

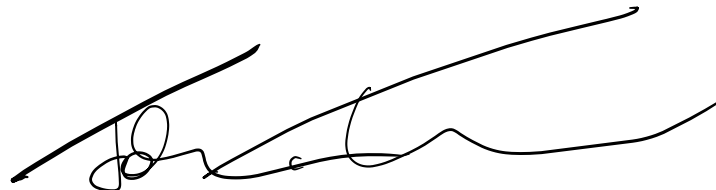


# **Covid - Expanded Retail, Leisure & Hospitality Discount**

## **And Nursery Discount**

# **Policy 2020-21**

Approved by:



**Strategic Director of Finance and Governance**

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## **1. Introduction**

### **1.1 Expanded Retail, Leisure and Hospitality Discount**

1.1.1 In response to the coronavirus pandemic, in the Budget on 11 March the Government announced that it would increase Retail Discount from the planned 50% of liability to 100% and extend it to cover the leisure and hospitality sectors. Subsequently, following the announcement on 23 March 2020 of further measures to limit the spread of coronavirus, the Government confirmed that some of the exclusions for this relief had been removed, so that retail, leisure, and hospitality properties that had to close as a result of the restriction measures would be eligible for the relief. Government also removed the £51,000 rateable value threshold for the expanded retail discount.

1.1.2 This relief applies to occupied retail, leisure and hospitality properties in the billing year 2020/21. There is no rateable value limit on the relief.

### **1.2 Nursery Discount**

1.2.1 In response to the coronavirus, the Government also announced a business rates Nursery Discount on 18 March 2020. This relief applies to properties occupied by businesses on Ofsted's Early Years Register that are wholly or mainly used for the provision of the Early Years Foundation Stage in the billing year 2020/21.

1.1.2 There will be no rateable value limit on this relief.

## **2 Scope of policy**

2.1 The Local Government Finance Act 1988 makes provision for local authorities to award certain reliefs. This policy relates to the discretionary powers of the London Borough of Waltham Forest to award business rates relief under, Section 47 of the Local Government Finance Act 1988 as amended by the Localism Act 2011.

2.2 This policy document sets out the Council's approach to supporting local businesses that are eligible under the policy and provides guidance and clarity regarding the operation and delivery of the policy.

2.3 Qualifying businesses will have their business rates liability reduced to nothing (zero) for the 2020/21 billing year only under these schemes. Whilst these schemes are administered under the Council's discretionary powers, the

guidance and qualifying criteria have been developed by the Government and costs are fully funded by Government through Section 31 grant payments under the Local Government Act 2003.

- 2.3 The Council will consider each individual case in accordance with the criteria set out below.

### **3 Eligibility Criteria – Expanded Retail, leisure & Hospitality Discount**

- 3.1 To be eligible to receive this relief hereditaments must be occupied and are wholly or mainly being used as one of the following three categories:

3.1.1 **Category 1**

as shops, restaurants, cafes, drinking establishments, cinemas and live music venues

**These are 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)

**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

**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

**Hereditaments which are being used as cinemas**

**Hereditaments that are being used as live music venues:**

- This covers hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. They can be 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).

Note: - 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).

**3.1.2 Category 2**

for assembly and leisure

**Assembly and leisure are considered to mean:**

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

**Hereditaments that are being used for the assembly of visiting members of the public:**

- Public halls
- Clubhouses, clubs and institutions

### 3.1.3 Category 3

**Hotels, guest & boarding premises and self-catering accommodation are considered to mean 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

- 3.2 Hereditaments which are occupied but not wholly or mainly used for the qualifying purposes listed above will not qualify for the relief.
- 3.3 Hereditaments which have closed temporarily due to the government's advice on COVID19 will be treated as occupied for the purposes of this relief.
- 3.4 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes. Properties not listed that are broadly similar in nature to those listed above and are wholly or mainly used in the ways described above will also be considered to establish whether they are eligible for this relief.

## 4 Hereditaments ineligible for Expanded Retail, leisure & Hospitality Discount

- 4.1 The list below sets out the types of uses that are not considered eligible uses for the purpose of this relief:
- 4.1.1 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
  - Hereditaments that are not reasonably accessible to visiting members of the public
- 4.1 The list above is not intended to be an exhaustive list. Hereditaments that are broadly similar in nature to those above will also be considered as ineligible for the relief under this scheme.

## 5 Applying for Retail, Leisure and Hospitality Discount

- 5.1 We have awarded the discount automatically to those businesses previously receiving Retail Relief. If you think you are entitled to the discount and it has not been awarded, you can apply on the Council website at the link below, then click on the tab 'Apply for a retail discount':

<https://www.walthamforest.gov.uk/content/business-rates-reductions-and-grants>

## 6 Eligibility Criteria - Nursery Discount

- 6.1 Properties that will benefit from the relief will be hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage.
- 6.2 To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purpose. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
- 6.3 Hereditaments which closed temporarily due to the government's advice on COVID-19 will be treated as occupied for the purposes of this relief.
- 6.4 There is no application process for this discount. Those businesses identified as eligible have been awarded it automatically. If you believe you meet the eligibility criteria and have not been awarded the discount, email us at: [businessrates@walthamforest.gov.uk](mailto:businessrates@walthamforest.gov.uk)

## Features common to both schemes

### 7 Maximum level of relief

- 7.1 The maximum level of relief under these schemes is 100% of the bill, after the awarding of mandatory reliefs and other discretionary reliefs.
- 7.2 The eligibility for the discount and the discount itself will be assessed and calculated daily, and relief granted for chargeable days for a hereditament in the financial year 2020/21.
- 7.3 Ratepayers that occupy more than one property which satisfy the criteria will be entitled to relief for each of their eligible properties.

- 7.4 Hereditaments that are subject to splits, mergers or other changes during the 2020/21 billing year will be considered afresh based on their new daily liability.
- 7.5 No discount will be paid under these schemes to properties owned by London borough of Waltham Forest, a precepting authority, or a functional body, within the meaning of the Greater London Authority Act 1999.

## **8 State Aid**

- 8.1 The Government's assessment is that, given the impact of COVID-19 in the sector receiving expanded Retail, Leisure and Hospitality Discount or the Nursery Discount in the billing year 2020/21 is not considered a State aid.

## **9 Circumstances under which an award will be terminated**

- 9.1 In addition to the circumstances outlined above under which no award will be made under these schemes; awards will be terminated early under the following circumstances:
- the organisation ceases from activities which the Council deems to meet the above eligibility criteria. The organisation is required to advise the Council of any such change as soon as possible in writing.
  - The organisation ceases trading

## **10 Review/ Reconsideration process**

- 10.1 Rate Reliefs made under the local authority's discretionary powers have no formal right of appeal. However, applicants dissatisfied with the authority's decision may request a review/ reconsideration under the following circumstances:
- Additional information that is relevant to the application and that was not available at the time the decision was made becomes available; or
  - There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was made.
- 10.2 Any such request should be made in writing with the title Expanded Retail, Leisure and Hospitality Appeal or Nursery Discount Appeal (whichever applies Appeal to the Service Head - Revenues and must be received by the Council



## **Revenues and Benefits Service**

within 4 weeks of the date the decision letter is sent. Late appeals will not be considered. The Service Head - Revenues decision will be final.

- 10.3 All review requests must state the reason for the request and include any supporting evidence.
- 10.4 Where relief is refused either initially or following a review, further representation will not be considered unless:
- The use of the property changes
  - The objectives of the organisation changes
  - There have been other material changes that may affect the Council's decision.