

# Local Business Rates Relief

Frequently  
asked  
questions



## **Which areas of Sutton are included in the Local Business Rate Relief scheme?**

The scheme is eligible within the designated Successful Sutton High Street Business Improvement District area.

Please click [here](#) for a map of the defined area:

<http://www.successfultutton.co.uk/wp-content/uploads/2013/07/bid-map.jpg>

## **Does my business need to be a new business to qualify?**

The Local Business Rate Relief scheme is only available to new businesses to the area or a business expanding their operation in Sutton and moving to significantly larger premises provided they identify an increase in job creation.

## **What is meant by an increase in job creation?**

In order for an existing business to qualify for the scheme, the business must be locating to larger premises and be creating an increase of a minimum of one full-time employee (or equivalent).

## **How long will the local business rate relief last?**

Relief will be offered for a maximum of 12 months for applications received between 1 April 2014 and 31 March 2015.

## **Are there any types of businesses which do not qualify for local business rate relief?**

Yes there are a number of types of businesses which do not qualify. The eligibility of the business will be decided by the London Borough of Sutton but please see below a list of examples exempt from the scheme:

- Banks
- Building societies
- Cash points
- Bureau de change
- Payday lenders
- Betting shops
- Pawnbrokers
- Properties that may bring the scheme / area into disrepute
- Takeaways

## **What is the definition of a Takeaway?**

A takeaway is an establishment where hot food is largely prepared for consumption elsewhere.

Such establishments, unless they operate a seated service (please see below), will be excluded from obtaining Retail Rate Relief, Reoccupation Retail Relief and Local Business Rate Relief.

- Pizza / Pasta
- Kebabs
- Burgers
- Fried or Coated Chicken
- Ribs
- Indian / Tandoori
- Chinese / Noodle / Wok
- Thai
- Korean
- Vietnamese
- Fish and Chips
- Snack Bars / Kiosks

The above list is not exhaustive and is cited for illustrative purposes only; other premises being broadly comparable will be treated as such and excluded.

The Council (where necessary) will visit to make a determination as to whether a premise will be excluded from obtaining the reliefs.

Premises operating a seated service with table seating of 10 or more will be categorised as a restaurant for the purposes of obtaining any Retail Rate Relief, Reoccupation Retail Relief and Local Business Rate Relief.

The above premises remain entitled to any statutory rate reliefs such as Small Business Rate Relief.

## **Are there any other reliefs in addition to the Local Business Rate Relief scheme that are available to businesses in Sutton?**

Other business rate relief schemes open to businesses in Sutton include:

- Retail relief – The government announced in the Autumn Statement on 5 December 2013 that it will provide a business rates discount of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the year's 2014 – 2015 and 2015 – 2016.
- Reoccupation relief - A temporary 50% discount from business rates is being introduced for new occupants of previously empty premises. The 18-month relief will be granted to businesses moving into long-term empty retail properties on or after 1 April 2014 and on or before 31 March 2016.
- Small business rate relief – Until 31 March 2015 you'll get 100% relief for properties with a rateable value of £6,000 or less. This means businesses won't have to pay business rates on properties with a rateable value of £6,000 or less. The rate of relief will gradually decrease from 100% to 0% for properties with a rateable value between £6,001 and £12,000.

## **What if my business is not located in Sutton town centre? Am I still eligible for any other reliefs?**

If your business is not within the specified Sutton town centre BID area then you are not eligible for the local business rate relief scheme. However, you may be eligible for other business rate relief schemes (retail relief, reoccupation relief and small business rate relief). Please see above for more details.

