



## **Pubs Relief Scheme**

### **1. Introduction**

The Government recognises the important role that pubs play in urban and rural communities across the country. At Spring Budget 2017, the Chancellor announced a £1,000 business rates discount for public houses with a rateable value of up to £100,000 for one year from 1 April 2017.

### **2. Legislative framework**

The Government expects billing authorities to use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 to grant relief to all qualifying ratepayers.

### **3. Duration of the relief**

The relief is only applicable for the 2017/18 financial year.

### **4. Eligibility criteria**

The scheme is available to eligible occupied properties with a rateable value of less than £100,000. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements.

There is no definitive description of a traditional pub or public house in law, however the Government's policy intention is that eligible pubs should:

- be open to the general public
- allow free entry other than when occasional entertainment is provided
- allow drinking without requiring food to be consumed
- permit drinks to be purchased at a bar

For these purposes it excludes:

- restaurants
- cafes
- nightclubs
- hotels
- snack bars
- guesthouses
- boarding houses
- sporting venues
- music venues
- festival sites
- theatres
- museums
- exhibition halls
- cinemas
- concert halls
- casinos

## **5. Amount of relief available**

The amount of relief available is up to £1,000 for each eligible property. There is no relief available under this scheme for properties with a rateable value of £100,000 or more. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.

In addition to the pub relief scheme, the Chancellor announced in Spring Budget 2017 that £110 million will be available to assist ratepayers losing small business rates relief or rural rate relief as a result of revaluation. On top of this, the Government has also made available a separate £300m discretionary relief fund over the next four years to enable local authorities to help individual businesses that are facing increased rates bills. Both of these schemes may also be available to pubs.

## **6. Applying for relief**

The Council will automatically grant business rates relief for pubs as and when we are aware of businesses which may qualify for the relief. This policy will be published on the Council's website [www.cherwell.gov.uk](http://www.cherwell.gov.uk).

If a ratepayer wishes to apply for the relief they should contact the Council at [business.rates@cherwell-dc.gov.uk](mailto:business.rates@cherwell-dc.gov.uk).

## **7. State aid**

State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However the relief will be State Aid compliant where it is awarded in accordance with the De Minimis Regulations.

The De Minimis Regulations allow an undertaking to receive up to €200,000 'de minimis' aid over a rolling three year period. If the ratepayer is receiving, or has received any 'de minimis' aid granted during the current or two previous financial years (from any source), they should inform us when making the application or following receipt of the relief where no application is made.

## **8. Appeals**

An appeal can be made on the following grounds:

- (a) the property is of a type specifically stated as being eligible for relief and the Council has, by error, omitted to grant the relief.
- (b) The property is not of a type specifically stated as being eligible for relief, but by analogy the use is comparable to that of the Government's policy intention.

All appeals must clearly state the ground(s) and be made in writing to: Revenues and Recovery Team, Cherwell District Council, Bodicote House, Banbury OX15 4AA.

Any appeal will be judged in line with this policy and the decision is to be taken at the sole discretion of the Chief Finance Officer in consultation with the Joint Revenues and Benefits Manager. All appeals will be reviewed within 4 weeks of submission of all necessary information. All decisions taken on appeals are final and the outcome will be recorded and advised to the ratepayer in writing. If an appeal is successful, rate relief will be backdated for the full eligible period within the 2017/18 financial year.