Policy for the granting of Discretionary Non-Domestic Rate Relief

Version Control

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1.0 Purpose of the Policy

1.1 The purpose of this policy is to determine the level of discretionary relief and related areas to be granted to certain defined ratepayers within the Council's area. The policy includes all changes effective from 1st April 2026.

1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant mandatory relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for mandatory relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.

1.3 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met. In the case of the new reliefs, some guidance has been issued by Central Government outlining actions expected to be taken by local authorities. This policy includes Government guidance where appropriate but also looks to target discretionary relief in line with the Council's priorities.

1.4 This document outlines the following areas:

- Details of the criteria for receiving Discretionary Reliefs for all relevant areas;
- The Council's policy for the granting of all types of Discretionary Reliefs;
- Guidance on granting and administering the reliefs and awards;
- Governments requirements including provisions for Subsidy; and
- The Council's Scheme of Delegation.

1.5 Where organisations apply for relief they will be granted (or not granted) relief or reductions in line with the following policy.

2.0 Mandatory Relief - Legislative Background

Charity Relief

2.1 The powers relating to the granting of mandatory and discretionary relief are given to the Council under the Local Government Finance Act 1988. Charities and Trustees for Charities are only liable to pay one fifth of the Non-Domestic Rates that would otherwise be payable where property is occupied and used wholly or mainly for charitable purposes. This amounts to mandatory relief of 80%. For the purposes of the Act, a charity is an organisation or trust established for charitable purposes, whether or not it is registered with the Charity Commission. The provision has been extended under the Local Government Act 2003 (effective from 1st April 2004) to registered Community Amateur Sports Clubs (CASCs). Full details of the mandatory provisions are given later within this policy.

2.2 In the case of charity shops, the premises must meet the criteria laid down by section 64 (10) of the Local Government Finance Act 1988 which states that the premises are to be treated as used for charitable purposes at any time it is wholly or mainly used for the sale of goods

donated to the charity and the proceeds of goods (after any deductions for expenses) are applied for the purpose of the charity.

2.3 The Council has discretion to grant relief of up to a further 20% for these mandatory cases under its discretionary provisions.

2.4 From 1st April 2025, Central Government determined that all Private Schools which would have previously been entitled to mandatory relief (either as a charity or charitable organisation), will **no longer be entitled to mandatory relief**. For the purposes of this change the definition of 'Private School' is an educational establishment that provides compulsory full time education where a fee is payable.

2.5 Private schools which are 'wholly or mainly' concerned with providing full time education to pupils with an Education, Health and Care Plan will remain eligible for relief.

Rural Rate Relief

2.6 From 1st April 1998, under powers originally granted to the Council by the Local Government and Rating Act 1997, certain types of business in rural settlements, with a population below 3000 may qualify for mandatory rate relief of 100 per cent.

2.7 Where businesses in rural settlements have a Rateable Value of up to £16,500 and are not in receipt of mandatory relief, the Council may decide to give up to 100 per cent discretionary relief if it is satisfied that the business is of benefit to the community and having regard to the interests of its Council Taxpayers.

3.0 Discretionary Relief – Legislative Background

Introduction

3.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top' up cases where ratepayers already receive mandatory relief.

3.2 Over recent years and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.

3.3 The range of bodies, which are eligible for discretionary rate relief, is wide and not all of the criteria laid down by the legislation will be applicable in each case.

3.4 Unlike mandatory relief, ratepayers are obliged to apply to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information and evidence as required in order to determine whether relief should be awarded.

3.5 The Council is obliged to carefully consider every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority's area. There is no statutory appeal process or Tribunal against any decision made by the Council

although, as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made.

3.6 Granting of the relief falls broadly into the following categories:

(a) Discretionary Relief – Charities who already receive mandatory relief;
(b) Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts or premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes of recreation;
(c) Discretionary Relief – Rural Rate Relief - premises not receiving mandatory relief but of benefit to the local community and less that £16,500 RV;
(d) Discretionary Relief – Granted under the Localism Act 2011 provisions;
(e) Enterprise Zone Relief;
(f) Supporting Small Businesses Relief (from 1st April 2026);
(g) Pubs and Live Venues Relief (from 1st April 2026);
(h) Retail Hospitality & Leisure Relief (1st April 2025 to 31st March 2026 **only**); and
(i) Section 49 Hardship.

3.7 The decision to grant or not to grant discretionary relief is a matter purely for the Council.

The Council's general approach to granting Discretionary Relief

3.8 In determining awards of relief, the Council will bear in mind all the facts of each case including the following factors.

- The hereditament must be used wholly or mainly for the purpose of the organisation;
- There must be evidence in the Constitution or Articles of Association that the organisation is non-profit making;
- Membership or access is open to all sections of the community. Membership fees should be set so as to be accessible to people on low incomes;
- The facilities are made available to other sections of the community, e.g. schools;
- The organisation provides training/education or coaching to its members and/or the local community;
- There is suitable evidence of safeguarding and equality measures in place for its members or those using the facilities, e.g. for safeguarding children or vulnerable adults and an inclusion policy;
- Consideration will be given to the income and expenditure accounts for as many financial years as deemed necessary and must be provided on request or the application will be refused. Surpluses must be reinvested in the organisation and there must be no substantial reserves which would suggest that support is not necessary;
- Consideration will be given to all sources of income;
- If the organisation operates a bar, it will need to prove that its profits are used solely for the benefit of the organisation and its members;
- The organisation must be a local organisation;
- Consideration will be given to the impact of the organisation on other local businesses;
- Consideration will be given to the use of the property and if it appears to be proportionate to the size of the property;
- The ratepayer must occupy the premises (no discretionary rate relief will be granted for unoccupied premises); and
- The organisation must directly benefit Gravesham residents and must relieve the Council of providing similar facilities.

3.9 In addition, relief may also be granted if the applicant body caters for special needs

Meaning of 'special needs'

3.10 For the purposes of this policy 'special needs' means:

- Does the organisation cater for a section of the community which the Authority considers particularly deserving of support, e.g. persons with disabilities, persons with learning difficulties, the very young or the very old?
- Where the applicant body provides such special needs or supplies facilities that would not otherwise be available in the area or supports the Council's key priorities, the maximum amount of relief will generally be awarded, subject to the following.

Restrictions on the granting of relief

3.11 In determining whether relief should be awarded, the Council will be inclined not to grant relief or to limit the amount of relief awarded in the following cases.

- As a general rule, the Council is unlikely to grant relief to national charities located within the Council's area unless there is some specific benefit to the residents of Gravesham Borough Council over and above the benefit to the residents of other areas in which the charity operates;
- The Council is unlikely to grant relief to charity shops or shops operated by the trading arms of charities.
- Where an applicant body is a national organisation but operates only in part of the Council's area, any relief that may be awarded will generally be reduced pro- rata the population of the area of the Borough that receives benefit from that organisation. This restriction will not generally apply if the body is not a national body and has been established to benefit only a part of the Council's area;
- Membership of the organisation is restricted by the amount of the subscription or other limiting factors which preclude the whole of the public from having effective access to the organisation's activities.
- A substantial portion of the organisation's income comes from bar receipts (unless profits are used solely for the benefit of the organisation and its members);
- A club is run for political purposes.
- There would be duplication of financial assistance where grant aid of any other kind is being given by the local authority directly or under Section 48 of the Local Government Act 1985.
- The applicant is a Housing Association.

Special cases

3.12 The Council recognises that there will be occasions when an applicant body does not satisfy the above criteria. The criteria are not restrictive and nothing in them shall be taken as restricting the Council's ability to depart from its general policy as to the granting of relief if it sees fit to do so bearing in mind the facts of the case.

3.13 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then this will be provided **after** applying any Government funded relief, where possible and subject to the requirements of individual reliefs.

3.14 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can

be granted or not.

