

# Retail, hospitality and leisure business rates relief – guidance notes 2024-25

At the Autumn Statement on 22 November 2023 the Chancellor announced the extension of the business rates relief scheme for retail, hospitality, and leisure properties, worth an estimated £2.4 billion in 2024/25.

This will support the businesses that make our high streets and town centres a success and help them to evolve and adapt to changing consumer demands.

The 2024-25 retail, hospitality and leisure business rates relief scheme will provide eligible, occupied, retail, hospitality, and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.

## **Eligibility for the retail, hospitality and leisure relief scheme**

**1. Hereditaments that meet the eligibility for retail, hospitality and leisure scheme will be occupied hereditaments which meet all the following conditions for the chargeable day: - they are wholly or mainly being used:**

- i. as shops, restaurants, cafes, drinking establishments, cinemas, or live music venues,
- ii. for assembly and leisure; or
- iii. as hotels, guest & boarding premises, or self-catering accommodation

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

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
- laundrettes
- domestic appliance repair
- funeral directors
- photo processing
- tool hire
- car hire

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:

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.

### **3. We consider assembly and leisure 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

### **4. We consider hotels, guest & boarding premises, and self-catering accommodation 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

### **5. 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.

### **6. 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.**

However, it is intended to be a guide for authorities as to the types of uses that the government considers for this purpose to be eligible for relief.

**7. The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount.**

If so, to consider them not eligible for the discount under their local scheme.

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, betting shops)
- medical services (e.g., vets, dentists, doctors, osteopaths, chiropractors)
- professional services (e.g., solicitors, accountants, insurance agents/ financial advisers, employment agencies, estate agents, letting agents)
- post office sorting offices

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

**8. To claim the retail, hospitality and leisure relief you must not have exceeded either the £110,000 cash cap for 2024-25 or the minimal financial assistance limit of £315,000 over 3 years (including 2024-25).**

Further details of the cash cap and subsidy control can be found at:

<https://www.gov.uk/guidance/business-rates-relief-202425-retail-hospitality-and-leisure-scheme>

If the following applies to you, please complete the application accepting the relief and declaring that you comply with the cash cap and exemption threshold;

1. you (or if appropriate a company in your group) have received the 2024-25 retail, hospitality and leisure relief scheme support on any other property but to a level below the £110,000 cash cap. You should list the other retail, hospitality and leisure relief being granted for premises other than the one to which this bill relates,
2. you (or if appropriate a company in your group) have not received more than the Minimal Financial Assistance limit of £315,000 over 3 years (including 2024-25). If appropriate you should list the other subsidies, you have received.