance of doubt, such hereditaments which were also eligible for SBRR/RRR or RHL Relief on 31 March 2026 will also cease to be eligible for 26 SSBR from 1 April 2027.

E.24 Furthermore, where the ratepayer during 2025/26 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month (or from 27/11/25 3 years) period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2026), then eligibility for 2026 SSBR will cease at the end of that period of grace.

E.25 Hereditaments which cease to be entitled to 2026 SSBR for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for 2026 SSBR if it subsequently becomes occupied again.

Eligibility post 1 April 2026 by virtue of a regulation 17 certificate

E.26 As with the transitional relief scheme, where the valuation officer issues a certificate of rateable value under regulation 17 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026 certifying the correct rateable value at 1 April 2026 (in circumstances where they cannot by rule now amend the list for 1 April 2026) then eligibility for 2026 SSBR and the calculation of 2026 SSBR should be revisited using the regulation 17 certified value in place of the value shown in the list for 1 April 2026. As with the transitional relief scheme, this should have effect as regards the days referred to in regulation 17(4) (the effective date of when the list was altered to correct the inaccuracy and subsequent days) or regulation 17(5) (where no alteration has been made).

E.27 This ensures that those ratepayers whose compiled list 2026 rateable values are increased by the Valuation Officer but only from the date the list is altered may still be eligible for SSBR from that point onwards. This ensures those ratepayers are not penalised just because the increase in their rateable value was not backdated to 1 April 2026. This follows the same principle which exists in the transitional relief scheme.

Chargeable Amount under the Supporting Small Business Scheme

E.28 Where 2026 SSBR applies then MHCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2026 to 31 March 2029 found in accordance with the rules in Part 1 to Part 3 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026 (“the 2026 TR Regulations”) subject to the following changes.

Base Liability

- E.29 References in the 2026 TR Regulations to the Base Liability (BL) for 2026/27 should be taken to be the chargeable amount for 31 March 2026 x 365 for the hereditament adjusted as necessary for the assumption that:
- (i) section 47 did not apply for 31 March 2026 other than where the hereditament was eligible for the 2023 Supporting Small Business Relief Scheme or the 2025/26 Retail, Hospitality and Leisure Scheme,
 - (ii) The ratepayer on 31 March 2026 was not a charity or a CASC,
 - (iii) the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022 SI 2022 No. 1403 did not apply for 31 March 2026 (the 2023 Transitional Relief Scheme), and
 - (iv) the City of London's special authority multiplier and small business multiplier for 2025/26 were 55.5p and 49.9p respectively.
- E.30 This ensures the starting BL for hereditaments eligible for 2026 SSBR include the SBRR, rural rate relief, 2023 SSBR or 2025/26 RHL relief for 31 March 2026 but assumes there was no transitional relief or charity relief.
- E.31 Where as a result of the subsidy control limits the amount of RHL relief awarded for 31 March 2026 for a hereditament is less than 40% then the 2026/27 BL for that hereditament should reflect the actual level of RHL relief awarded for 31 March 2026.
- E.32 Where a certificate has been issued under regulations 18 or 19 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026 then BL for 2026/27 should be found in line with the above but on the assumption that the rateable value in the rating list was the rateable values as certified.
- E.33 References in the 2026 TR Regulations to BL for 2027/28 and 2028/29 should be taken to be references to "(BL x AF) or (BL + 800) whichever is the greater" from the year immediately preceding the year concerned.

Recalculation of chargeable amount for 31/3/26 for the purposes of BL in the 2026 SSBR Scheme

- E.34 Where a hereditament which is eligible for 2026 SSBR was receiving transitional relief on 31 March 2026 it will, therefore, be necessary, for the purposes of determining BL in the 2026 SSBR scheme, to recalculate the chargeable amount for 31 March 2026 on the assumption that transitional relief did not apply.
- E.35 For those ratepayers receiving SBRR, Rural Rate Relief and/or RHL relief on 31/3/26 (but not 23 SSBR), this recalculation for 31/3/26 will give a different figure to the actual chargeable amount. This is because all of those reliefs apply a set percentage relief to the sum after transitional relief – i.e. they are "top down" reliefs.
- E.36 The same is not true for those receiving 2023 SSBR on 31/3/26. 2023 SSBR is a "bottom up" calculation where the chargeable amount is found by increasing the liability for the previous year (in that scheme by £600). Transitional relief therefore has no bearing upon the final chargeable amount of a bill found by 2023 SSBR. In these cases, recalculating the 31/3/26 bill ignoring

transitional relief gives the same result. The value of the 2023 SSBR will just compensate for the loss of transitional relief to deliver the same outcome for 31/3/26. This is as intended.