4.0 Effect on the Council's Finances

4.1 The granting of discretionary relief will, in the main, involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.

4.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. For any amounts granted for similar cases, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme shown above. This also applies where mandatory relief is granted.

4.3 Where Central Government leads an initiative; grants are often available through section 31 of the Local Government Act 2003. This is not automatic and Central Government will look to the Council to adopt the recommended approach when granting in these areas.

4.4 The financial effects of discretionary reliefs covered by this policy are as follows:

Appendix	**Relief Type**	**Granted after 1st April 2026**
	Charity Relief	
A	Discretionary relief granted to Mandatory Relief recipients.	40% borne by the Council
B	Non-profit Making Organisations including Sports Clubs and societies.	40% borne by the Council
	Rural Discretionary	
C	Discretionary Relief – Rural Rate Relief - premises not receiving mandatory relief but of benefit to the local community and less that £16,500 RV;	40% borne by the Council
	Localism	
D	Discretionary Relief granted to ratepayers generally and not covered by any other section.	40% borne by the Council
	Enterprise Zone Relief	
E	Eligible businesses could receive up to 100% discount on business rates, with a potential value of up to £275,000 per business over a 5-year period	Section 31 Grant
	Supporting Small Business Relief	
F	Supporting Small Businesses Relief (from 1 April 2026 for a period of up to three years if conditions are met.	Section 31 Grant
	Retail, Hospitality and Leisure Relief	
G	Retail, Hospitality and Leisure Relief Scheme (1 April 2025 to 31st March 2026 only).	Section 31 Grant

Appendix	Relief Type	Granted after 1st April 2026
	Pubs and Live Venues Relief	
H	Pubs and Live Venues Relief (1 April 2026 to 31 March 2027)	Section 31 Grant
	S49 Hardship Relief	
I	Granting relief where the ratepayer is suffering hardship	40% borne by the Council

5.0 Discretionary Relief – Subsidy

5.1 Discretionary relief is potentially subject to the Subsidy Control Act 2022. The purpose of the Subsidy Control Act 2022 is to implement a domestic subsidy control regime in the United Kingdom that reflects the UK's strategic interests and particular national circumstances, providing a legal framework within which public authorities make subsidy decisions.

5.2 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act 2022 allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2026/27 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'.

5.3 In those cases where it is clear to the Council that the ratepayer is likely to breach the MFA limit then the Council will withhold relief. Otherwise, the Council may include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the Council if they are in breach of the MFA limit.

5.4 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

6.0 Administration of Discretionary Relief

6.1 The following section outlines the procedures followed by officers in granting, amending, or cancelling discretionary relief and reduction.

Applications and Evidence

6.2 The Council will specify how applications are to be received (if required) and this may vary from time to time.

6.3 Where indicated by the Council, organisations may be required to provide a completed application form plus any such evidence, documents, accounts (normally the last two years), financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to

facilitate this where necessary.

6.4 Where applications are required, they should initially be made to the Revenues and Benefits Service and will be determined in accordance with this policy.

6.5 The Council will provide this service and provide guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties. Applications for relief will be accepted from ratepayers only.

Granting of relief

6.6 In all cases, the Council will notify the ratepayer of decisions made.

6.7 Where an application is successful, the ratepayer will be notified. Where relief is not granted, then the following information is provided;

- An explanation of the decision within the context of the Council's statutory duty; and
- An explanation of the appeal rights (see below).

6.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made or when liability begins whichever is the later. Where the relief is fully Government funded, relief will be granted as long as the ratepayer is eligible.

6.9 A fresh application for discretionary relief may be necessary for each financial year **or** at such time-period as the Council determines.

Variation of a decision

6.10 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect on a date determined by the Council.

6.11 A decision may be revoked at any time by the Council.

7.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

7.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003, and the Localism Act 2011.However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.

7.2 The Council's scheme of delegation allows for the Head of Revenues and Benefits to award, revise or revoke any discretionary relief applications. However, any application which is considered to be of a significant nature will be subject to consultation with the relevant executive or committee prior to final determination.

7.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

7.4 The policy for granting relief will be reviewed annually or where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

Appeals

7.5 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Head of Resources. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.

7.6 Where the ratepayer wishes to appeal the decision of the Head of Revenues and Benefits , the case will be considered by the Council's Section 151 Officer whose decision on behalf of the Council will be final.

7.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

8.0 Reporting changes in circumstances

8.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief, to be reported as soon as possible or in any event within 21 days of the change. This will be important where the change would result in the amount of the award being reduced or cancelled e.g., where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.

8.2 Where a change of circumstances is reported, the relief will, if appropriate, be revised or cancelled. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

9.0 Fraud

9.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

Appendix A
Discretionary Relief – Mandatory Relief recipients

Discretionary Relief – Mandatory Relief recipients

General Explanation

A.1 S43 of the Local Government Finance Act 1988 allows mandatory relief (80%) to be granted on premises if the ratepayer is a charity or trustees for a charity and the premises are wholly or mainly used for charitable purposes. No charge is made in respect of unoccupied premises where it appears that *when next in use* it will be used wholly or mainly for those purposes.

A.2 The legislation has been amended by the Local Government Act 2003 (effective from 1st April 2004) to include registered Community Amateur Sports Clubs (CASC). These organisations can now receive the mandatory (80%) relief.

Charity registration

A.3 Charities are defined within the legislation as being an institution or other organisation established for charitable purposes only or by persons administering a trust established for charitable purposes only.

A.4 The question as to whether an organisation is a charity may be resolved in the majority of cases by reference to the register of charities maintained by the Charity Commissioners under s.4 of the Charities Act 1960. Entry in the register is conclusive evidence. By definition, under the Non-Domestic Rating legislation, there is no actual need for an organisation to be a registered charity to receive the relief and this has been supported by litigation, however in all cases the organisation must fall within the following categories:

- trusts for the relief of poverty;
- trusts for the advancement of religion;
- trusts for the advancement of education; and
- trusts for other purposes beneficial to the community but not falling under any of the preceding heads.

A.5 Certain organisations are exempted from registration generally and are not required to make formal application to the Charity Commissioners these are:

- the Church Commissioners and any institution administered by them;
- any registered society within the meaning of the Friendly Societies Acts of 1896 to 1974;
- units of the Boy Scouts Association or the Girl Guides Association; and
- voluntary schools within the meaning of the Education Acts of 1944 to 1980.

A.6 The Council will consider charitable organisations, registered or not, for mandatory relief.

Use of Premises – wholly or mainly used.

A.7 Irrespective of whether an organisation is registered as a charity or not, the premises **must** be wholly or mainly used for charitable purposes. This is essential if any relief (either mandatory or discretionary) is to be granted. In most cases this can be readily seen by inspection, but on occasions the Council has had to question the actual use to which the premises are to be put. In some cases, it will be necessary for the Council to inspect any premises fully.

A.8 Guidance from the Ministry for Housing, Communities and Local Government has stated that in the case of 'mainly', at least 51% must be used for charitable purposes whether of that charity or

of that and other charities.

A.9 The following part of this section gives details on typical uses where relief may be given plus additional criteria that have to be satisfied. The list is not exhaustive but gives clear guidance on premises for which mandatory relief can be granted *and therefore* premises which may be equally considered for discretionary rate relief.

Offices, administration, and similar premises.

A.10 Premises used for administration of the Charity include:

- Offices;
- Meeting Rooms; and
- Conference Rooms.

Charity shops

A.11 Charity shops are required to meet additional legislative criteria if they are to receive mandatory relief. Section 64 (10) of the Local Government Finance Act 1988 provides that a property is to be treated as being wholly or mainly used for charitable purposes at any time if, at the time, it is wholly or mainly used for the sale of goods donated to a charity and the proceeds of the sale of the goods (after any deduction of expenses) are applied for the purposes of the charity.

A.12 In order to ascertain whether an organisation meets these requirements, inspections may be made by an officer of the Council when an application is received.

