

Appendix C

The impact of Reliefs, Discounts and Exemptions on the amount of NDR collected.

The Local Government Finance Act 1988 allows for reductions in the amount of rates payable to certain non-domestic properties through mandatory and discretionary relief. Mandatory relief is awarded to organisations that meet specific legal requirements, such as charities using their property wholly or mainly for charitable purposes. Discretionary relief is awarded at the council's discretion and may be used to "top up" mandatory relief or be awarded independently.

Reliefs and discounts can significantly impact a council's spending from National Non-Domestic Rates. For example, in 2023-2024, the total cost of reliefs for England was £7,021 million, including £1,368 million for Small Business Rate relief, £3,171 million for other mandatory relief, and £2,482 million for discretionary relief. This resulted in a net rate yield of £25,316 million, which is the amount available for Councils to spend.

Here in Oxford the Projected picture for 2024/25 is shown in the table below. Gross rates i.e. rateable value multiplied by the government set multiplier is £156.1 million. After reliefs, exemption, and discounts there is a balance of £105.5 million business rates income to.

The total cost of reliefs to the city Council is shown as £50.6 million including £2.3 million for Small Business Rate relief, £36 million for other Mandatory Relief (including colleges and universities), £50,000 for discretionary relief, £1.5 million for unoccupied property and £12 million for discretionary relief, (including £11.5 million for retail hospitality and leisure relief, which the Government reimburse the Council) (see the table below for full details)

In addition to reliefs and discounts, councils may also have to deal with transitional arrangements, accounting adjustments, and other deductions from collectable amount.

OXFORD CITY COUNCIL				
	Baseline based on actual 2024/25 NNDR1			Numbers of properties
	Small	Standard	2024/25	
Multiplier	49.9	54.6	£	
Factor	0.248	0.167		
Uplift (CPI Inflation)	na	na		
Rateable Value	52,013,017	238,423,200	290,436,217	4610
Gross Rates	25,954,495	130,179,067	156,133,562	4610
Transitional Relief	-1,181,561	-1,027,181	-2,208,742	1526
Small Business Rate Relief	-2,331,229		-2,331,229	773
Charitable occupation	-2,035,731	-32,429,651	-34,465,382	567
Community Amateur Sports Clubs (CASCs)	-66,142	-34,726	-100,868	13
Public Lavatories relief	-18,373		-18,373	12
Mandatory Relief	-4,451,475	-32,464,377	-36,915,852	1365
Unoccupied Property Relief	-545,574	-1,027,551	-1,573,125	179
Charitable occupation	-8,000	-2,000	-10,000	6
Other ratepayers	-32,000	-8,000	-40,000	30
Discretionary Relief	-40,000	-10,000	-50,000	36
Supporting Small Business Scheme	-449,317		-449,317	147
Local newspaper relief		-1,500	-1,500	1
Retail, Hospitality and Leisure relief	-6,136,802	-5,434,327	-11,571,129	994
Discretionary Relief (S31 Funded)	-6,586,119	-5,435,827	-12,021,946	1142
Transitional Protection Payments	1,181,561	1,027,181	2,208,742	1526
Net rates payable (part 3 line 1) plus transitional relief (Part 1A line 2)	14,331,327	91,241,312	105,572,639	
Net Rate Yield			105,572,639	