

2022/23 Retail, Hospitality and Leisure Relief Scheme

In the Autumn Budget, Chancellor announced the continuation of the business rates discount scheme for retail, hospitality and leisure properties into 2022/23. For 2022/23, the scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 50% discount from their rates liability, up to a cash cap limit of £110,000 per business.

We expect Local Councils will be writing to ratepayers asking them whether they will accept the discount and asking them to sign declarations about the amount of other relief the company has accepted over the last three years.

The following provides guidance to ratepayers who occupy multiple qualifying sites, where the total rates bill for England exceeds £220,000 and therefore who may need to choose which properties to apply the 50% discount to.

In selecting which properties to accept the discount on, the following should be considered:

1. Under the cash cap, no ratepayer can in any circumstances exceed the £110,000 cash cap across all of their hereditaments in England.
2. Eligible hereditaments (rateable properties) are likely to be those which qualified for the RHL rates discounts in 2020/21 (100%) and 2021/22 (100% up to 30 June then 66% thereafter).
3. Where a ratepayer has a qualifying connection with another ratepayer then those ratepayers should be considered as one ratepayer for the purposes of the cash cap. In other words, connected companies may be considered as one.

4. You may refuse the discount for a hereditament anytime up to 30 April 2023. However, you cannot withdraw refusal for either all or part of the discount.
5. You should consider whether any hereditaments are, or are likely to be, the subject of appeal action. If the rateable value of a property is reduced this will reduce the amount of discount applicable. If you have refused the discount elsewhere you will not be able to ask for it again and thus would not benefit from the full £110,000 discount across all of your properties.
6. Care should be taken where any property is likely to be split, merged or vacated over the course of the rate year as, under 4 above, any unused benefit cannot be transferred to another property where the discount has already been refused.

Where the Councils are requesting you to sign the 'Small Amounts of Financial Assistance' declaration, any rates discount received in this, or previous financial years, is not counted towards the cap of £343,000. Department of Business, Energy & Industrial Strategy (BEIS) business grants and other subsidies claimed over the last three years should be counted. More details can be found [here](#).

If you have any queries or would like more specific advice regarding your property holding, please contact Aitchison Raffety on 01727 732222 or at business.rates@argroup.co.uk.