Granting of Mandatory Relief - the Council's Policy

A.13 Where the criteria for awarding mandatory relief are met, the rate charges shall be calculated in accordance with the legislation reducing the liability of ratepayers for each day that the criteria are met.

Charity Relief – Mandatory Relief recipients, the Council's Policy for granting discretionary relief.

A.14 The Council will consider applications for a discretionary rate relief 'top up' from charities based on their own merits, on a case-by-case basis.

A.15 In determining the application, the following matters will be taken into consideration:

- How the charity supports and links into the Council's corporate vision and priorities;
- The purpose of the charity and the specific activity carried out within the premises for which the relief is requested; and
- Whether the charity operates at a local or national level and where appropriate, the local and national funding streams and financial position of the charity. The Council is keen to ensure that the organisation provides significant benefit to local residents.

A.16 The Council is keen to support businesses that have a critical role to play in the local economy and to assist the Council in meeting the Corporate aims and values.

A.17 In the case of registered Community Amateur Sports Clubs, the key criteria in determining the application will be:

- The ratepayer occupies the whole hereditament;
- Relief cannot be granted in respect of premises that are occupied by the Council or precepting authority;
- How the CASC supports and links into the Council's corporate vision and priorities;
- The membership and fee structure, and whether the CASC is accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
- Membership numbers and the number and percentage of these members that are local residents;
- If the CASC has due regard to equality issues and if it actively encourages members from under-represented groups, for example black and minority ethnic residents, people over 50 and people with disabilities;
- Whether facilities are available to the wider community regardless of ability; and
- If the CASC runs a bar or food provision: the level of income from this activity and how this money is used; and whether the CASC operates at a local or national level and where appropriate, the local and national funding streams and financial position of the CASC.

A.18 The Council wishes to support and enable appropriate businesses to start, develop and continue with their operations that deliver outcomes directly related to the Council's aims and vision. In the main, this will be done through other means rather than granting discretionary relief. There may be occasions where applications are made for such relief or where a package of measures, including discretionary relief, are appropriate in supporting businesses. This would need to be in accordance with any limitations in respect of subsidy.

Appendix B
Discretionary Relief – Non-Profit Making Organisations including Recreation.

Discretionary Relief – Non-Profit Making Organisations including Recreation.

General explanation

Non-Profit

B.1 The legislation allows the Council to grant discretionary relief where the property is not an *excepted* one and all or part of it is occupied for the purposes of one or more institutions or other organisations none of which is established or conducted for profit and each of whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature, or the fine arts.

B.2 Relief cannot be granted to any premises occupied by the Council, or any town, parish council or major Precepting Authority *(excepted premises).*

B.3 A number of issues arise from the term 'not established or conducted for profit'. This requires the Council to make enquiries as to the overall purpose of the organisation although if surpluses and such amounts are directed towards the furtherance or achievement of the objects of the organisation then it does not necessarily mean that the organisation was established or conducted for profit.

Recreation Clubs

B.4 Ideally all recreation clubs should be encouraged to apply for Community Amateur sports Club (CASC) status, which would automatically entitle them to 80% relief. The relief granted to CASCs is covered earlier within this policy.

B.5 Recreation clubs can also apply to the Charity Commissioners for registration as a Charity (thereby falling under the mandatory provisions for 80% relief) where they meet the following conditions:

- The promotion of community participation in healthy recreation and by the provision of facilities for the playing of particular sports; and
- The advancement of the physical education of young people not undergoing formal education.

B.6 Where sports clubs do not meet the CASC requirement, and are not registered charities, discretionary relief can be granted (0-100%) where the property is not an *excepted* one, it is wholly or mainly used for purposes of recreation and all or part of it is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

Access to clubs

B.7 Guidance issued by the MHCLG also requires the Council to consider access to clubs within the community before granting discretionary relief.

B.8 Membership should be open to all sections of the community. There may be legitimate restrictions placed on membership which relate for example to ability in sport or to the achievement of a standard in the field covered by the organisation or where the capacity of the facility is limited, but in general membership should not be exclusive or restrictive.

B.9 Membership rates should not be set at such a high level as to exclude the general community. However, membership fees may be payable at different rates that distinguish the different classes

of membership such as juniors, adults, students, pensioners, players, non-players, employed and unemployed. In general, the club or organisation must be prepared to show that the criteria by which it considers applications for membership are consistent with the principle of open access.

B.10 The Council also asks the following question to help establish the level of access 'Does the organisation actively encourage membership from particular groups in the community e.g., young people, women, older age groups, persons with disability, ethnic minorities' etc.?'

Provision of facilities.

B.11 Clubs which provide training or education are encouraged, as are those who provide schemes for particular groups to develop their skills e.g., young people, the disabled, retired people.

B.12 A number of organisations run a bar. The mere existence of a bar will not in itself be a reason for not granting relief. However, the Council focuses on the main purpose of the organisation. The Council is encouraged to examine the balance between playing and non-playing members.

B.13 Within this area, the Council also considers whether the facilities provided relieve the Council of the need to do so or enhance and supplement those that it does provide.

Discretionary Relief - Non–Profit Organisations including Recreation – the Council's Policy.

B.14 The Council will consider applications for discretionary rate relief from non-profit making organisations on their own merits on a case-by-case basis. In determining the application, the following matters will be taken into consideration (The list is not exhaustive):

- How the organisation supports and links into the Council's corporate vision and priorities;
- Whether the facilities provided include education and/or training for members as a whole or for special groups;
- The extent to which the facilities provided reduce the demand for Council services or produce savings;
- Any membership and fee structure and whether the facilities are accessible to all residents, including whether there are concessions for certain groups, for example people on a low income or young people under 18;
- If covered by a membership scheme, membership numbers and the number and percentage of these members that are local residents; and
- If the organisation has due regard to equality issues and if its facilities are used by all members of the community, for example black and minority ethnic residents, people over 50 and people with disabilities.

B.15 The Council will also require additional financial information including:

- If the organisation runs a bar or food provision, the level of income from this activity and how this money is used.; and
- Whether the organisation operates at a local or national level and where appropriate, the local and national funding streams and financial position of the organisation.

B.16 In view of the changes in legislation from 1st April 2025 which removed certain private schools from receiving mandatory relief , the Council has decided that those establishments will **not** be granted any discretionary relief.

B.17 For the purposes of this change the definition of 'Private School' is an educational establishment that provides compulsory full time education where a fee or other consideration is payable.

Appendix C
Discretionary Relief – Premises within Rural Settlements

Discretionary Relief – Premises within Rural Settlements

C.1 In addition to having the ability to grant discretionary relief to those in receipt of mandatory relief, the Local Government and Rating Act 1997 allows discretionary relief of up to 100% to be granted where the rateable value is £16,500 or less and:
(a) Property is used for purposes which are of benefit to the local community; and
(b) It would be reasonable for the billing authority to award relief, having regards to the Council's Council Taxpayers.

C.2 As with most discretionary relief, part of the cost, is met by Central Government and the balance from local sources.

C.3 The main criteria for granting discretionary relief in respect of rural rate relief is that premises are used to benefit the local community.

What rural settlements exist within the Council's area?

C.4 The following are deemed to be rural settlements within the Council's area. The boundary of each settlement is the same as the Parish boundary, except where otherwise defined.

Cobham: Cobham Village, Sole Street
Luddesdown: Henly Street, Luddesdown
Shorne: Lower Shorne, Shorne, Shorne Ridgeway
Higham: Church Street, Dillywood Lane, Higham Upshire, Lower Higham, Three Crutches
Meopham: Culverstone Green, Harvel, Hook Green, Meopham Green, Vigo Village.

Benefit to the local community

C.5 Whilst each application for the relief will be considered on its own merits, there are certain factors which weigh heavily in the decision-making process. It is this Council's belief that the spirit of the legislation is to assist businesses and amenities, which contribute significantly to the quality of life of the people who have their main home in the Rural Settlement.