Calculation of Chargeable Amount

- E.37 References in the 2026 TR Regulations to “(BL x AF)” should be taken to be references to “(BL x AF) or (BL + 800) whichever is the greater. This ensures the bill increase is the greater of £800 or the increase under the caps in the transitional relief scheme.
- E.38 Regulations 12(6) & (7) of the 2026 TR Regulations should be assumed to have been omitted. This ensures SBRR is not also applied to the capped bill in 2026 SSBR. This avoids double counting of relief if the hereditament is in the SBRR taper.
- E.39 No change is made to the meaning of NCA from that in the 2026 TR Regulations. Therefore, as with the 2026 TR Regulations, the Transitional Relief Supplement in 2026/27 will be added to NCA. Again, as with the 2026 TR Regulations, there should be no separate addition to bills for hereditaments eligible for 2026 SSBR such that, for example, an eligible ratepayer losing their 100% SBRR on 1 April 2026 would under the 2026 SSBR scheme pay £800 in 2026/27 and not £800 plus the Transitional Relief Supplement.
- E.40 For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2026 (regulation 13) will continue to apply as normal subject to the amendments above. This ensures that, for example, later increases in rateable value are paid in full in the normal way. As with the main transitional relief scheme, references to the rateable value in the list should, if the hereditament is eligible for Improvement Relief, be taken to be references to the rateable value less the value of the Improvement Relief certificate.

Splits and mergers

- E.41 Hereditaments will be eligible for 2026 SSBR where they have:
- (a) come into existence because of the circumstances described in paragraph 1 of the 2026 TR Regulations, and
 - (b) where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for 2026 SSBR.
- E.42 2026 SSBR will not apply or cease to apply to splits and mergers in the circumstances described above (Ceasing of eligibility for the scheme after 1 April 2026).
- E.43 The number of hereditaments eligible for 2026 SSBR which then split or merge is likely to be small and devising rules in particular for mergers with properties outside of 2026 SSBR would be complex. Therefore, as with the previous SSBR schemes, the government has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger.
- E.44 Instead, for hereditaments meeting the criteria above, MHCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:

- (a) that the protection offered by 2026 SSBR (that the bill will not rise by more than £800 p.a. or the transitional reliefs caps whichever is the greater) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in 2026 SSBR, and
- (b) that increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of 2026 SSBR.

E.45 For simple splits of hereditaments previously eligible for 2026 SSBR, authorities may wish to simply apportion the chargeable amount in the SSBR scheme for the hereditament before the split in line with the change in rateable value from the split (i.e. in line with the principle in the Schedule of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026).

E.46 For mergers and reorganisations, the authority will have to estimate the degree to which, in line with the principle of the 2026 SSBR scheme, that part of the hereditament which was formerly eligible for 2026 SSBR should continue to receive support under the 2026 SSBR scheme. MHCLG does not expect authorities to seek any formal apportionments of the rateable value for this purpose.

Supporting Small Businesses Relief – the Council’s policy for granting discretionary relief.

E.47 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix F

Retail, Hospitality and Leisure Relief (2025/2026 only)

General Explanation

- F.1 The 2025/26 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 40% relief, up to a cash cap limit of £110,000 per business. This relief ended on 31st March 2026 and has been replaced by changes in the multipliers under Non-Domestic Rating (Private Schools and Multipliers) Act 2025 and this policy will only apply for periods up to the end date.

How will the relief be provided?

- F.2 As this is a temporary measure for 2025/26, Government is not changing the legislation relating to the reliefs available to properties. Instead, Government will, in line with the eligibility criteria set out in this guidance, reimburse the Council if it uses its discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for the Council to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
- F.3 Government will fully reimburse the Council and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in this guidance, using a grant under section 31 of the Local Government Act 2003.
- F.4 The government expects the Council to apply and grant relief to qualifying ratepayers from the start of the 2025/26 billing year.

Which properties will benefit from relief?

- F.5 Hereditaments which benefit from the relief will be those which for a chargeable day in 2025/26:
- meet the eligibility criteria; and
 - the ratepayer for that chargeable day has not refused the relief for the eligible hereditament.

The ratepayer may refuse the relief for each eligible hereditament anytime up to 30 April 2026. The ratepayer cannot subsequently withdraw their refusal for either all or part of the financial year.

- F.6 The Council has decided that, for the purposes of section 47 of the 1988 Act, hereditaments where the ratepayer has refused the relief are outside of the scheme and outside of the scope of the decision of which hereditaments qualify for the discount and are therefore ineligible for the relief.
- F.7 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, the Council may not grant the discount to themselves or precepting authorities.

How much relief will be available?

