

1. Non Domestic Rates Discretionary Retail Discount Coronavirus Response March 2020 (Pages 1 - 10)

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

RECORD OF DECISION TAKEN UNDER DELEGATED POWERS

This is a record of a decision taken by the officers under delegated powers and where necessary taken in consultation with members and officers.

Delegated Power

**Cabinet: 1 August 2017
Minute CAB41(4):**

Delegated authority is given to the council's s151 officer, in consultation with the Leader of the council, to agree any non-domestic rate relief schemes where the eligibility criteria are specified by central government, and the cost is met in full by central government through a grant.

Decision Taken

To implement the Business Rates Expanded Retail Discount 2020/2021 – Coronavirus Response – as detailed by Central Government in its guidance of 18 March 2020

Reasons for the Decision

In the Queen's speech in December 2019 the government committed to increasing the existing Retail Discount from 33% to 50% for eligible businesses with a rateable value up to £51,000 and extended the discount to cinemas and live music venues.

At his budget on 11 March 2020 the Chancellor announced that Retail Discount would be increased to 100%.

As part of the Government's response to Coronavirus, the Chancellor announced on 16 March 2020 that the Retail Discount would be extended to all qualifying retail, leisure and hospitality businesses from 1 April 2020, regardless of their Rateable Value, meaning that **all occupied retail, leisure and hospitality properties will pay no business rates in 2020/2021.**

MHCLG provided guidance on the operation of the retail discount at 18:39 on 18 March 2020. This includes a guide to the types of qualifying properties which is included in **appendix A**, along with a list of exceptions. We will follow these guidelines in awarding relief.

The intention of the relief is to help businesses at this extremely challenging time and we will look to award the relief wherever possible. Government have advised that properties should still be treated as occupied even if they are temporarily closed due to coronavirus, and we will follow that guidance. We will also take a pragmatic view for mixed use businesses as to whether they meet the criteria for the use of the property.

The scheme operates under local authorities' existing discretionary powers, and the full cost of award the discount is reimbursed by central government through a s31 grant. The council's scheme will operate in accordance with the guidelines set by MHCLG.

Central government have advised local authorities to work on the assumption that the Retail Discount will become a notified State Aid, so State Aid de minimus rules will not apply. This means that larger business can now receive the relief.

As the eligibility criteria are set by central government, and the cost is met in full, this discount can be agreed under delegated powers.

Options considered

Not applicable

Any declarations of interest and details of any dispensations granted in respect of interests.

Not applicable

Authorisation

Signature

Michelle Drewery, s151 Officer

Date 19/3/2020

Consultation with members/officers

If the decision is taken following consultation with the members/officers, please give details:

Consultation with the Council Leader, Councillor Brian Long

Signed by Member as consulted:

Councillor Brian Long

Date 19/3/2020.

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn &
West Norfolk



Name of policy/service/function	Non Domestic Rates Discretionary Retail Discount Scheme 2020/2021				
Is this a new or existing policy/ service/function?	Existing				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations	The discount scheme awards a 100% discount to qualifying occupied retail, leisure and hospitality properties.				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
Other (eg low income)			√		
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	N/A	Actions:			
		Actions agreed by EWG member:Jo Stanton.....			
Assessment completed by: Name Joanne Stanton					
Job title Revenues and Benefits Manager	Date 19 March 2020				

Which properties will benefit from relief?

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 and live music venues,
- for assembly and leisure;
- as hotels, guest & boarding premises and self-catering accommodation.

We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

- **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)
- **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
- **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
- **Hereditaments which are being used as cinemas**
- **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. 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

We consider assembly and leisure to mean:

- **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
- **Hereditaments that are being used for the assembly of visiting members of the public.**
 - Public halls
 - Clubhouses, clubs and institutions

We consider hotels, guest & boarding premises and self-catering accommodation to mean:

- 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 COVID19 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 the 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 under their local scheme.

- **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, payday lenders, betting shops, pawn brokers)
 - Other services (e.g. estate agents, letting agents, employment agencies)
 - Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
 - Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
 - Post office sorting offices
 - Casinos and gambling clubs

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

In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves,

a precepting authority, or a functional body, within the meaning of the Greater London Authority Act 1999.