C.6 To be successful for consideration, a business must show that its existence is a significant benefit to the local community with the majority of local residents directly benefiting from services or facilities provided by that business.

Rural Rate Relief – the Council's Policy for granting discretionary relief.

C.7 The Council will also consider applications for a discretionary rural rate relief from all ratepayers, not entitled to mandatory relief up to a maximum of 100%.

C.8 In determining the application, the following matters will be taken into consideration:
- The granting of any discretionary relief will be essential in ensuring the viability of any business within the rural settlement;
- The granting of any discretionary relief is proportionate given the level of any business rates charged compared with the overall turnover of the business;
- The granting of any discretionary relief will assist the business in continuing to be viable and / or prevent the business from failing;
- The business is considered by the Council to be essential to the community and that any

reduction or withdrawal of the business will have a serious detrimental effect on the rural settlement; and

- The granting of any discretionary relief is reasonable having regard to the effect on taxpayers of the Council.

Appendix D
Discretionary Relief – Localism Act 2011

Discretionary Relief – Localism Act 2011

General explanation

D.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988. These provisions allow all Councils to grant discretionary relief in **any** circumstances where it feels fit having regards to the effect on the Council Taxpayers of its area.

D.2 The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Taxpayers. An example where the Council has granted relief in the past are where premises were affected by flooding.

Discretionary Relief – Localism – the Council's Policy

D.3 Applications will be considered from any ratepayer who wishes to apply. However, where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then relief can be granted under the existing provisions as laid down by Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council's discretionary relief policy.

D.4 Any ratepayer applying for discretionary rate relief under these provisions and who does not meet the criteria for existing relief (charities, non-profit making organisations etc.) may apply. When considering an application for rate relief the following factors will be taken into account:

(a) That relief is for a temporary period;
(b) The significance of potential loss of employment in the area;
(c) Opportunities for new business growth, expansion, and employment within the area;
(d) The positive effects on business cash flow and evidence of positive impact on future viability;
(e) Sufficient evidence of likelihood of recovery of the applicant's business;
(f) Reassurance of duration of retained employment and continued production/operation in the area;
(g) Uniqueness of service/commodity being provided within the community/district;
(h) What proactive measures the business/organisation is taking to reduce overheads, etc.;
(i) Measures being taken to reduce their rate liability, for example occupying smaller premises, letting out parts of the building, etc.;
(j) Consideration will also be given to rate deferral, reprofiling of instalments, arrangements as an alternative method of support;
(k) It is in the interests of council taxpayers as a whole to give relief;
(l) Giving rate relief to a business/organisation must be balanced against whether this creates unfair market conditions to the detriment of others;
(m) It should also be recognised that one of the main overheads of any business is Non-Domestic Rates and therefore it is reasonable to expect that businesses have made provision to pay this;
(n) Businesses can appeal against the rateable value or where there is a material change can apply to the Valuation Office Agency to have the rateable value reassessed the Council would expect businesses to use this mechanism first; and
(o) Payment record history will be taken into account.

D.5 Relief will be withdrawn/ cancelled if:

(a) the conditions or circumstances on the basis of on which the relief was granted change or

(b) fail to materialise, or the information submitted as part of the application proves to be misleading;
(c) the applicant ceases to be the ratepayer; or
(d) business/organisation ceases to trade (in case of occupied rates) or downscales operations and workforce in contravention of any agreement; or
(e) the use of the property changes

D.6 A formal application from the ratepayer will be required in each case and any relief will be granted in line with subsidy requirements as specified within this policy.

D.7 In view of the changes in legislation from 1st April 2025 which removed certain private schools from receiving mandatory relief , the Council has decided that those establishments will **not** be granted any discretionary relief.

D.8 For the purposes of this change the definition of 'Private School' is an educational establishment that provides compulsory full time education where a fee or other consideration is payable.

Appendix E
Enterprise Zone Relief

General explanation

E.1 This part of the policy identifies the circumstances in which the Council will grant discretionary relief to occupiers of non-domestic hereditaments located within the Northfleet Embankments East & West and Ebbsfleet Central Enterprise Zones. The relief will be awarded under section 47 of the Local Government Finance Act 1988.

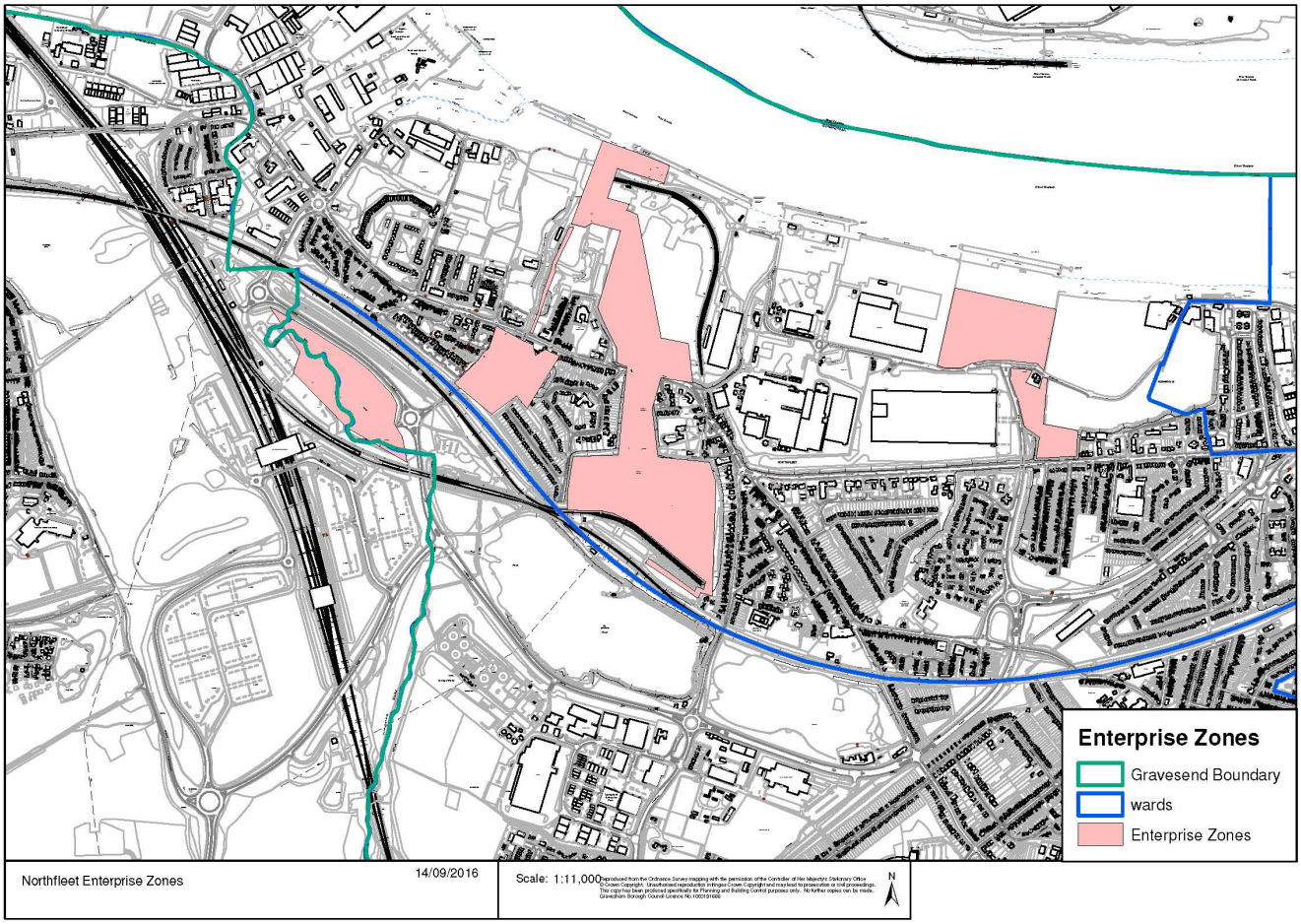
What is an Enterprise Zone?