- F.8 Subject to the £110,000 cash cap per business, the total amount of government-funded relief available for each property for 2023/24 under this scheme is for chargeable days from 1 April 2025 to 31 March 2026, 40% of the chargeable amount.
- F.9 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where the Council has used its wider discretionary

relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants. However, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable relief etc.) will be applied first in the sequence of discretionary reliefs and, therefore, before Retail, Hospitality and Leisure relief. Authorities may use their discretionary powers to, at cost to themselves, offer further discounts outside this scheme or additional relief to hereditaments within the scheme. However, where the Council applies a locally funded relief under section 47, this will be applied after the Retail, Hospitality and Leisure relief.

F.10 The ordering **will** be applied in following sequence:

- Improvement Relief
- Transitional Relief
- Mandatory Reliefs (as determined in legislation)
- S.47 Discretionary Relief in the following order:
 - (i) 2023 Supporting Small Business (SSB);
 - (ii) Former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable, CASC, rural top up, and not for profit) will be applied first in the sequence of discretionary reliefs, after SSB;
 - (iii) Other discretionary (centrally funded);
 - (iv) 2025/26 Retail Hospitality and Leisure relief scheme; and
 - (v) Other locally funded schemes (such as section 49 hardship).

F.11 Subject to the cash cap, the eligibility for the discount and the relief itself will be assessed and calculated on a daily basis. The following formula will be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2025/26:

- Amount of relief to be granted = $V \times 0.40$ where:
- V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any certain other discretionary reliefs in line with the above.

F.12 This will be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.

F.13 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap, per business.

The Cash Cap and Subsidy Control

F.14 Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.

F.15 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 caps. 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.

- F.16 The Retail Hospitality and Leisure Scheme is likely to amount to subsidy. Any relief provided by the Council under this scheme will need to comply with the UK's domestic and international subsidy control obligations.
- F.17 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2024/25 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. Expanded Retail Discount granted in 2021/22 does not count towards the £315,000 allowance but BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement will be counted.
- F.18 In those cases, where it is clear to the Council that the ratepayer is likely to breach the cash cap or the MFA limit, then the Council will automatically withhold the relief.
- F.19 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

Splits, mergers, and changes to existing hereditaments

- F.20 The relief will be applied on a day-to-day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, will be considered afresh for the relief on that day.

Recalculations of relief

- F.21 The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.
- F.22 Under regulations made under section 47 of the Local Government Finance Act 1988 the Council must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, the Council may still make decisions to ensure the scheme is administered in accordance with the extant rules. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.

Eligibility for the Retail, Hospitality and Leisure Relief Scheme

- F.23 The Council uses the following definitions to establish eligibility for the relief:

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:

- 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

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
- Bar

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).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music.

vi. 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

vii. Hereditaments that are being used for the assembly of visiting members of the public.

- Public halls
- Clubhouses, clubs, and institutions

viii. 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

F.24 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.

F.25 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.

Hereditaments that are being used for the provision of the following services to visiting members of the public:

F.26 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. Again, it is for the Council to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them **not** eligible for the discount under their local scheme:

- 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); and
- Post office sorting offices.

Retail Hospitality and Leisure Relief – the Council’s policy for granting discretionary relief.

F.27 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix G

Pubs and Live Music Venues Relief

General Explanation

- G.1 The government announced on 27 January 2026 that in 2026-27, eligible pubs and live music venues will benefit from a 15% business rates relief on top of the support announced at Budget 2025. Their bills will then be frozen in real terms for a further 2 years.
- G.2 The pubs and live music venues relief will be delivered via section 47 (discretionary relief) funded by section 31 grant.
- G.3 The government's policy intention is that pubs and live music venues should be eligible for the relief. **The relief should apply to occupied properties only.**

Pubs

- G.4 Relief should only be awarded to pubs which meet all of the following characteristics:
- (a) is open to the general public
 - (b) allows free entry other than when occasional entertainment is provided
 - (c) allows drinking without requiring food to be consumed
 - (d) permit drinks to be purchased at a bar
- G.5 For these purposes, the meaning of pub does not include:
- (a) restaurants, cafes, nightclubs, snack bars
 - (b) hotels, guesthouses, boarding houses
 - (c) sporting venues
 - (d) festival sites, theatres, cinemas
 - (e) museums, exhibition halls
 - (f) casinos
- G.6 The proposed exclusions in the list in the paragraph above is not intended to be exhaustive and it will be for the local authority to determine those cases where eligibility is unclear.
- G.7 Where eligibility is unclear authorities should also consider broader factors in their considerations – i.e., in meeting the stated intent of policy that it demonstrates the characteristics that would lead it to be classified as a pub by the natural meaning of the word. For example, being owned and operated by a brewery.

