

## Get some relief from your rates

### David Clifton, director of Clifton Davies Consultancy Limited, explains how recent developments with business rates might have a bearing on your business

**A** government consultation on the possible reform of the business rates system concluded last month. However, before excitement reaches fever pitch, don't for one moment think that such rates will be consigned to the archives of history, as from a policy perspective, it seems clear that a local tax based on property values will still be retained. What may possibly change is the frequency of business rates revaluations; the valuation methods; and the billing and collection process.

Although, on behalf of your industry, the ALMR is pressing for more of "a root and branch reform which will provide a fairer deal for the licensed hospitality sector".

Kate Nicholls, strategic affairs director of the ALMR, has previously called for more action to create a level playing field in which the licensed hospitality sector can fairly operate, also flagging up that "it is of particular concern for our members who currently pay an estimated 15p per pint in business rates compared to major supermarket chains who pay an estimated 1-1½p per pint".

On the same subject, the ALMR certainly welcomed the promise by the Chancellor of the Exchequer in his last autumn statement in December that pubs with a rateable value of under £50,000 would receive a 'retail relief' rebate of £1,000 on their business rates over the next two years. However, the relief is discretionary and the decision whether or not to grant it rests with each local authority, although most authorities were expected to apply the relief, bearing in mind that the cost is funded by the government.

The BBPA has pointed out that the relief is applied to the net rates bill, with the consequence that other rate reliefs, such as

Small Business Rate relief, will be applied before the £1,000 discount and if the net value payable falls below £1,000, the annual payment will be set at zero.

Both the BBPA and the FLVA have issued guidance on this topic, as too has David Jones, managing director of DRJ Accountants and chairman of the Association of Licensed Trade Accountants. He says: "The discretionary aspect of the relief is manifesting itself in the way different councils are granting it. Some local authorities have simply deducted the money from the rates bill, others have said nothing and yet others have said if you want it you must apply and complete a questionnaire".

So if you think your premises might qualify, start off by looking at your business rates statement. If it does give any information about application of the relief, odds are that the relief is not being processed. Jones advises that you should contact your local authority or your trade accountant and ask if the relief is being granted and, if it is, what arrangements the council is making for the rebate.

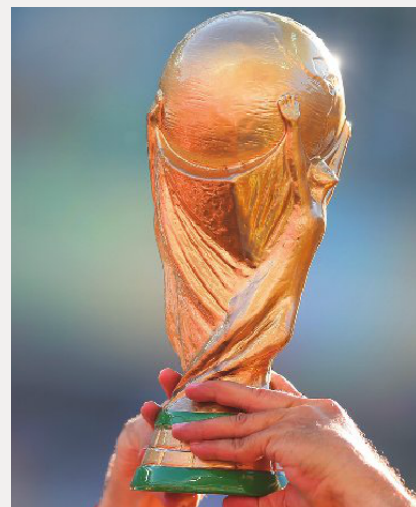
For the small effort involved, it's worth doing. One of Jones' clients recently found out that he had not been granted the relief, phoned the local council and they informed him that they were making arrangements for this now, and that the relief would start this month.



#### EMRO/LNL update

By the time you read this, Nottingham Licensing Committee will have decided whether to recommend to the full council a Late Night Levy, despite 74% of participants in a council survey being against it. The City of London post-midnight Late Night Levy will be implemented on 1 October, subject to a 30% discount for premises able to achieve the City of London 'Safety Thirst' award. 🍷

## Questions & Answers



**Q: I don't run a pub, but wonder if you can advise me. I'm worried about my 18 year old son taking his passport out at night to prove he is of age to go drinking with his friends. Is there any alternative he could use?**

**A:** There certainly is. A new Proof of Age Standards Scheme (PASS) card conforming to a common design standard and bearing a unique hologram was re-launched on 10 June with endorsement from the Home Office, the police, the Security Industry Authority and the Trading Standards Institute. You can find further information and details of PASS card suppliers at [pass-scheme.org.uk](http://pass-scheme.org.uk)

**Q: England haven't made it to the World Cup final on 13 July, but as it's such a big event can my bar stay open later without a TEN?**

**A:** Sadly no. As England have not made the final, you would have needed a Temporary Event Notice if you had wanted to sell alcohol beyond your normal permitted hours. Unfortunately, it's now too late to seek even a late TEN because at least five working days' notice needs to be given for one of those. If you sell alcohol later than your normal permitted hours you will be committing an offence under Section 136 of the Licensing Act 2003.

**Q: You said in a previous Q&A that Scotland includes protecting and improving public health as a licensing objective under its separate licensing legislation. Will we ever see that introduced in England and Wales too do you think?**

**A:** The Licensing Act 2003 (Amendment) Bill proposing just that has recently been introduced into parliament by Lord Brooke of Alverthorpe. It calls for "protecting and improving public health" to be added as a fifth licensing objective. The Bill had its first reading in the House of Lords on 12 June. More news when we have it.

### Clifton Davies Consultancy Ltd



Clifton Davies Consultancy Limited is a consultancy business (not a law firm) which specialises in all licensing, gambling and regulatory issues affecting the pub and bar industry. David Clifton and Suzanne Davies are also consultants to Joelson Wilson LLP. The views expressed are given without any assumption of responsibility on their part. If you have any questions, do get in touch and they will be pleased to provide answers, either via this page or direct.

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