E.2 Enterprise Zones were announced by the government in the 2011 budget. There are a number of Enterprise Zones across the country. Their aim is to stimulate business growth in designated areas by providing financial incentives and simplified planning arrangements to businesses and to councils. The aim is that they will provide jobs and drive local and national growth.

Where is the Enterprise Zone in Gravesham?

E.3 Northfleet Embankments East & West and Ebbsfleet Central (NEEWEC) forms part of the North Kent Enterprise Zone – a multisite offer comprising Kent Medical Campus, Ebbsfleet Garden City & Innovation Park Medway – and, with a sector focus including, advanced manufacturing, construction related industries, digital technologies and creative industries, provides the opportunity of up to 84,000m^2 of B1 and B2 flexible accommodation including start up innovation space.

E.4 The boundary for the NEEWEC Enterprise Zone site, as approved by the Department for Communities and Local Government (now Ministry of Housing, Communities and Local Government), is outlined below:



The Council's policy for granting discretionary relief.

What reduction is awarded on Business Rates?

E.5 Businesses that occupy property in the NEEWEC Enterprise Zone before 31 March 2022 may be eligible for a discretionary relief of up to 100% of the Business Rates payable for up to five years.

E.6 This is up to a limit of £55,000 per year and a maximum of £275,000 in any five year period.

E.7 To qualify for relief:

(a) The whole or part of the property must be situated within the defined boundary of NEEWEC Enterprise Zone;

(b) The business must demonstrate that the primary focus of the part of the business that is being located within the Enterprise Zone fits within the target sectors of healthcare, med-tech and life science; advanced manufacturing, construction manufacturing related industries, digital technologies and creative industries;

(c) The Council expects new occupiers to the Enterprise Zone demonstrate, through discussion with the Council's Economic Development Team, that efforts are made to employ local labour and apprentices from within the local area. These are considered to be addresses with a postcode starting DA11, DA12, DA13, DA3 and DA1. New occupiers will be expected to provide an update on employment levels, if requested by the Council;

(d) Reasonable endeavours be used to manage the recruitment for all positions through the following measures:

- all vacancies be advertised in local area job centres.
- all vacancies be advertised in local media.

engagement with local apprenticeship providers in respect of apprenticeship positions;

(e) The business must be occupying the property in accordance within Section 43 of the Local Government Finance Act 1988;
(f) The business must be liable to pay Business Rates;
(g) The award of relief will be made on an annual basis and the business will be required to reapply each year;
(h) Subsidy limits must not be exceeded;
(i) Business Rate Relief for business located within a designated Enterprise Zone is permitted pursuant to section 47 of the Local Government Finance Act 1988, as amended by the Non-Domestic Rating (Designated Areas) Regulations 2013.

E.8 The decision whether to award relief is discretionary.

Special cases

E.9 The Council recognises that there will be occasions when an applicant body does not satisfy the above criteria. The criteria are not restrictive and nothing in them shall be taken as restricting the Council's ability to depart from its general policy as to the granting of relief if it sees fit to do so bearing in mind the facts of the case.

Retention of 100% Business Rate growth locally to invest in the zone and surrounding area

E.10 The Local Enterprise Partnership and the local authorities covering the areas where the Enterprise Zone sites are located retain 100% of Business Rate growth in the Enterprise Zone for a 25 year period from the launch of the zone.

E.11 As a general principle, business rate income will be retained by the local authorities to support investment into the Enterprise Zone, thus providing a future income stream against which early investment can be secured, and into infrastructure and services to support enterprise and growth.

How is it paid?

E.12 The relief reduces the amount of Business Rates that the business would have to pay to the Council. The Business Rate Relief is subject to annual monitoring to make sure that the qualifying business is still eligible for the relief, namely, to ensure that the business is still in occupation of the premises.

E.13 On-going relief will not be unreasonably withheld, but businesses will only be granted relief for one financial year at a time and relief will automatically terminate at the end of the financial year for which it is granted. In cases where Subsidy levels would be exceeded, relief will be terminated with immediate effect.

What happens if a business that is already in the zone expands?

E.14 Applications for Enterprise Zone Business Rates relief will be considered based on a material change, the size of the expansion, the impact on jobs in the area and the contribution to the overall success of the zone.

E.15 Businesses already located in the Enterprise Zone and already receiving Enterprise Zone Business Rates relief may be eligible for a relief of up to 100% of Business Rates payable (within the Subsidy requirements), providing:

- the applicant is relocating to larger premises or is materially increasing the total amount of floor space it occupies within the Enterprise Zone; or
- the applicant can demonstrate that it is considerably increasing the permanent workforce.

Order of reliefs

E.16 Existing reliefs will be applied to the Non Domestic Rate account first and the Enterprise Zone relief will then be applied on the amount outstanding.

What if the property is empty for a period when the business moves into the Enterprise Zone?

E.17 Existing reliefs will be applied to the bill first and the Enterprise Zone relief will then be applied on the amount outstanding upon occupation. Enterprise Zone relief will not be awarded in respect of any rates liability whilst the property has been empty.

What happens if a company has more than one property in the Enterprise Zone?

E.18 Relief will be awarded for each property subject to Subsidy Control rules.

Application and effective dates

E.19 All awards of Discretionary Rate Relief will be subject to the approval of Director (Corporate Services). In practice this is delegated to the Head of Revenue and Benefits.

E.20 Relief will be granted from a date decided by the Council for each case.

Appendix F
Supporting Small Businesses Relief

Introduction

F.1 At the 2025 Autumn Budget the Chancellor announced that the 2026 SSBR scheme will cap bill increases at £800 per year or the relevant caps within transitional relief (whichever is the greatest) for any business losing eligibility for certain reliefs, including Small Business Rate Relief and Rural Rate Relief, at the 2026 revaluation.

How will 2026 SSBR be provided?

F.2 For 2026/27 to 2028/29, 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, to grant 2026 SSBR.

F.3 It will be for individual local authorities, which administer the 2026 SSBR, to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.

F.4 Central government will reimburse billing authorities and major precepting authorities for the actual cost to them under the rates retention scheme of the 2026 SSBR that falls within the definitions in this guidance.

Who is eligible for the 2026 SSBR and how much relief will be available?

F.5 2026 SSBR will help those ratepayers who at the revaluation are seeing large increases in their bills as a result of losing some or all of their:
(a) Small Business Rate Relief or Rural Rate Relief;
(b) 40% Retail Hospitality and Leisure Relief, and/or;
(c) 2023 Supporting Small Business Relief.

F.6 Charities and Community Amateur Sports Clubs, who are already entitled to mandatory 80% relief, are not eligible for 2026 SSBR.

F.7 To support eligible ratepayers, 2026 SSBR will ensure that the increase in the bills of these ratepayers is limited to £800 per year or the relevant caps within transitional relief whichever is the greater.

F.8 For those ratepayers receiving 2023 SSB relief on 31/3/26 (including those also receiving SBRR, Rural Rate Relief and/or RHL Relief on 31/3/26), any eligibility for 2026 SSBR will end on 31 March 2027.

F.9 All other eligible ratepayers remain in 2026 SSBR for either 3 years or until they reach the bill they would have paid without the scheme.

F.10 A change of ratepayers will not affect eligibility for the Supporting Small Business scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

F.11 There is no second property test for eligibility for the 2026 SSBR scheme. However, those ratepayers who during 2025/26 lost entitlement to Small Business Rate Relief (because they failed the second property test) but have, under the rules for Small Business Rate Relief, been given a 12 month period

of grace before their relief ended (or from 27/11/25 3 years) - can continue on the 2026 SSBR scheme for the remainder of their period of grace.

