



Annex A

Expanded Retail Discount Criteria

This discount will apply to occupied retail, leisure and hospitality properties in the year 2025/26. There will be no rateable value limit on the discount

Properties that will benefit from the discount 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 and boarding premises and self-catering accommodation.

The Government has issued guidance relating to which types of establishments should be considered in (a) as follows:

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 licence, 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 showrooms
- 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.)
- Shoes repairs/key cutting
- Travel agents
- Ticket officers 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 that 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 County Planning (Use Classes) Order 1987 (as amended).

- Hereditaments can be a live music venues if used for other activities, but only if those 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).

The Government has issued guidance relating to which types of establishments should be considered in (b) as follows:

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, spa, 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



The Government has issued guidance relating to which types of establishments should be considered in (c) as follows:

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

The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of relief:

i. 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
- MOT test centres

ii. Hereditaments that are reasonably accessible to visiting members of the public

- In line with legal restrictions in section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves or a precepting authority.

State Aid

The business rates expanded retail, leisure and hospitality discount 2025/2026 is not a state aid.