



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref ATISN 14390

7 October 2020

Dear

Request for Information – ATISN 14390

Thank you for your request for information dated 6 October. My understanding of what you have asked for is:

- ***A copy of the guidance document / policy provided to local authorities for discretion on awarding small business non-domestic small business rates relief £10k grant.***

I confirm the Welsh Government holds the information caught by your request which is enclosed with this letter.

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at: Information Rights Unit, Welsh Government, Cathays Park, Cardiff, CF10 3NQ or Email: Freedom.of.information@gov.wales. Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process

The request you sent me contains personal information about you - for example, your name and address. The Welsh Government will be the data processor for this information and, in accordance with the General Data Protection Regulation, it will be processed in order to fulfil our public task and meet our legal obligations under the Act to provide you with a response. We will only use this personal information to deal with your request and any matters which arise as a result of it. We will keep your personal information and all other information relating to your request for three years from the



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Parc Cathays / Cathays Park
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

date on which your request is finally closed. Your personal information will then be disposed of securely.

Under data protection legislation, you have the right:

- to be informed of the personal data we hold about you and to access it
- require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection

For further information about the information which the Welsh Government holds and its use, or if you wish to exercise your rights under the GDPR, please contact: Data Protection Officer, Welsh Government, Cathays Park, CARDIFF, CF10 3NQ or e-mail DataProtectionOfficer@gov.wales.

Any information released under the Freedom of Information Act 2000 or Environmental Information Regulations 2004 will be listed in the Welsh Government's Disclosure Log (at <https://gov.wales/about/open-government/freedom-of-information/responses/?lang=en>).

Yours sincerely

**Covid-19 Grants for Businesses in
Wales linked to Non-Domestic Rates
(NDR)**

Scheme Guidance

As part of the fiscal stimulus package to support businesses in Wales through the Covid-19 pandemic, Welsh Ministers have introduced two non-repayable grant instruments that are linked to non-domestic properties. Throughout the following, the term 'properties' should be taken to refer to hereditaments recorded on the non-domestic rating list for Wales.

The aim for both grant schemes is to get financial support to eligible businesses and not-for-profit organisations as soon as possible to help them remain viable.

Local authorities have indicated their willingness to support the response and recovery effort by administering these grants in Wales alongside enhanced year-long rates relief for certain retail, leisure and hospitality businesses who qualify for 2020 21.

This provides guidance about the operation and delivery of the NDR-linked Covid-19 grants. The expanded rates relief scheme is covered by a separate guidance document.

Both Grant Schemes will only apply to properties that were on the NDR rating list on 20 March 2020. If the ratepayer is not on the list at this date, it will be at the discretion of the individual local authority as to whether the business should be eligible for a grant.

The decision to provide the grant ultimately lies at the discretion of the local authority and should be based on the overriding principle of the scheme of providing support to businesses negatively impacted.

Grant 1

A grant of £25,000 is being made available for **retail, leisure and hospitality businesses** occupying properties with a rateable value of between £12,001 and £51,000.

It is estimated that there are up to 8,500 eligible properties in Wales, entailing a fund of around £214m.

The Welsh Government has produced [guidance for expanded Covid-19 rates relief for occupied retail, leisure and hospitality properties](#).

That guidance lists the properties that will benefit from the relief as being wholly or mainly used:

- As shops, restaurants, cafes, drinking establishments, cinemas and live music venues
- For assembly and leisure

- As hotels, guest and boarding premises and self-catering accommodation.

The guidance provides a detailed list of the hereditaments that are eligible under the above categories. It also provides a list of hereditaments that are not eligible. The relief is available to not-for-profit organisations occupying eligible properties, e.g. charity shops, including those already eligible for partial mandatory relief on those properties.

In administering Grant 1, the Welsh Government and the administering local authorities will apply very similar eligibility definitions for qualifying retail, leisure and hospitality hereditaments.

As of 20 April 2020, in relation to self-catering accommodation, properties will not be eligible for grant unless the following criteria are met:

- The self-catering accommodation can produce two years of trading accounts directly preceding the current financial year of the business
- The self-catering accommodation must actually have been let for a period of 140 days or more in the financial year 2019-20
- The self-catering accommodation business must be the primary source of income for the owner (minimum threshold is 50%).

Local authorities have full discretion to request and examine trading business accounts, booking lists and self-assessment tax returns submitted to HMRC for the financial year ending 31 March 2019 if additional evidence is required to demonstrate that this criteria is met. In cases where local authorities have decided to request additional evidence and the evidence shows that the scheme criteria are not met, local authorities are required to withhold payment of grant.