Sequence of reliefs

F.12 Hereditaments eligible for charity or Community Amateur Sports Club relief or hereditaments which are unoccupied are not eligible for 2026 SSBR. And, for the avoidance of doubt, small business rate relief or rural rate relief should not be applied to further reduce the bill found under 2026 SSBR.

For example,

- a non-RHL ratepayer eligible for Small Business Rate Relief whose rateable value has increased from £3,000 (paying £0 in 2025/26) to £14,000 would be paying the following in 2026/27 before 2026 SSBR:

Bill before reliefs (including 1p Transitional Relief Supplement):	£6,188
Bill after transitional relief:	£1,572
Bill after Small Business Rate Relief (@1/3)	£1,048

- After 2026 SSBR the bill for 2026/27 would be reduced to £800. No further Small Business Rate Relief should be applied to the £800 bill. No addition for Transitional Relief Supplement is made to a bill within SSBR.

F.13 The same principle applies to properties for which a Section 44A certificate has been granted (apportionment of rateable values for partly occupied properties).

F.14 The presence of a section 44A certificate should not further reduce the bill found under 2026 SSBR.

F.15 All other discretionary reliefs, including those funded by section 31 grants, should be considered **after** the application of 2026 SSBR.

Subsidy control

F.16 The 2026 SSBR is likely to amount to a subsidy. Therefore, any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations.

F.17 To the extent that a local authority is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2026/27 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. Any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted under the £315,000 allowance.

F.18 In those cases where it is clear to the local authority that the ratepayer is likely to breach the MFA limit then the authority should automatically withhold the relief. Otherwise, local authorities may include the relief in bills and ask the ratepayers, on a self-assessment basis, to inform the authority if they are in breach of the MFA limit.

F.19 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the local authority will need to include details of the subsidy on the subsidy control database.

Recalculations of reliefs

F.20 As with other reliefs, the amount of SSBR awarded should be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or to the hereditament. This change of circumstances could arise during the year in question or during a later year.

Detailed guidance for operation of the 2026 Supporting Small Business Relief (2026 SSBR)

Day 1 Eligibility for the Scheme

F.21 For 1 April 2026, a hereditament will be eligible for 2026 SSBR where:

(a) the chargeable amount for 31 March 2026 was calculated in accordance with:
  (i) paragraph 4 of Schedule 4ZA (SBRR not in transitional relief), or
  (ii) regulation 12(6) of, or paragraph 4(5) or 5(5) of the Schedule to, the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022 SI 2022 No. 1403 (SBRR within transitional relief), or
  (iii) paragraph 5 of Schedule 4ZA by virtue of paragraph 8 of Schedule 4ZA (Rural Rate Relief), or
  (iv) section 47 by virtue of being eligible for schemes introduced by local authorities to deliver:
    a. the 2023 Supporting Small Business Relief Scheme as set out in guidance issued by this Department on 21 December 2022, or
    b. the 2025/26 Retail, Hospitality and Leisure Scheme as set out in guidance issued by this Department on 16 January 2025, and

(b)the hereditament for 1 April 2026 was occupied, and

(c)the ratepayer for 1 April 2026 was not a charity or trustees for a charity or a community amateur sports club eligible for relief under paragraph 2 of Schedule 4ZA or regulation 12(5) of, or paragraphs 2(4), 3(4), 4(4) or 5(4) of the Schedule to, the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026.

F.22 Where a hereditament meets these criteria then the rules for determining a chargeable amount below will apply provided that the chargeable amount within the 2026SSBR scheme is less than it would otherwise be absent the 2026 SSBR scheme.

Ceasing of eligibility for the scheme after 1 April 2026

F.23 After 1 April 2026, 2026 SSBR will cease to apply where:

(a) the chargeable amount for a day found under 2026 SSBR is the same as or more than the chargeable amount found in the absence of 2026 SSBR. This ensures that where, for example, the increase in the chargeable amount in 2026 SSBR would take the bill above the level it would otherwise have been then the hereditament will drop out of 2026 SSBR. It also ensures that where, for example, with effect from after 1 April 2026, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of 2026 SSBR, or

(b) the ratepayer changes to a charity or trustees for a charity or a community amateur sports club eligible for relief under paragraph 2 of Schedule 4ZA or regulation 12(5) of, or paragraphs 2(4),

3(4), 4(4) or 5(4) of the Schedule of the Schedule to, the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026, or

(c) the hereditament for a day is unoccupied, or

(d) in respect of days from the 1 April 2027 onwards the hereditament had its chargeable amount for 31 March 2026 found by section 47 by virtue of being eligible for schemes introduced by local authorities to deliver the 2023 Supporting Small Business Relief Scheme as set out in guidance issued by this Department on 21 December 2022. For the avoidance of doubt, such hereditaments which were also eligible for SBRR/RRR or RHL Relief on 31 March 2026 will also cease to be eligible for 26 SSBR from 1 April 2027.

F.24 Furthermore, where the ratepayer during 2025/26 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month (or from 27/11/25 3 years) period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2026), then eligibility for 2026 SSBR will cease at the end of that period of grace.

F.25 Hereditaments which cease to be entitled to 2026 SSBR for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for 2026 SSBR if it subsequently becomes occupied again.

Eligibility post 1 April 2026 by virtue of a regulation 17 certificate

F.26 As with the transitional relief scheme, where the valuation officer issues a certificate of rateable value under regulation 17 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026 certifying the correct rateable value at 1 April 2026 (in circumstances where they cannot by rule now amend the list for 1 April 2026) then eligibility for 2026 SSBR and the calculation of 2026 SSBR should be revisited using the regulation 17 certified value in place of the value shown in the list for 1 April 2026. As with the transitional relief scheme, this should have effect as regards the days referred to in regulation 17(4) (the effective date of when the list was altered to correct the inaccuracy and subsequent days) or regulation 17(5) (where no alteration has been made).

F.27 This ensures that those ratepayers whose compiled list 2026 rateable values are increased by the Valuation Officer but only from the date the list is altered may still be eligible for SSBR from that point onwards. This ensures those ratepayers are not penalised just because the increase in their rateable value was not backdated to 1 April 2026. This follows the same principle which exists in the transitional relief scheme.

Chargeable Amount under the Supporting Small Business Scheme

F.28 Where 2026 SSBR applies then MHCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2026 to 31 March 2029 found in accordance with the rules in Part 1 to Part 3 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026 (“the 2026 TR Regulations”) subject to the following changes.

Base Liability

F.29 References in the 2026 TR Regulations to the Base Liability (BL) for 2026/27 should be taken to be the chargeable amount for 31 March 2026 x 365 for the hereditament adjusted as necessary for the assumption that:

(i) section 47 did not apply for 31 March 2026 other than where the hereditament was eligible for the 2023 Supporting Small Business Relief Scheme or the 2025/26 Retail, Hospitality and Leisure Scheme,
(ii) The ratepayer on 31 March 2026 was not a charity or a CASC,
(iii) the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2022 SI 2022 No. 1403 did not apply for 31 March 2026 (the 2023 Transitional Relief Scheme),and
(iv) the City of London's special authority multiplier and small business multiplier for 2025/26 were 55.5p and 49.9p respectively.

F.30 This ensures the starting BL for hereditaments eligible for 2026 SSBR include the SBRR, rural rate relief, 2023SSBR or 2025/26 RHL relief for 31 March 2026 but assumes there was no transitional relief or charity relief .

F.31 Where as a result of the subsidy control limits the amount of RHL relief awarded for 31 March 2026 for a hereditament is less than 40% then the 2026/27 BL for that hereditament should reflect the actual level of RHL relief awarded for 31 March 202

F.32 Where a certificate has been issued under regulations 18 or 19 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026 then BL for 2026/27 should be found in line with the above but on the assumption that the rateable value in the rating list was the rateable values as certified.