Live music venues

- G.8 Live music venues are properties that are:
- (a) wholly or mainly used for the performance of live music for the purpose of entertaining an audience
 - (b) can be used for other activities but only if those other activities are:
 - (i) ancillary or incidental to the performance of live music (e.g. the sale of food or drink to audience members)
 - (ii) Do not affect the primary use of the premises for the performance of live music (e.g. because the activities are infrequent such as use of the venue as a polling station or fortnightly community event)

- G.9 Properties are not a live music venue for the purpose of this relief if the property 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).
- G.10 There may be circumstances where it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this to be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.

How much relief will be available?

- G.11 The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2026-27:

Amount of relief to be granted = $V \times 0.15$ (i.e. 15% relief) where:

V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and certain other discretionary reliefs in line with the list below.

- G.12 This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day. The relief is not subject to any cap.
- G.13 The relief should be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where local authorities have used their wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants.
- G.14 However, as required in the NNDR guidance notes, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e. charitable/CASC and not for profit) should be applied first in the sequence of discretionary reliefs and, therefore, before pubs and live music venues relief. Authorities may use their discretionary powers to, at cost to themselves, offer further relief outside this scheme or additional relief to hereditaments within the scheme. However, where an authority applies a locally funded relief under section 47, this should be applied after the pubs and live music venues relief.
- G.15 The ordering should be applied in following sequence:
- (a) Improvement Relief
 - (b) Transitional Relief
 - (c) Other mandatory Reliefs (as determined in legislation)
 - (d) Section 47 Discretionary Relief in the following order:
 - i. 2026 Supporting Small Business (SSB)
 - ii. Former categories of discretionary relief available prior to the Localism Act 2011 (i.e. charitable, CASC, not for profit) should be applied first in the sequence of discretionary reliefs, after SSB
 - iii. Other discretionary (centrally funded) including Freeport relief
 - iv. 2026-27 pubs and live music venues relief scheme
 - v. Other locally funded scheme.

Pubs and Live Music Venues Relief - the Council's policy for granting discretionary relief.

G.16 The Council has decided to grant relief strictly in accordance with Central Government guidelines

Appendix H

Eligible Electric Vehicle Charging Points and Electric Vehicle only forecourts (EVCP relief)

General Explanation

- H.1 The Government announced on 27th November 2025 that a ten-year 100% business rates relief for EVCPs separately assessed by the VOA and Electric Vehicle only forecourts to ensure that they face no business rates liability.
- H.2 Guidance and full details of the relief have yet to be provided by Government.
- H.3 The Council will be fully financed for all relief granted through a Section 31 grant

Eligible Electric Vehicle Charging Points and Electric Vehicle only forecourts – the Council’s policy for granting discretionary relief.

- H.4 The Council has decided to grant relief strictly in accordance with Central Government guidelines

Appendix I

Section 49 – Hardship Relief

Section 49 – Hardship Relief

General explanation

- I.1 The Council is able to exercise its discretion under Section 49 of the Local Government Finance Act 1988 to provide either partial or full relief for non-domestic rate payments in cases of hardship where it would be reasonable to do so having due regard to the interests of council tax payers in general.

Section 49 Hardship Relief – the Council’s Policy

- I.2 The Council will consider applications for hardship relief from individuals and organisations based on their own merits on a case-by-case basis. Head of Resources will consider applications. Application forms are available from the Council.
- I.3 Each application for hardship relief will be considered individually on its own merits:
- When assessing whether the ratepayer would face hardship the Council will require a written request from the ratepayer to include the latest trading accounts and a projection of those accounts for a further two years. In the case of partnerships and sole traders the Council may also require the personal financial details of relevant individuals to assist with any decision;
 - The ratepayer must be able to demonstrate that he is offering a unique service to his locality, which would not be replaced were his business to close, and which is of specific benefit to Council Tax payers within the locality of the business;
 - Alternatively, the business must offer a specific service to vulnerable groups or provide significant employment throughout the borough as a whole, which is of significant benefit to Council Tax payers in the borough as a whole;
 - The award of relief must be capable of enabling the ratepayer to continue trading to the end of the financial year in which the relief is granted.
- I.4 The decision to award hardship relief will be made by the Council’s Section 151 Officer.
- I.5 Relief may be granted at an appropriate amount up to 100% of the full charge.
- I.6 An application form must be completed for this relief.
- I.7 The start date of the relief shall not be earlier than the start of the financial year in which the application was made. Relief shall be awarded to the end of the financial year in which the application was made, with a new application being required from the ratepayer in respect of any hardship relief requested for subsequent financial years.
- I.8 Hardship Relief is a temporary measure which should not be used to falsely sustain a failing business. Hardship Relief will be awarded where the applicant organisation is facing temporary financial difficulties and where the community would be significantly disadvantaged if the business were to close due to these temporary financial constraints.