



Business Rates

Relief for Local Newspapers

2017/18 – 2019/20

LEICESTER CITY COUNCIL
BUSINESS RATES RELIEF FOR LOCAL NEWSPAPERS

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1) Introduction

The Government has previously committed to support local newspapers as they adapt to new technology and changing circumstances. As part of this, they consulted in July 2015 on the introduction of a business rates relief for local newspapers in England. This was a joint consultation, led by the Department of Culture, Media and Sport (DCMS) and the Department of Communities and Local Government (DCLG). It was launched in order to understand better the challenges currently faced by local newspapers occupying properties in their local areas and whether relief on their business rates bills could help support them.

On 16 March 2016 the Chancellor announced at the Budget that the Government will introduce a £1,500 business rates discount for the office space occupied by local newspapers in England, up to a maximum of one discount per local newspaper title and per property, up to state aid limits, for 3 years from 1 April 2017.

This is a temporary measure to support local newspapers to adapt to technological changes within the industry. The relief is intended to be specifically for local newspapers and will be delivered through local authority discretionary discount powers (under section 47 of the Local Government Finance Act. The relief will be limited by state aid rules.

2) Legislative framework

The award of any relief is at the discretion of Leicester City Council and will be made under Section 47 of the Local Government Finance Act 1988 (LGFA 1988), as amended by Section 69 of the Localism Act 2011.

3) Scheme statement

It is the intention of Leicester City Council to exercise its power under Section 47 LGFA 1988 to award this rate relief to all 'qualifying' ratepayers. The scheme is fully funded by the Government.

4) Duration of the relief

The relief is only applicable for the financial years 2017/18, 2018/19 and 2019/20.

5) Granting of relief

As the granting of the relief is discretionary, Leicester City Council may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area.

6) Qualifying properties

Properties that will benefit from the relief will be **occupied** properties. The relief is specifically for local newspapers considered to be a "traditional local newspaper." The relief is not available to magazines.

The hereditament must be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

The relief is limited to a maximum of one discount per newspaper title (e.g. per newspaper name) and property.

7) Amount of relief available

The relief will provide £1,500 relief for office space occupied by local newspapers up to a maximum of one discount per local newspaper title and per property, for three years from 1 April 2017.

Examples:

Worked examples below show how the relief will work:

- A local newspaper with two offices will be able to claim a discount for only one of them;
- An office shared by three separate local newspaper titles would only be eligible for a single discount.

The total amount of government funded relief available for each newspaper title and property for 2017-18, 2018-19 and 2019-20 under this scheme is £1,500/year. The amount does not vary with rateable value. The eligibility for the relief 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 particular property:

Amount of relief to be granted = £1500 x A/B

Where:

A is the number of days in the financial year that the hereditament is eligible for relief; and B is the number of days in the financial year.

In the case where less than £1,500 is payable, relief will be given up to this value – for example, a ratepayer owes £1,000 business rates, the maximum amount of relief under this scheme will be £1,000.

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 relief;
- (b) The property is not of a type specifically stated as being eligible for relief, but by analogy the use is comparable to one which is listed eligible.

All appeals must clearly state the ground(s) and be made in writing to: Leicester City Council, Revenues & Customer Support, Business Rates Section, 91 Granby Street, Leicester LE1 6FB, or alternatively by email: business.rates@leicester.gov.uk.

Any appeal will be judged in line with this policy and the decision is to be taken at the sole discretion of the Director of Finance in consultation with the Revenues & 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 delivered to the ratepayer in writing. If an appeal is successful, rate relief will be backdated for the full eligible period, within that financial year. Appeals may only be made for the current financial year and cannot be applied to previous years.

If an appeal is unsuccessful the only further recourse available to applicants is a judicial review. A judicial review is the means by which the decisions of billing authorities under discretionary rating powers may be questioned.

9) Applying for relief

The council will seek to grant business rates relief for local newspapers as and when they are aware of businesses that may qualify for the relief. This policy will also be published on the council's website, www.leicester.gov.uk/business/business-rates

If a ratepayer wishes to apply for the relief they should contact the council at business.rates@leicester.gov.uk

10) 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 provided 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 you are receiving, or have received, any 'de minimis' aid granted during the current or two previous financial years (from any source), you should inform us with the details of the aid received, when making the application.