F.33 References in the 2026 TR Regulations to BL for 2027/28 and 2028/29 should be taken to be references to "(BL x AF) or (BL + 800) whichever is the greater" from the year immediately preceding the year concerned.

Recalculation of chargeable amount for 31/3/26 for the purposes of BL in the 2026 SSBR Scheme

F.34 Where a hereditament which is eligible for 2026 SSBR was receiving transitional relief on 31 March 2026 it will, therefore, be necessary, for the purposes of determining BL in the 2026 SSBR scheme, to recalculate the chargeable amount for 31 March 2026 on the assumption that transitional relief did not apply.

F.35 For those ratepayers receiving SBRR, Rural Rate Relief and/or RHL relief on 31/3/26 (but not 23 SSBR), this recalculation for 31/3/26 will give a different figure to the actual chargeable amount. This is because all of those reliefs apply a set percentage relief to the sum after transitional relief – i.e. they are "top down" reliefs.

F.36 The same is not true for those receiving 2023 SSBR on 31/3/26. 2023 SSBR is a "bottom up" calculation where the chargeable amount is found by increasing the liability for the previous year (in that scheme by £600). Transitional relief therefore has no bearing upon the final chargeable amount of a bill found by 2023 SSBR. In these cases, recalculating the 31/3/26 bill ignoring transitional relief gives the same result. The value of the 2023 SSBR will just compensate for the loss of transitional relief to deliver the same outcome for 31/3/26. This is as intended.

Calculation of Chargeable Amount

F.37 References in the 2026 TR Regulations to "(BL x AF)" should be taken to be references to "(BL x AF) or (BL + 800) whichever is the greater. This ensures the bill increase is the greater of £800 or the increase under the caps in the transitional relief scheme.

F.38 Regulations 12(6) & (7) of the 2026 TR Regulations should be assumed to have been omitted. This ensures SBRR is not also applied to the capped bill in 2026 SSBR. This avoids double counting of relief if the hereditament is in the SBRR taper.

F.39 No change is made to the meaning of NCA from that in the 2026 TR Regulations. Therefore, as with the 2026 TR Regulations, the Transitional Relief Supplement in 2026/27 will be added to NCA. Again, as with the 2026 TR Regulations, there should be no separate addition to bills for hereditaments eligible for 2026 SSBR such that, for example, an eligible ratepayer losing their 100% SBRR on 1 April 2026 would under the 2026 SSBR scheme pay £800 in 2026/27 and not £800 plus the Transitional Relief Supplement.

F.40 For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2026 (regulation 13) will continue to apply as normal subject to the amendments above. This ensures that, for example, later increases in rateable value are paid in full in the normal way. As with the main transitional relief scheme, references to the rateable value in the list should, if the hereditament is eligible for Improvement Relief, be taken to be references to the rateable value less the value of the Improvement Relief certificate.

Splits and mergers

F.41 Hereditaments will be eligible for 2026 SSBR where they have:

(a) come into existence because of the circumstances described in paragraph 1 of the 2026 TR Regulations, and

(b) where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for 2026 SSBR.

F.42 2026 SSBR will not apply or cease to apply to splits and mergers in the circumstances described above (Ceasing of eligibility for the scheme after 1 April 2026).

F.43 The number of hereditaments eligible for 2026 SSBR which then split or merge is likely to be small and devising rules in particular for mergers with properties outside of 2026 SSBR would be complex. Therefore, as with the previous SSBR schemes, the government has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger.

F.44 Instead, for hereditaments meeting the criteria above, MHCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:

(a) that the protection offered by 2026 SSBR (that the bill will not rise by more than £800 p.a. or the transitional reliefs caps whichever is the greater) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in 2026 SSBR, and

(b) that increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of 2026 SSBR.

F.45 For simple splits of hereditaments previously eligible for 2026 SSBR, authorities may wish to simply apportion the chargeable amount in the SSB scheme for the hereditament before the split in line with the change in rateable value from the split (i.e. in line with the principle in the Schedule of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2026).

F.46 For mergers and reorganisations, the authority will have to estimate the degree to which, in line with the principle of the 2026 SSBR scheme, that part of the hereditament which was formerly eligible for 2026 SSBR should continue to receive support under the 2026 SSBR scheme. MHCLG does not expect authorities to seek any formal apportionments of the rateable value for this purpose.

Supporting Small Businesses Relief – the Council's policy for granting discretionary relief.

F.47 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix G
Retail, Hospitality and Leisure Relief (Ending 31st March 2026)

General Explanation

G.1 The 2025/26 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 40% relief, up to a cash cap limit of £110,000 per business. **This relief ends on 31st March 2026 and has been replaced by changes in the multipliers under Non Domestic Rating (Private Schools and Multipliers) Act 2025 and this policy will only apply for periods up to the end date**.

How will the relief be provided?

G.2 As this is a temporary measure for 2025/26, Government is not changing the legislation relating to the reliefs available to properties. Instead, Government will, in line with the eligibility criteria set out in this guidance, reimburse the Council if it uses its discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for the Council to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.

G.3 Government will fully reimburse the Council and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief that falls within the definitions in this guidance, using a grant under section 31 of the Local Government Act 2003.

G.4 The government expects the Council to apply and grant relief to qualifying ratepayers from the start of the 2025/26 billing year.

Which properties will benefit from relief?

G.5 Hereditaments which benefit from the relief will be those which for a chargeable day in 2025/26:

- meet the eligibility criteria; and
- the ratepayer for that chargeable day has not refused the relief for the eligible hereditament.

The ratepayer may refuse the relief for each eligible hereditament anytime up to 30 April 2025. The ratepayer cannot subsequently withdraw their refusal for either all or part of the financial year.

G.6 The Council has decided that, for the purposes of section 47 of the 1988 Act, hereditaments where the ratepayer has refused the relief are outside of the scheme and outside of the scope of the decision of which hereditaments qualify for the discount and are therefore ineligible for the relief.

G.7 In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, the Council may not grant the discount to themselves or precepting authorities.

How much relief will be available?

G.8 Subject to the £110,000 cash cap per business, the total amount of government-funded relief available for each property for 2025/26 under this scheme is for chargeable days from 1 April 2025 to 31 March 2026, 40% of the chargeable amount.

G.9 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where the Council has used its wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants. However, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e.,

charitable relief etc.) will be applied first in the sequence of discretionary reliefs and, therefore, before Retail, Hospitality and Leisure relief. Authorities may use their discretionary powers to, at cost to themselves, offer further discounts outside this scheme or additional relief to hereditaments within the scheme. However, where the Council applies a locally funded relief under section 47, this will be applied after the Retail, Hospitality and Leisure relief.

G.10 The ordering **will** be applied in following sequence:

- Improvement Relief
- Transitional Relief
- Mandatory Reliefs (as determined in legislation)
- S.47 Discretionary Relief in the following order:
  - (i) 2023 Supporting Small Business (SSB);
  - (ii) Former categories of discretionary relief available prior to the Localism Act 2011 (i.e., charitable, CASC, rural top up, and not for profit) will be applied first in the sequence of discretionary reliefs, after SSB;
  - (iii) Other discretionary (centrally funded);
  - (iv) 2025/26 Retail Hospitality and Leisure relief scheme; and
  - (v) Other locally funded schemes (such as section 49 hardship).

G.11 Subject to the cash cap, the eligibility for the discount and the relief itself will be assessed and calculated on a daily basis. The following formula will be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2025/26:

- Amount of relief to be granted = V x 0.40 where:
- V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any certain other discretionary reliefs in line with the above.

G.12 This will be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.

G.13 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap, per business.

The Cash Cap and Subsidy Control

G.14 Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.

