



North Tyneside Council

Non-Domestic Rates

Discretionary Retail Discount

2019/20 and 2020/21

Guidance and application form

What is on offer?

The Government announced in the Budget on 29 October 2018 that it will provide a Business Rates Retail Discount scheme for certain occupied shops, restaurants, cafes and drinking establishments with a rateable value of less than £51,000 in each of the years 2019/20 and 2020/21. The value of discount for qualifiers should be one third of the bill and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. In a Written Ministerial Statement on 27 January 2020, the Government announced that it would extend the value of the Retail Discount from one third of the bill to 50% in 2020/21. The scheme was also extended to include cinemas and live music venues in 2020/21. In the Budget on 11 March 2020, the discount was further increased to 100% for 2020/21 and extended to include the leisure and hospitality sectors.

This discount is awarded under Section 47 of the Local Government Finance Act 1988 as amended by the Localism Act 2011.

You may qualify if:

Your property is occupied and the usage can be defined as (wholly or mainly) shop, restaurant, café, drinking establishment, cinema, live music venue, for assembly and leisure, hotel, guest and boarding premises or self-catering accommodation;

For retail - you are wholly or mainly selling retail goods or services on and from the property (see qualification criteria and definitions of retail);

For leisure – your property is being used for the provision of sport, leisure and facilities to visiting members of the public (including viewing)

What do I do now if I think I qualify?

Please read the qualification criteria notes carefully before deciding whether you can apply.

Please note that the Discretionary Retail Discount scheme will only run from 1 April 2019 to 31st March 2021 and applications must be received no later than six months after the end of the financial year to which any relief is to apply.

Notice periods

The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require the Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount of business rates the ratepayer has to pay takes effect. Within the Government regulations, local authorities may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect a change in circumstances.

Therefore, if Retail Discount is granted for any dates between 1 April 2019 and 31 March 2021 and you then vacate the property, or it ceases to be wholly or mainly occupied for the provision of retail goods or services (or hospitality or leisure), or the usage is no longer consistent with the Government guidelines, then you must inform the Council and the discount will be terminated from the relevant date.

Forms should be completed, signed and returned to:

NNDR/Revenues, Quadrant East, 16 The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY

Signed and completed forms can be scanned and returned by email to team.revenue@northtyneside.gov.uk
Telephone enquiries to 0191 6432365

DISCRETIONARY RETAIL DISCOUNT APPLICATION FORM 2019/20 and 2020/21

For certain types of occupied retail, hospitality, leisure properties.

SECTION 1

Full Name(s) of occupier, ie. Business Owner(s) or Limited Company	
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Type of Business (Please Tick):

Sole Trader Limited Company Partnership Charity

Trading Name (If different from above)		Company or Charity Reg Number	
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SECTION 2

Address of Property for which retail discount is sought:			
Property Reference		Account Reference	
Date of occupation:			
Briefly describe what the property is wholly or mainly used for and the nature of goods/services provided			
If retail, what % of the property area is used for the sale of retail goods or services and what other uses are made of the property? (eg. office/storage, repairs/workshop, non-retail areas)			
If retail, can visiting members of the public gain free access to the retail area during normal business hours without restrictions or appointments? If no, please clarify further			

I declare that the above property is currently wholly or mainly occupied for the retail provision of goods/services or the provision of hospitality or leisure by me/my Company/my Organisation and that, by reference to the Government guidance, the usage is largely or broadly similar to the qualifying categories but not largely or broadly similar to the ineligible categories.

Business Declaration					
Name		Position within Business			
Signature			Date		
Correspondence Address					
Email		Telephone		Mobile	

QUALIFICATION CRITERIA

Subject to certain exclusions (see below), properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used as shops, restaurants, cafes, drinking establishments, cinemas, live music venues, for assembly and leisure, hotels, guest and boarding premises or self-catering accommodation.

For the purposes of this discount, the Government considers shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc)

Charity shops, opticians, post offices, furnishing shops/display rooms (such as: carpet shops, double glazing, garage doors), car/ caravan show rooms, second hand car lots, markets, petrol stations, garden centres, art galleries (where art is for sale/hire)

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: hair dressers, nail bars, beauty salons, tanning shops, etc), shoe repairs/ key cutting, travel agents, ticket offices e.g. for theatre, dry cleaners, launderettes, PC/TV/domestic appliance repair, funeral directors, photo processing, tool hire, car hire, employment agencies, estate agents and letting agents, betting shops

iii. Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

Restaurants, takeaways, sandwich shops, coffee shops, pubs, bars

iv. Hereditaments that are being used as cinemas:

v. Hereditaments that are being used as live music venues: Guidance may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.

For the purposes of this discount, the Government considers assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities):

Sports grounds and clubs, museums and art galleries, nightclubs, sport and leisure facilities, stately homes and historic houses, theatres, tourist attractions, gyms, wellness centres, spas, massage parlours, casinos, gambling clubs and bingo halls.

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

Public halls, clubhouses, clubs and institutions.

For the purposes of this discount, the Government considers hotels, guest & boarding premises and self-catering accommodation to mean:

i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

Hotels, guest and boarding houses, holiday homes, caravan parks and sites.

To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. For the avoidance of doubt, hereditaments which have closed temporarily due to the government's advice on COVID-19 should be treated as occupied for the purposes of this relief.

The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes. There will also be mixed uses. However, it is intended to be a guide for authorities as to the types of uses that the Government considers for this purpose to be eligible for relief. Authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.

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

Again, it is for local authorities 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 relief.

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

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers)
- Post office sorting offices

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

The relief will be applied against the net bill after all other reliefs have been applied.

State Aid

The Government's assessment is that, given the impact of COVID-19 in the sectors receiving the relief, the business rates expanded retail, leisure and hospitality discount 2020/21 is not a state aid.

The Government has considered this matter in discussions with the European Commission and is content with this analysis following those discussions.

Local Authorities should apply the relief to all eligible properties.