

**CABINET**

**COUNCILLOR GAYNOR AUSTIN  
FINANCE & RESOURCES PORTFOLIO  
HOLDER  
REPORT NO. FIN2612**

**17<sup>th</sup> March 2026**

**KEY DECISION? ~~YES~~/NO**

**BUSINESS RATES – SUPPORTING SMALL BUSINESS RATES RELIEF 2026  
AND PUBS AND LIVE MUSIC VENUES RELIEF 2026/27**

**SUMMARY AND RECOMMENDATIONS:**

This report seeks approval for the adoption of two local discretionary relief policies that will enable the Council to award business rates relief to eligible businesses with effect from 1 April 2026. The proposed policies are:

- Supporting Small Business Rates Relief 2026 Policy
- Pubs and Live Music Venue Relief 2026/27 Policy

The details and eligibility criteria for each policy are outlined within this report.

**Recommendation(s) requiring decision.**

Cabinet is recommended to:

- 1) Establish a local Supporting Small Business Rates Relief policy for reducing business rates liability.
- 2) Establish a local Pubs and Live Music Venues Relief 2026/27 policy.
- 3) Delegate authority to the Finance & Resources Portfolio Holder, in consultation with the Revenues Manager (Council tax and Business Rates), to determine the awards of relief and to resolve any disputes regarding eligibility for Supporting Small Business Rates Relief and Pubs and Live Music Venues Relief.

**1. INTRODUCTION**

- 1.1. The purpose of this report is to determine the level of discretionary rate relief to be applied under the Supporting Small Business Rates Relief (SSBR) scheme for the period 1<sup>st</sup> April 2026 to 31<sup>st</sup> March 2029, aligning with the end of the 2023 rating list.

- 1.2. This report also sets out the proposed level of discretionary rate relief to be applied under the Pubs and Live Music Venue Relief Scheme for the financial year commencing 1<sup>st</sup> April 2026.
- 1.3. These are government led initiatives and the Council is keen to support businesses as far as possible.

## **2. BACKGROUND**

### **Supporting Small Business Rates Relief (SSBR) Scheme 2026**

- 2.1 In the Autumn Statement 2025, the Chancellor announced the introduction of a new scheme of Discretionary Rate Relief. The purpose of this scheme is to support Business Ratepayers who experience significant increases in their business rates liability as a result of the national 2026 Non-Domestic Rating Revaluation.

Local authorities will be responsible for administering this discretionary support in line with national guidance, ensuring that assistance is targeted at those most adversely affected by the revaluation changes.

- 2.2 The Chancellor further confirmed that this new Discretionary Rate Relief scheme will also provide support to businesses that lose eligibility for the 40% Retail, Hospitality and Leisure Relief (RHL), which will end on 31 March 2026. From 1 April 2026, this relief will be replaced by a national Retail Multiplier, and the discretionary scheme is intended to help mitigate the financial impact on ratepayers by transitioning them out of RHL Relief.

### **Pubs and Live Music Venues Relief Scheme (PLMVRS)**

- 2.3 On 27<sup>th</sup> January 2026, the Government announced that, for the financial year 2026-27, eligible pubs and live music venues will receive a 15% Business Rates Relief, in addition to the support confirmed at the 2025 Autumn Statement, through the SSBR package.
- 2.4 The Government's policy intention is that this additional relief should apply specifically to pubs and live music venues that meet the eligibility criteria. The relief is to be awarded only to occupied properties; unoccupied premises will not qualify.

### **Government Guidance**

- 2.5 The Government has issued guidance setting out the eligibility criteria for awarding both SSBR and the PLMVRS. This guidance has been used to inform and shape the Council's local policies for administering these reliefs.

The Government guidance does not replace existing legislation, or any other mandatory or discretionary reliefs available under the business rates system. It is intended to support local authorities in applying the reliefs consistently.

2.6 Full details of the guidance for SSBR and PLMVRS can be found at

[Business Rates Relief: 2026 Supporting Small Business Relief, local authority guidance - GOV.UK](#)

[Business rates: Pubs and live music venues relief - local authority guidance - GOV.UK](#)

### 3 DETAILS OF THE PROPOSAL

#### General

#### Supporting Small Business Rates Relief (SSBR) Scheme 2026

3.1 Full details of the SSBR are provided in Annexe 1 of this report. A summary is outlined in paragraphs 3.2 to 3.4 below.

3.2 SSBR is a relief scheme designed to support eligible businesses who face significant increases in their rates bills as a result of losing some or all of their Small Business Rate Relief following the 2026 revaluation.

3.3 The scheme will also provide support to businesses that will no longer be eligible for the Retail, Hospitality and Leisure Relief, which is due to end on 31 March 2026. The relief will be replaced by the new Retail, Hospitality and Leisure Multiplier, which will result in an increase in business rates for affected businesses.

3.4 To assist these customers, the SSBR scheme will limit annual increases to either a maximum rise of £800.00 or the applicable cap, used in the transitional relief scheme – whichever is greater. The transitional caps are as follows:

Rateable Value	% Cap
Up to £20,000	5%
£20,001 to £100,00	10%
Over £100,000	30%

#### Pubs and Live Music Venues Relief Scheme (PLMVRS)

3.5 Full details of the PLMVRS are provided in Annexe 2 of this report. A summary is outlined in paragraphs 3.6 to 3.11 below.

