

**Policy for the Award of
Retail, Hospitality and
Leisure Business Rates
Relief 2023/24**

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1 Introduction

- 1.1. At Autumn Statement 2022 the Chancellor announced a new business rates relief scheme for retail, hospitality, and leisure properties.
- 1.2. The 2023/24 Retail, Hospitality and Leisure (RHL) relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with 75% relief, up to a cash cap of £110,000 per business.
- 1.3. As this is a temporary measure for 2023/24, the government is not changing the legislation relating to the reliefs available to properties. Instead, 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 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.

2 Scope of policy

- 2.1 The Local Government Finance Act 1988 makes provision for local authorities to award certain reliefs. This policy relates to the discretionary powers of the London Borough of Barking and Dagenham to award business rates relief under, Section 47 of the Local Government Finance Act 1988 as amended by the Localism Act 2011.
- 2.2 Qualifying businesses will have their business rates liability reduced by 75% of the net rates liability (after mandatory reliefs and, other discretionary reliefs) for the billing year, 1 April 2023 to 31 March 2024.
- 2.3 Whilst these schemes are administered under the Council's discretionary powers, the guidance and qualifying criteria have been developed by the Government and costs are fully funded by Government through Section 31 grant payments under the Local Government Act 2003.
- 2.4 The Council will consider each individual case in accordance with the criteria set out below.

3. Eligibility for the Retail, Hospitality and Leisure Relief Scheme

- 3.1 Business that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied properties which meet all of the following conditions for the chargeable day:
 - a) they are wholly or mainly 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
- 3.2 Shops, restaurants, cafes, drinking establishments, cinemas and live music venues are considered to be:
 - a) Properties 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 showrooms
 - Second hand car lots
 - Markets
 - Petrol stations
 - Gardens centres
 - Art galleries (where are is for sale/hire)
- b) Properties 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
- c) Properties 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
- d) Properties which are used as cinemas;
- e) Properties that are being used as live music venues:
- (i) 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).

- (ii) 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).
- (iii) 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. Although we would expect this would 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.

3.3 Assembly and leisure is considered to be:

a) Properties 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

b) Properties that are being used for the assembly of visiting members of the public.

- Public halls
- Clubhouses, clubs and institutions

3.4 Hotels, guest & boarding premises and self-catering accommodation are considered to be:

- Hotels
- Holiday homes
- Caravan parks and sites

3.5 Properties which are occupied but are not wholly or mainly used for the qualifying purposes listed above will not qualify for the relief.

3.6 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. Properties

not listed above but that are similar in nature will be given due consideration and eligibility will be considered for relief on an individual basis.

4. Business not considered as eligible for the relief

4.1 Properties that are being used for the provision for the following services to visiting members of the public

- Financial services (e.g., banks, building societies, cash points, bureaux de change, short term-loan providers, betting shops)
- Medical services (e.g., vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g., solicitors, accountants, insurance agents/financial advisors, employment agencies, estate agents, letting agents)
- Port office sorting offices

4.2 The list set out above is not intended to be exhaustive and properties not listed but that are similar in nature will not be considered as eligible for the relief.

5. Cash cap/small amounts of financial assistance subsidy

5.1 A ratepayer may only claim up to £110,00 of support under the 2023/24 Retail, Hospitality and Leisure Relief scheme for all their eligible businesses. This cash cap applies at a Group company level (so holding companies and subsidiaries cannot claim up to the cash cap for each company) and also to organisations which, although not a company, have such an interest in a company that they would, if they were a company, result in its being the holding company.

5.2 The Retail, Hospitality and Leisure Relief scheme is subject to the Minimal Financial Assistance limits under the Subsidy Control Act. This means no recipient can receive over £315,000 over a 3-year period (consisting of the current financial year and the 2 previous financial years). Extended Retail Discounts granted in 2021/22 do not count towards the limit. Covid business grants received from local government and any other subsidy claimed under the Minimal Financial Assistance or Small Amounts of Financial Assistance limit over the 3-year period should be counted.

5.3 Businesses exceeding the £110,000 cash cap for 2023/24 or the minimal financial assistance limit of £315,000 over 3 years (including 2023/24) will not be eligible for the relief.

6. Applications for relief

6.1 The Retail, Hospitality and Leisure Relief has been awarded to all businesses in receipt of the relief in 2022/23, therefore an application is not required.

7. Relief calculations

7.1 The maximum level of relief under these schemes is 75% of the net bill, after the awarding of mandatory reliefs and other discretionary reliefs for the period 1st April 2023 to 31st March 2024.

7.2 Relief will be calculated daily and granted for chargeable days for a property in the

financial year 2023/24.

7.3 Ratepayers that occupy more than one property which satisfy the criteria will be entitled to relief for each of their eligible properties subject to the relevant cash cap levels.

7.4 Properties that are subject to splits, mergers or other changes during the 2022/23 billing year will be considered afresh based on their new daily liability.

7.5 No relief will be paid under these schemes to properties owned by London Borough of Barking and Dagenham, a precepting authority, or a functional body, within the meaning of the Greater London Authority Act 1999.

8. Termination of relief

8.1 Termination of relief may occur in the following circumstances:

- the organisation ceases from activities which the Council deems to meet the above eligibility criteria. The organisation is required to advise the Council of any such change as soon as possible in writing.
- The organisation ceases trading.

9. Appeals

9.1 Reliefs granted under the Local Authorities discretionary powers have no formal right of appeal process. However, applicants dissatisfied with the decision may request a review under the following circumstances:

- Additional information that is relevant to the application and that was not available at the time the decision was made becomes available; or
- There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was made.

9.2 Appeals must be made in writing including any supporting evidence.

9.3 Upon completion of the review, no further appeals will be considered.

10. Refusing or opting out of the scheme

10.1 Businesses can choose to refuse the relief award or decide to opt out of the scheme. If you have been awarded the relief but decide to opt out or refuse the award, please email us, and ask for it to be removed.