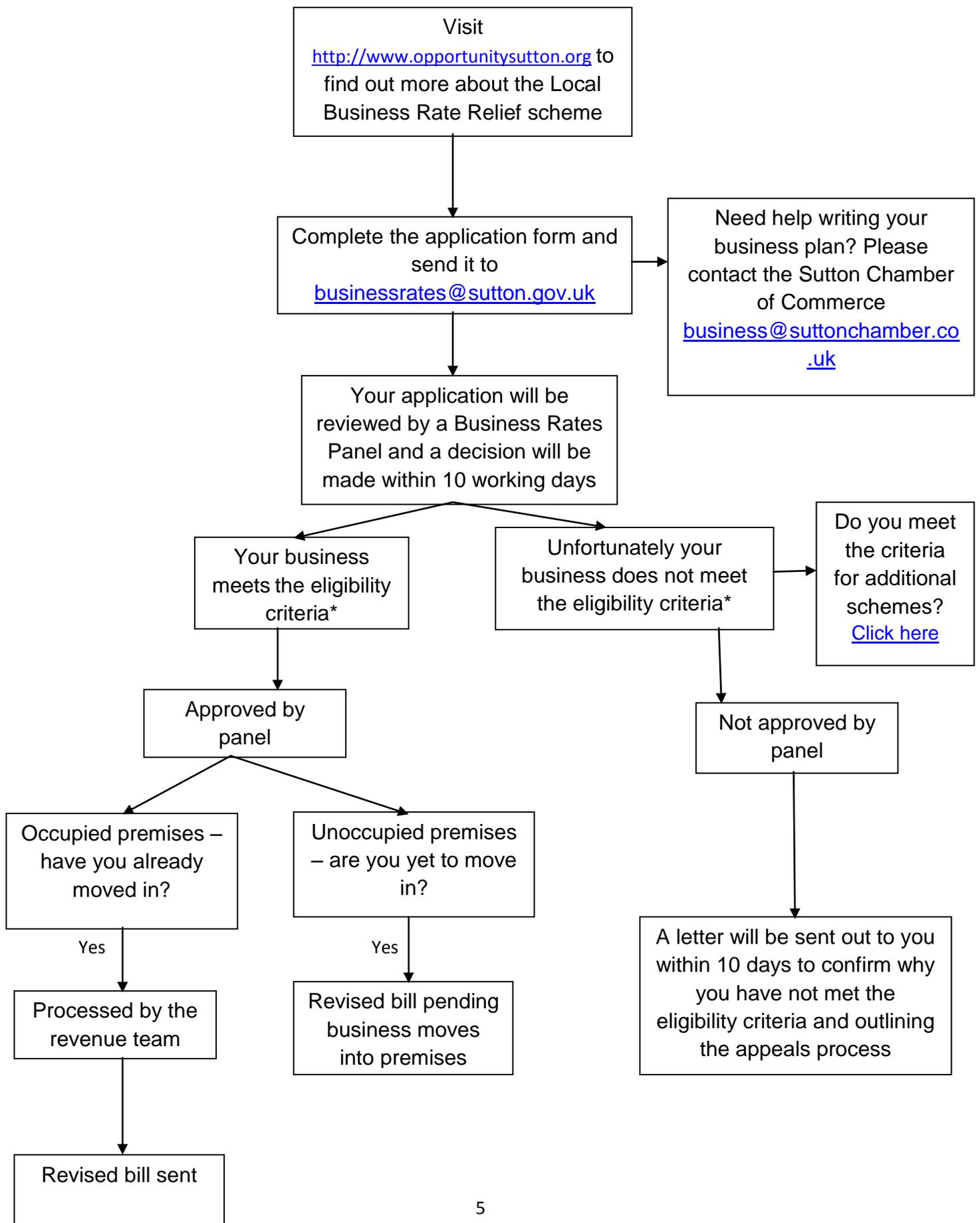
## **If I am entitled to national reliefs can I still obtain the local business rate relief?**

Yes, the maximum amount of relief is 50% of net liability after all mandatory or discretionary reliefs have been applied to the account.

## **Will I be required to provide any documentation to prove that my business is eligible?**

The London Borough of Sutton will check that your business is eligible for the Local Business Rate Relief scheme and you will be required to provide evidence of the rateable value of your premises, lease obligations, business plan and financial accounts. Failure to produce this information and to adhere to specific eligibility criteria may result in expulsion from the scheme and possible retrieval of any relief received. *Sutton Council reserves the right to re-assess the eligibility for this programme.*

## What is the application process for the Local Business Rate Relief Scheme?



### **What if I have not yet occupied premises, can I still obtain the relief?**

Yes, the process will be the same however the application will sit pending occupation. Upon occupation you will receive an initial bill with all relevant reliefs deducted.