In addition, a small number of exclusions will apply, based on the [Welsh Government's guidance for Permanent Small Business Rates Relief Scheme for Wales \(2019\)](#). These exceptions include:

- Hereditaments occupied by a council, a police and crime commissioner, or the Crown
- Beach huts
- Hereditaments used exclusively for the display of advertisements, parking of motor vehicles, sewage works or electronic communications apparatus (e.g. ATMs).

The multiple property restriction which applies to the Small Business Rates Relief scheme does not apply to Grant 1. All properties fulfilling the eligibility criteria will be able to access the grant funding.

Each local authority will use the criteria and guidance outlined above to identify qualifying businesses in their area based on information they already hold from administering the NDR system. Each local authority will then:

- Notify each qualifying business in their area of their eligibility for a grant (either in writing – electronically, by post or both – or via press notice including distribution via digital and social media communication channels)
- Collect any additional information required from that business to enable processing and payment of the grant (eg. bank account details where these are not already held through pre-existing systems)
- Pay the grant to the eligible recipient business, preferably via direct transfer to their bank account

Recognising the unprecedented need for pace of delivery, the Welsh Government will release funds to each local authority to enable them to award grants. An initial, advance payment will be made and thereafter local authorities will draw down funds in further tranches from the Welsh Government as the grants are deployed. The funding arrangements will be set out in grant offer letters to authorities.

Local authorities will retain appropriate records of grant payments made and will report these to the Welsh Government in a format and on a frequency to be agreed.

Grant 2

A £10,000 grant to all businesses eligible for small business rates relief (SBRR) in Wales with a rateable value of £12,000 or less. It is estimated that there are up to 63,500 eligible properties in Wales, entailing a fund of around £635m.

The multiple property restriction applied to the Small Business Rates Relief scheme applies to this grant. Therefore the same ratepayer may only receive the grant for a maximum of two properties in each local authority.

And

A £10,000 grant to all ratepayers eligible for charitable relief and Community Amateur Sports Clubs (CASC) relief, operating in the retail, leisure and hospitality sectors occupying properties with a rateable value of £12,000 or less. Local authorities have discretion to provide grants to not-for-profit bodies they consider to be operating for charitable purposes but aren't currently receiving charitable relief or CASC relief. This discretion will only apply to not-for-profit organisations who are in receipt of or have entitlement to discretionary rates relief and operate in the retail, leisure or hospitality sectors.

The multiple property restriction applied to the Small Business Rates Relief scheme applies to this grant. Therefore the same ratepayer may only receive

the grant for a maximum of two properties in each local authority. This multiple property restriction also applies to charities and CASC.

As of 20 April 2020, in relation to self-catering accommodation, properties will not be eligible for grant unless the following criteria are met:

- The self-catering accommodation can produce two years of trading accounts directly preceding the current financial year of the business
- The self-catering accommodation must actually have been let for a period of 140 days or more in the financial year 2019-20
- The self-catering accommodation business must be the primary source of income for the owner (minimum threshold is 50%)

Local authorities have full discretion to request and examine trading business accounts, booking lists and self-assessment tax returns submitted to HMRC for the financial year ending 31 March 2019 if additional evidence is required to demonstrate that this criteria is met. In cases where local authorities have decided to request additional evidence and the evidence shows that the scheme criteria are not met, local authorities are required to withhold payment of grant.

Each local authority will use these criteria to identify qualifying businesses as of 20 March 2020 in their area, based on information they already hold from administering the NDR system and SBRR scheme. Each local authority will then:

- Notify each qualifying business in their area of their eligibility for a grant (either in writing – electronically, by post or both – or via press notice including distribution via digital and social media communication channels)
- Collect any additional information required from that business to enable processing and payment of the grant (eg. bank account details where these are not already held on pre-existing systems)
- Pay the grant to the eligible recipient business, preferably via direct transfer to their bank account

All childcare providers that currently receive 100% Small Business Rates Relief should receive the £10,000 grant.

Recognising the need for pace of delivery, the Welsh Government will transfer funds to each local authority to enable them to award grants. An initial, advance payment will be made and thereafter local authorities will draw down funds in further tranches from the Welsh Government as the grants are deployed in line with the schedule set out in grant offer letters.

Local authorities will retain appropriate records of grant payments made and will report these to the Welsh Government in a format and on a frequency to be agreed.