

Expanded Retail Discount Policy 2021/22

The Government announced in the Budget on 3 March 2021, that it will provide a business rates Expanded Retail Discount scheme for occupied retail, hospitality and leisure properties. The discount is only for the period 1 April 2021 to 30 June 2021. The discount will be 100% reduction for qualifying businesses. This will be applied after mandatory reliefs and other discretionary reliefs have been applied.

The relief will apply for the period 1 April 2021 to 30 June 2021 only. A new and revised scheme will be implemented from 1 July 2021

Which properties will benefit from relief?

Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:

- a). as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,
- b). for assembly and leisure; or
- c). as hotels, guest & boarding premises and self-catering accommodation.

In the Government guidance – the following is detailed:

We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- *Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)*
- *Charity shops*
- *Opticians*
- *Post offices*
- *Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)*
- *Car/caravan show rooms*
- *Second-hand car lots*
- *Markets*
- *Petrol stations*
- *Garden centres*
- *Art galleries (where art is for sale/hire)*

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- *Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)*
- *Shoe repairs/key cutting*
- *Travel agents*
- *Ticket offices e.g. for theatre*
- *Dry cleaners*
- *Launderettes*
- *PC/TV/domestic appliance repair*
- *Funeral directors*
- *Photo processing*
- *Tool hire*
- *Car hire*

- *Employment agencies*
- *Estate agents and letting agents*
- *Betting shops*

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- *Restaurants*
- *Takeaways*
- *Sandwich shops*
- *Coffee shops*
- *Pubs*
- *Bars*

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues:

- *Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).*
- *Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).*
- *There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.*

We consider assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).

- *Sports grounds and clubs*
- *Museums and art galleries*
- *Nightclubs*
- *Sport and leisure facilities*
- *Stately homes and historic houses*
- *Theatres*
- *Tourist attractions*
- *Gyms*
- *Wellness centres, spas, massage parlours*
- *Casinos, gambling clubs and bingo halls*

ii. Hereditaments that are being used for the assembly of visiting members of the public.

- *Public halls*
- *Clubhouses, clubs and institutions*

We consider hotels, guest & boarding premises and self-catering accommodation to mean:

i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, Guest and Boarding Houses
- Holiday homes
- Caravan parks and sites

To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. For the avoidance of doubt, hereditaments which have closed temporarily due to the government's advice on COVID19 should be treated as occupied for the purposes of this relief.

How much relief will be available?

The total amount of government-funded relief available for each property for the period 1 April 2021 to 30 June 2021 under this scheme is 100%. The relief will be applied against the net bill after all other reliefs.

The discount will be apportioned if there is a change of ratepayer during the period.

Eligibility Criteria

Properties that are being used for the provision of services to visiting members of the public. Please see the information under "Which properties will benefit from relief?" above.

Ineligible businesses/organisations

The following types of uses are **not** eligible for Retail relief:

Properties that are being used for the provision of the following services to visiting members of the public:

Hereditaments that are being used for the provision of the following services to visiting members of the public

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers)
- Post office sorting offices

ii. Hereditaments that are not reasonably accessible to visiting members of the public

Properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

Refusal of Discount

Businesses have the option to refuse the discount and must put these requests in writing or by email, in respect of each eligible property. Refusals cannot be withdrawn for either all or part of the financial year.

Application Process

No formal application form is necessary. From 1 April 2021, we will identify all retail properties we consider to meet the criteria and apply the discount.

If there is a change of ratepayer during the period, the eligibility for a discount will be reviewed with regard to the new occupier's use of the property.

Decision Making and Appeals

The Head of Revenues and Benefits will be responsible for approving all applications, with a monthly review by the Director of Corporate Services. There will be no right of appeal.

Budget

Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003) as it expects authorities to grant relief to qualifying ratepayers.