

Appendix 1



Llywodraeth Cymru
Welsh Government

Non-Domestic Rates

Enhanced Hospitality and Leisure Rates Relief Scheme 2020-21

Guidance

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Non-Domestic Rates – Enhanced Hospitality and Leisure Rates Relief Scheme 2020-21

Guidance

About this guidance

1. This guidance is intended to support county and county borough councils (local authorities) in administering the Enhanced Hospitality and Leisure Rates Relief Scheme 2020-21 (the Scheme). This guidance applies to Wales only.
2. This guidance sets out the criteria which the Welsh Government will use to determine the funding for local authorities for grant support provided to large hospitality, leisure and tourism properties. The guidance does not replace any existing non-domestic rates legislation or any other support.
3. Enquiries about the scheme should be sent to:
localtaxationpolicy@gov.wales
4. The grant support is being provided for the 2020-21 financial year.

Introduction

5. This support is aimed at businesses in Wales in the hospitality, leisure and tourism sectors operating from properties with a rateable value over £500,000.
6. The Welsh Government will provide grant funding to the relevant local authorities in Wales to provide the support to eligible ratepayers for 2020-21. The scheme aims to provide support for eligible occupied properties by offering a grant equal to a discount of 100% on the non-domestic rates bill for a property, subject to conditions. The scheme will apply to all eligible ratepayers with a rateable value of more than £500,000.
7. This document provides guidance on the operation and delivery of the scheme.

Enhanced Hospitality and Leisure Rates Relief Scheme 2020-21

How will the support be provided?

8. As this is a temporary measure, we are providing the support by reimbursing local authorities which use their discretionary relief powers under section 47 of the Local Government Finance Act 1988. It will be for individual local authorities to adopt a scheme and decide in each individual case when to provide support under section 47. The Welsh Government will reimburse local authorities for the grant support that is provided in line with this guidance via a grant under section 31 of the Local Government Act 2003 and section 58A of the Government of Wales Act 2006.

How will the support be administered?

9. Local authorities are responsible for contacting eligible ratepayers, assessing applications received, and amending billing data. Any payments made by the ratepayer towards their liability for the 2020-21 financial year should be refunded accordingly.

Which properties will benefit from the support?

10. Properties that will benefit from this support will be occupied hospitality, leisure and tourism properties that have a rateable value of over £500,000 – such as hotels, holiday parks and stadia across Wales.
11. Grant support should be provided to each eligible business as a reduction to its rates bill based on occupation between 1 April 2020 and 31 March 2021.
12. For the avoidance of doubt, hereditaments which closed temporarily due to the government's advice on Covid-19 should be treated as occupied for the purposes of this support.
13. As the support is discretionary, local authorities may choose not to provide the support if they consider it appropriate, for example where providing the support would go against the local authority's wider objectives for the local area.

Eligibility criteria

14. The total amount of government funded support available for each property will be 100% of the non-domestic rates liability for the 2020-21 financial year subject to two criteria being met.
 - Ratepayers can demonstrate that there has been a material negative impact on their business between 1 April 2020 and 31 December 2020.
 - The level of support, equal to 100% of the non-domestic rates liability, should not exceed operating costs over the same period (1 April 2020 to

31 December 2020). If the level of support exceeds operating costs the amount of support will be equal to the value of the operating costs.

15. To ascertain whether the criteria have been met, applicants should provide the following information to local authorities:

- Annual turnover information. This should include income from sales as well as revenue from public sources (eg Grants, Economic Resilience Fund, or special rental arrangements). The application should also include a declaration that turnover has been negatively impacted by 40% or more as a result of coronavirus restrictions.
- Operating costs (minus staff) between 1 April 2020 and 31 December 2021.
- Details of their business' current headcount and also planned headcount at October 2021. This should be based on the number of full-time equivalent (FTE) staff.
- Declarations confirming whether the applicant has received other funding from the Welsh Government, and where appropriate can be checked against any Economic Resilience Fund application in terms of existing job safeguard conditions already in place.
- A declaration stating whether the applicant has an Economic Contract in place with the Welsh Government. For those that do not, the Welsh Government will work with them to put one in place within a 4 week period of relief being awarded.

16. The attached form (Annex 1) should be completed by all eligible ratepayers and local authorities should submit copies of completed forms to the Welsh Government localtaxationpolicy@gov.wales

State Aid

17. Following the end of the transition period for the United Kingdom leaving the European Union on 31 December 2020, EU State Aid regulations only apply in limited circumstances. As the grant support is not funded by EU residual funds, EU State Aid regulations no longer apply for this scheme. As of 1 January 2021, the UK Subsidy Regime came into force, the scheme has been viewed to be outside the scope of any international trade agreements as measures are focused locally within Wales.

Enhanced Hospitality and Leisure Rates Relief Scheme 2020-21

ENHANCED HOSPITALITY AND LEISURE RATES RELIEF - PURPOSE OF THE RELIEF

Non-domestic rates relief is available to all ratepayers who operate in the leisure, hospitality and tourism sectors in properties with a rateable value of over £500,000. Ratepayers need to declare that they meet the eligibility criteria set out in this guidance document and are able to declare a 40% or more reduction in their annual turnover as a result of coronavirus restrictions.

Successful applicants will receive a 100% reduction to their non-domestic rates liability in 2020-21. The level of support, equal to 100% of the non-domestic rates liability, should not exceed operating costs over the same period (1 April 2020 to 31 December 2020). If the level of support exceeds operating costs, the amount of support will be equal to the value of the operating costs.

All applicants will need to provide the following information

Company Name and Address:

Subject Area	Question	Response
Property Valuation	Rateable Value	£
Annual Turnover	Feb 2019 - Feb 2020	£
	Feb 2020 – Feb 2021	£
Operating Costs	Operating Costs (Minus Staff Costs) - 1 April 2020 to 31 December 2020	£
Staff Headcount (Full-Time Equivalent)	February 2021	FTE =
	Predicted October 2021	FTE =
Have you received any support previously?	Economic Resilience Fund?	Yes / No
	Job Retention Scheme?	Yes / No
	NDR based Grant?	Yes / No
	Coronavirus Business Interruption Loan Scheme?	Yes / No
Economic Contract	Do you currently have an Economic Contract with the Welsh Government?	Yes / No