3.6 The PLMVRS scheme will be available to occupied public houses and live music venues.

3.7 The value of the relief will be 15% for each chargeable day after the application of any mandatory relief and certain other discretionary relief in line with the guidance provided by the MHCLG.

## **Pubs**

3.8 There is no definitive description of a traditional pub or public house in law which could be readily used by billing authorities to determine eligibility. Therefore, Government's policy intention is that eligible public houses should: -

- Be open to the general public
- Allow free entry other than when occasional entertainment is provided
- Allows drinking without requiring food to be consumed; and
- Permit drinks to be purchased at a bar.

3.9 For these purposes, it should exclude: -

- Restaurants
- Cafes
- Nightclubs
- Hotels
- Snack bars
- Guesthouses
- Boarding houses
- Sporting venues
- Music venues
- Festival sites
- Theatres
- Museums
- Exhibition halls
- Cinemas
- Concert halls
- Casinos

## **Live Music Venues**

3.9 For the purposes of this policy, Live Music Venues are defined as properties that are wholly or mainly used for the performance of live music for the purposes of entertaining an audience.

3.10 A property may remain eligible as a Live Music Venue where it is used for other activities, but only where such activities meet both of the following conditions.

(a) The activities are ancillary or incidental to the performance of live music. Examples include, but are not limited to, the sale of food or drink to audience members.

(b) The activities do not affect the primary use of the premises for live music performance. This includes cases where the alternative activity is infrequent, such as use of the venue as a polling station or for a fortnightly community event.

- 3.11 Properties are not considered Live Music Venues for the purpose of this relief if the premises are wholly or mainly used a nightclub or theatre under the Town and Country Planning (Use Classes) Order 1987 (as amended).

## **4 IMPLEMENTATION**

- 4.1 Once the schemes are approved, new software will be applied to the Business Rates system to accurately calculate the business rates bills for all those businesses eligible for SSBR Relief and PLMVRS Relief.
- 4.2 The businesses set to qualify for SSBR Relief and PLMVRS Relief have been identified and will automatically have the relief applied to their Business Rates Bills.
- 4.3 Both schemes will also be available on the Council's website.

## **5 IMPLICATIONS**

### **Legal Implications**

- 5.1 Local Authorities are expected to deliver the SSBR and PLMVRS schemes through use of their discretionary relief powers under Section 47 of the Local Government Finance Act 1988.
- 5.2 The issue of some discretionary rate reliefs and discounts are considered as qualifying as "subsidy" and is of some significance.
- 5.3 Broadly, any awards of discretionary rate relief or discounts are subject to Subsidy Control. The Subsidy Control Act allows a business to receive £315,000 in a three-year period (consisting of the current financial year and the two previous financial years).
- 5.4 Where it is clear to the Council that awarding relief would cause a business to breach the Subsidy Control limits, the Business Rates Team will withhold the relief. In such cases, the Council will notify the business and advise that it must submit a formal application, including a declaration confirming that receipt of the relief will not result in a breach of Subsidy Control requirements.

### **Financial Implications**

- 5.5 If all identified eligible businesses are awarded SBRR, the total value of relief granted is estimated to be approximately £1.4 million for the 2026/27 financial year, with the total amount reducing in subsequent years, where businesses reach the required level of business rates to pay.

This level of support is expected to benefit 432 businesses within the borough.

- 5.6 If all identified eligible businesses are awarded PLMVRS, the total value of relief granted is estimated to be approximately £56k for the 2026/27 benefitting 28 businesses.

- 5.7 Central Government will reimburse billing authorities awarding Supporting Small Businesses Relief and Pub Relief within the rates retention scheme for the actual cost of awarding relief.
- 5.8 Therefore, there will be no financial impact on the Council but would have significant benefit to certain ratepayers within the Borough.

### **Equalities Impact Implications**

- 5.9 There are no negative equalities impacts associated with the implementation of these relief policies. The Council is mandated by Government to award both the Supporting Small Business Rates Relief (SSBR Relief) and the Pubs and Live Music Venue Relief Scheme (PLMVRS Relief).

However, as these reliefs are being administered through the Council's discretionary powers under section 47 of the Local Government Finance Act 1988 (as amended), the Council is required to adopt a formal policy framework to ensure the proper, lawful, and consistent delivery of both schemes.

## **6 CONCLUSIONS**

- 6.1 In conclusion, Cabinet is asked to approve the new Supporting Small Business Relief Policy and Pubs and Live Music Venue Relief Policy as laid out in Appendix 1 and Appendix 2 of this report.
- 6.2 The reliefs will be delivered using existing Discretionary Relief Powers under Section 47 Local Government Finance Act 1988 and the Council will be reimbursed for all relief awarded under these schemes.
- 6.3 The proposals to assist businesses in the borough will directly benefit a substantial number of businesses and public houses in what is at present a challenging sector.
- 6.4 The Finance and Resources Portfolio Holder is supportive of the Supporting Small Business and Pubs and Live Music Venues Policy.

### **LIST OF APPENDICES/ANNEXES:**

Appendix 1 – Supporting Small Business Rates Relief 2026 Policy  
Appendix 2 – Pubs and Live Music Venues Relief 2026/27 Policy

### **BACKGROUND DOCUMENTS:**

S.47 Local Government Finance Act 1988  
Supporting Small Business Rates Relief 2026 – Local Authority Guidance  
Pubs and Live Music Venues Relief – Local Authority Guidance

### **CONTACT DETAILS:**

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