### **Where can I obtain additional business support?**

In terms of general business advice and support Opportunity Sutton is currently running the Sutton Business Support Programme which is committed to helping new and existing businesses. The Start-up Sutton programme includes a series of workshops, one-to-one clinics, networking opportunities and ongoing support to meet your individual business needs. The first step is to meet with a business expert for an initial one-to-one business advice clinic where you can go through any queries/questions/help needed for your new venture or existing business. For more information please visit <http://businessupportsutton.co.uk/>

For information on funding, searching for premises and business events and initiatives please visit the Opportunity Sutton website:

<http://www.opportunitysutton.org/> or email us at [opportunitysutton@sutton.gov.uk](mailto:opportunitysutton@sutton.gov.uk)

If you are a new business then please ensure you check with Business Regulatory Services regarding licensing, food, trading standards and health and safety.

Visit <https://www.sutton.gov.uk/index.aspx?articleid=12089> Or contact [brs@sutton.gov.uk](mailto:brs@sutton.gov.uk)

### **In the eligibility criteria it asks for a business plan, what will happen if I don't have one in place?**

A business plan is an essential part of the application process. The business plan certifies that the business has been fully thought through and includes key details such as how the business will run and how you will ensure its sustainability. The Sutton Business Support Programme offers business support and advice. Qualified business advisors are able to provide one-to-one support for businesses including drafting business plans and taking businesses through essential steps. To access this support or to find out more, please visit <http://businessupportsutton.co.uk/>

**I am a new business and will be looking to appoint members of staff, potentially apprenticeships. What options are available to me?**

Employers who take on young people may be eligible for wage incentives of up to £2,275 each. Wage incentives are available for employers who recruit an 18-24 year old who has been receiving benefits for at least six months through Jobcentre Plus. Wage incentives are also available through Work Programme and Work Choice providers. Visit the website for more information

<http://www.dwp.gov.uk/youth-contract/key-initiatives/wage-incentives/>

The AGE 16 to 24 Grant for Employers aims to support businesses, who would not otherwise be in a position to do so, to recruit individuals aged 16 to 24 into employment through the Apprenticeship programme.

The National Apprenticeship Service will provide AGE 16 to 24 to eligible employers, in respect of qualifying apprentices, with an individual value of £1,500. Employers can be paid ten grants in total during the lifetime of the initiative. Visit the website for more information <http://www.apprenticeships.org.uk/employers/steps-to-make-it-happen/incentive.aspx>

For further information and guidance about apprentices please contact the Opportunity Sutton team [opportunitiesutton@sutton.gov.uk](mailto:opportunitiesutton@sutton.gov.uk)

**The local business rate relief scheme is in a Business Improvement District Area (BID), what is a BID?**

A Business Improvement District (BID) is a defined geographical area within which businesses pay an additional tax (or levy) in order to fund projects or initiatives that will improve the trading environment. BIDs create huge benefits to local businesses as the strength of local businesses working together as a network with a pool of funding is an influential channel. The Sutton Town Centre BID (Successful Sutton) has already worked together on a large number of local improvements. These include gum removal from high street pavements, free recycling initiatives for businesses, a radio scheme, events and activities to drive footfall including a sunset outdoor cinema, Christmas and Easter Events and a shuttle bus to ensure access to all parts of the high street. Promotional activities also include an 'Enjoy Sutton' marketing campaign.

Businesses setting up within the Business Improvement District Area will automatically be subject to the 1% BID levy.

Visit the website to find out more. <http://www.successfulsutton.co.uk/>

### **What happens if my circumstances change?**

Occupiers must take out a minimum 12 month lease and if the business moves out of the area the council reserves the right to request repayment of any local discretionary business rate relief granted.

### **What will happen if my application is unsuccessful?**

The London Borough of Sutton has a panel in place to examine all elements of an application. However, if it is decided that the business application does not meet one or more of the eligibility criteria, then a letter will be sent to the business explaining why the application has been unsuccessful. The letter will also set out the Right to Appeal and the appeals process.