G.15 Where a ratepayer has a qualifying connection with another ratepayer, then those ratepayers will be considered as one ratepayer for the purposes of the cash caps. A ratepayer shall be treated as having a qualifying connection with another:

(a) where both ratepayers are companies, and
  (i) one is a subsidiary of the other, or
  (ii) both are subsidiaries of the same company; or

(b) where only one ratepayer is a company, the other ratepayer (the “second ratepayer”) has such an interest in that company as would, if the second ratepayer were a company, result in its being the holding company of the other.

G.16 The Retail Hospitality and Leisure Scheme is likely to amount to subsidy. Any relief provided by the Council under this scheme will need to comply with the UK’s domestic and international subsidy control obligations.

G.17 To the extent that the Council is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g., a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2025/26 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'.

G.18 In those cases, where it is clear to the Council that the ratepayer is likely to breach the cash cap or the MFA limit, then the Council will automatically withhold the relief.

G.19 MFA subsidies above £100,000 are subject to transparency requirements. This is not cumulated per beneficiary but applies per subsidy award. This means that for every individual subsidy provided of more than £100,000, the Council will include details of the subsidy on the subsidy control database.

Splits, mergers, and changes to existing hereditaments

G.20 The relief will be applied on a day-to-day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, will be considered afresh for the relief on that day.

Recalculations of relief

G.21 The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

G.22 Under regulations made under section 47 of the Local Government Finance Act 1988 the Council must give at least 12 months' notice of a revocation or variation of a rate relief scheme the effect of which would be to increase rate bills. Such a revocation or variation can only take effect at the end of a financial year (other than to comply with international agreements). But within these regulations, the Council may still make decisions to ensure the scheme is administered in accordance with the extant rules. If a change in circumstances renders a property ineligible, the relevant bill can be amended in the year to reflect the loss of the relief.

Eligibility for the Retail, Hospitality and Leisure Relief Scheme

G.23 The Council uses the following definitions to establish eligibility for the relief:

Hereditaments that meet the eligibility for Retail, Hospitality and Leisure scheme will be occupied hereditaments which meet all of the following conditions for the chargeable day:

- they are wholly or mainly being 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

i. 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)

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: 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

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
- Bar

iv. Hereditaments which are being used as cinemas.

v. 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.

vi. 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

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

- Public halls
- Clubhouses, clubs, and institutions

viii. 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

G.24 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.

G.25 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.

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

G.26 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 discount. Again, it is for the Council 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 discount under their local scheme:

- 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 advisers, employment agencies, estate agents, letting agents); and
- Post office sorting offices.

Retail Hospitality and Leisure Relief – the Council's policy for granting discretionary relief.

G.27 The Council has decided to grant relief strictly in accordance with Central Government guidelines.

Appendix H
Pubs and Live Music Venues Relief

General Explanation

H.1 The government on 27 January 2026 that in 2026-27, eligible pubs and live music venues will benefit from a 15% business rates relief on top of the support announced at Budget 2025. Their bills will then be frozen in real terms for a further 2 years.

H.2 The pubs and live music venues relief will be delivered via section 47 (discretionary relief) funded by section 31 grant.

H.3 The government's policy intention is that pubs and live music venues should be eligible for the relief. **The relief should apply to occupied properties only**.

Pubs

H.4 Relief should only be awarded to pubs which meet all of the following characteristics:
(a) is open to the general public
(b) allows free entry other than when occasional entertainment is provided
(c) allows drinking without requiring food to be consumed
(d) permit drinks to be purchased at a bar

H.5 For these purposes, the meaning of pub does not include:
(a) restaurants, cafes, nightclubs, snack bars
(b) hotels, guesthouses, boarding houses
(c) sporting venues
(d) festival sites, theatres, cinemas
(e) museums, exhibition halls
(f) casinos

H.6 The proposed exclusions in the list in the paragraph above is not intended to be exhaustive and it will be for the local authority to determine those cases where eligibility is unclear.

H.7 Where eligibility is unclear authorities should also consider broader factors in their considerations – i.e., in meeting the stated intent of policy that it demonstrates the characteristics that would lead it to be classified as a pub by the natural meaning of the word. For example, being owned and operated by a brewery.

Live music venues

H.8 Live music venues are properties that are:
(a) wholly or mainly used for the performance of live music for the purpose of entertaining an audience
(b) can be used for other activities but only if those other activities are:
    (i) ancillary or incidental to the performance of live music (e.g. the sale of food or drink to audience members)
    (ii) Do not affect the primary use of the premises for the performance of live music (e.g. because the activities are infrequent such as use of the venue as a polling station or fortnightly community event)

H.9 Properties are not a live music venue for the purpose of this relief if the property 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).

H.10 There may be circumstances where 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 to 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.

How much relief will be available?

H.11 The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for a particular hereditament in the financial year 2026-27:

Amount of relief to be granted = V x 0.15 (i.e. 15% relief) where:

V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and certain other discretionary reliefs in line with the list below.

H.12 This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day. The relief is not subject to any cap.

H.13 The relief should be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before those where local authorities have used their wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants.

H.14 However, as required in the NNDR guidance notes, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e. charitable/CASC and not for profit) should be applied first in the sequence of discretionary reliefs and, therefore, before pubs and live music venues relief. Authorities may use their discretionary powers to, at cost to themselves, offer further relief outside this scheme or additional relief to hereditaments within the scheme. However, where an authority applies a locally funded relief under section 47, this should be applied after the pubs and live music venues relief.

H.15 The ordering should be applied in following sequence:

(a) Improvement Relief
(b) Transitional Relief
(c) Other mandatory Reliefs (as determined in legislation)
(d) Section 47 Discretionary Relief in the following order:
    i. 2026 Supporting Small Business (SSB)
    ii. Former categories of discretionary relief available prior to the Localism Act 2011 (i.e. charitable, CASC, not for profit) should be applied first in the sequence of discretionary reliefs, after SSB
    iii. Other discretionary (centrally funded) including Freeport relief
    iv. 2026-27 pubs and live music venues relief scheme
    v. Other locally funded scheme.

Pubs and Live Music Venues Relief - the Council's policy for granting discretionary relief.

H.16 The Council has decided to grant relief strictly in accordance with Central Government guidelines

Appendix I
Section 49 – Hardship Relief

Section 49 – Hardship Relief

General explanation

I.1 The Council is able to exercise its discretion under Section 49 of the Local Government Finance Act 1988 to provide either partial or full relief for non-domestic rate payments in cases of hardship where it would be reasonable to do so having due regard to the interests of council tax payers in general.

Section 49 Hardship Relief – the Council's Policy

I.2 The Council will consider applications for hardship relief from individuals and organisations based on their own merits on a case-by-case basis. Head of Resources will consider applications. Application forms are available from the Council.

I.3 In making decisions on whether to award the relief the Council takes into account the following criteria (not listed in any priority):

- Any reduction or remission of rates on the grounds of hardship should be the exception rather than the rule;
- Any reduction of the rates must be shown to be significant to the future viability of the business;
- The business must continue to trade;
- Cash flow forecasts for a minimum of the next twelve months must be provided together with a comprehensive Business Plan incorporating a brief history of the business;
- The test of "hardship" is not strictly confined to financial hardship and that this, in itself, is not a deciding factor;
- The loss of the business would reduce amenities of an area if it is the sole provider of a service in the area;
- Details of any subsidy, grants, or subsidies either from central of local government over the previous three years;
- The loss of the business would worsen the employment prospects in the area;
- The interests of the Council Tax payers of the area would be best served by awarding the relief;
- The business must demonstrate how it is beneficial to the local community and why it is currently suffering financial hardship;
- The business provides employment to local residents in an area where employment opportunities are limited;
- Independent advice given by banks or financial advisors should be sought to demonstrate the future viability of the business; and
- Applications will only be considered where signed by the ratepayer, or, where an organisation is the ratepayer, an appropriately authorised representative of the organisation; and

I.4 The ratepayer will provide additional information as deemed necessary by the Council to be essential in order for a fair evaluation of the application.