

Additional business rate reliefs

1. Re-occupation Relief
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1. Re-Occupation Relief

Dacorum Borough Council will award 50% relief for 18 months to businesses who re-occupy and trade from empty shops that have been vacant for more than 12 months.

Relief will be available for 18 months from the first day the property becomes occupied as long as the first day falls between 1 April 2014 and 31 March 2016, subject to it remaining continuously occupied. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

Under this scheme the relief offered for each property is 50% of the business rates liability after any mandatory or other discretionary reliefs (other than retail relief) have been applied.

Which properties benefit?

Properties that will benefit from the relief are those that are occupied and on the rating list that:

- When previously in use, were wholly or mainly used for retail as set out below
- Were empty for 12 months or more immediately before their reoccupation
- Become reoccupied between 1 April 2014 and 31 March 2016
- Are now being used for any use (i.e. not just retail use) except for those set out below

What is retail use?

1. Properties that were being used for the sale of goods to visiting members of the public, to include:
 - 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)

2. Properties that were being used for the provision of the following services principally 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
 - DVD/ video rentals
 - Tool hire
 - Car hire

3. Properties that were being used for the provision of the following services principally to visiting members of the public:
 - Financial services (e.g. banks, building societies, bureaux de change, payday loan shops, betting shops, pawn brokers)
 - Other services (e.g. estate agents, letting agents, employment agencies)

4. Properties that were being used for the sale of food and/ or drink to visiting members of the public:
 - Restaurants
 - Takeaways
 - Sandwich shops
 - Coffee shops
 - Pubs
 - Bars

Exceptions to the scheme

The new use of the reoccupied premises can be for any use (i.e. not just retail uses) except for properties wholly or mainly being used as the following:

- Betting shops
- Payday loan shops
- Pawn brokers

2. Retail Relief

Dacorum Borough Council will award up to £1,000 rate relief for occupied shops, restaurants, cafes and pubs/bars with a rateable value of £50,000 or less.

The relief will be valid for two financial years – 2014/15 and 2015/16.

The Government has stipulated certain categories of business that they consider suitable for this category of relief. These are:

- Shops (such as: florist, baker, butcher, grocer, greengrocer, jeweller, stationer, off-

- licence, chemist, newsagent, hardware store, supermarket, 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)

The Government has also stipulated certain categories of business providing **services** that they consider suitable for this category of relief. These are:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc.)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices, for example, for theatre
- Dry cleaners
- Launderettes
- PC/TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/video rentals
- Tool hire
- Car hire

In addition, the Government has stipulated certain categories of business suitable for relief that are being used for the sale of food and/or drink to members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

The Government has stipulated certain categories of business providing services that they **DO NOT** consider suitable for this category of relief. These are:

- Financial services (e.g. banks, building societies, cashpoints, bureau de change, payday lenders, betting shops, pawnbrokers)
- 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 office

3. New-build Empty Property Relief

Dacorum Borough Council will award 100% empty rate relief for unoccupied newly built properties for a total of 18 months from the date of completion.

This relief will be awarded for properties which are completed after 1 October 2013 and before 30 September 2016.

We will award the relief in line with the detailed guidance issued by Government and available at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/239343/Business_Rates_-_New_Build_Empty_Property_-_Guidance.pdf

4. Flood Relief

Dacorum Borough Council will award 100% rate relief for three months, for those businesses which meet the following criteria:

- Were flooded between 1 December 2013 and 31 March 2014 as a result of adverse weather conditions
- The flooding at the property has adversely affected business
- The rateable value of the property is less than £10M

The Government has given guidance to local authorities on how to administer it. Some points to note from this guidance are:

- In considering whether the business activity has been adversely affected, Local Authorities should consider the impact of the flooding in the full context of all business activities undertaken. Very small or insignificant impacts should be ignored.
- The funding is for the impacts of flooding from the recent adverse weather conditions and not, for instance, from the failure of a water main, internal water systems or the failure of a sewerage system
- The scheme applies to all types and uses of non-domestic property
- The three months relief will apply irrespective of how long the flooding or adverse business impacts last.
- Where a property has been flooded more than once and business activities are adversely impacted, only one period of three months relief will be funded and should be applied from the first date on which the criteria were met.
- Ratepayers that occupy more than one property may be granted relief within the scheme for each of their eligible properties.
- The scheme does not cover relief for any properties which were empty at the time it was flooded as there was no business activity on the premises at the time.

- Where a property subject to business rates becomes empty after the flood then it will receive the normal three or six months (as applicable) empty property rate free period or will continue to receive the balance of the flooding relief.

5. EU State Aid rules

The Government considers that these business rate reliefs are subject to the EU State Aid De Minimis Regulation.

The current threshold for De Minimis State Aid is €200,000 over the current fiscal year and the two previous fiscal years. No award of business rates relief will be made if this would take the recipient above the De Minimis threshold.

More information about EU State Aid rules can be obtained at:

<https://www.gov.uk/state-aid>