

Welsh Government

NDR Emergency Fund January 2022

Guidance for local authorities on administering Covid-19 Non-Domestic Rates (NDR) linked grants to qualifying Retail, Leisure, Tourism and Hospitality hereditaments

About this guidance

1. This guidance is intended to support county and county borough councils (“local authorities”) administer business support grant schemes linked to the NDR system in Wales.
2. The purpose of the grant schemes is to support businesses with their immediate cash flow and to help them survive the economic consequences of additional restrictions introduced on the 26th December 2021 necessary to control the spread of Covid-19.
3. The funding is intended to cover the business impact from the 13th December 2021 to the 14th February 2022.
4. To be eligible for support from this grant scheme, a business must have been actively trading up to the 13th December 2021 and would be expected to trade to the 14th February 2022.
5. The schemes being introduced in January 2022 (and the subject of this guidance) are targeted in nature to provide direct support principally to hospitality, retail, tourism and leisure businesses. The grants will also support supply chain businesses for these four sectors that can demonstrate a material impact of greater than 40% drop in turnover to their enterprises as a result of the additional restrictions in the period between the 13th December 2021 to 14th February 2022 compared to the same period in 2019 / 2020 or if a new business after that date in September / November 2021.
6. A further, specific ERF grant scheme will also be introduced and administered directly by the Welsh Government in January 2022.
7. This grant scheme will open for registrations on the 13th January 2022 and close at 5.00pm on the 14th February 2022.

The NDR linked grant schemes

8. The NDR linked grant schemes being introduced by the Welsh Ministers for the 13th December 2021 – 14th February 2022 period are as follows.

i) Grant A:

A **£2,000** cash grant payment for hospitality, retail, tourism and leisure businesses with Small Business Rate Relief (SBRR) qualifying hereditaments with a rateable value up to £12,000. Local authorities are expected to process this £2,000 grant payment for qualifying hospitality, retail, tourism and leisure businesses following completion of a short registration form.

Grant A will also apply to ratepayers eligible for charitable relief and Community Amateur Sports Clubs (CASC) relief, operating in the hospitality, retail, tourism and leisure sectors occupying properties with a rateable value of up to £12,000. 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 leisure, retail, tourism or hospitality sectors.

For all businesses, their hereditament must have been on the NDR rating list as of the 1st September 2021 and the ratepayer needs to have been in occupation of the property as of the 30th November 2021.

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.

ii) Grant B:

A **£4,000** cash grant payment for hospitality, retail, tourism and leisure businesses with qualifying hereditaments with a rateable value between £12,001 and £51,000. Local authorities are expected to process this £4,000 grant payment for qualifying hospitality, retail, tourism and leisure businesses following completion of a short registration form.

Grant B will also apply to ratepayers eligible for charitable relief and Community Amateur Sports Clubs (CASC) relief, operating in the hospitality, retail, tourism and leisure sectors occupying properties with a rateable value between £12,001 and £51,000. 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 leisure, retail, tourism or hospitality sectors.

For all businesses, their hereditament must have been on the NDR rating list as of the 1st September 2021 and the ratepayer needs to have been in occupation of the property as of the 30th November 2021.

iii) Grant C:

A **£6,000** cash grant payment for hospitality, retail, tourism and leisure businesses occupying hereditaments with a rateable value between £51,001 and £500,000. The applicant's hereditament must have been on the NDR rating list as of the 1st September 2021 and the ratepayer needs to have been in occupation of the property as of the 30th November 2021.

Grant C will also apply to ratepayers eligible for charitable relief and Community Amateur Sports Clubs (CASC) relief and not for profit organisations operating in the hospitality, retail, tourism and leisure sectors occupying properties with a rateable value between £51,001 and £500,000. 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 leisure, retail, tourism or hospitality sectors.

Administering the schemes

9. In order to help affected businesses survive the effect of additional restrictions, it is important that funding reaches them quickly and efficiently but with appropriate accounting officer safeguards in place.
10. Wherever possible, it will be the intention to keep registration forms as light touch as possible and to re-use as far as possible, tried and tested approaches.
11. Local authorities will be provided with financial support to help meet the costs of administering these grants. Further details on this will be provided separately.
12. This fund is separate to and distinct from earlier rounds of NDR linked grant support. All previous NDR linked grant schemes are now closed to new applicants and there are no exceptions to this. Registering for the NDR Emergency Fund does not enable businesses to apply retrospectively for previous or any other grant schemes.

Definitions – Leisure, Retail, Tourism and Hospitality

13. The following types of leisure, retail, tourism and hospitality businesses are eligible for support, subject to their hereditaments being wholly or mainly used for a qualifying purpose and which meet the criteria laid out in paragraphs 6 i-iii of this guidance note.
14. Hereditaments that are being used for the sale of food and / or drink to visiting members of the public
 - Restaurants
 - Sandwich shops
 - Cafés
 - Coffee shops
 - Pubs
 - Bars or Wine Bars
15. Hereditaments that have a principal use as pubs, restaurants, cafes etc.
16. 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) and for the assembly of visiting members of the public.
 - Sports grounds and clubs
 - Sport and leisure facilities
 - Gyms
 - Tourist attractions,
 - Museums and art galleries,
 - Stately homes and historic houses,
 - Theatres,
 - Live Music Venues,
 - Cinemas,
 - Nightclubs,

- Bingo Halls

17. Hereditaments that are being used for retail, leisure and hospitality purposes, and eligible for Retail, Leisure and Hospitality Rate Relief.

<https://businesswales.gov.wales/non-domestic-rates-retail-leisure-and-hospitality-rates-relief-wales-2021-22>

18. Hereditaments that are being used for the assembly of visiting members of the public.

- Public halls,
- Clubhouses, clubs and institutions

19. Hereditaments that are being used as hotels, guest and boarding premises together with a limited number of self-catering accommodation which fulfil specific criteria (see paragraph 20 below). We consider this 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,
- Caravan parks and sites
- Tourist Hostels - These may also be referred to as Group Accommodation, Activity Accommodation or Bunkhouse Accommodation

20. In relation to self-catering accommodation, these properties will **not** be eligible for the grant unless one of the following criteria are met:

- The self-catering property is for 30 people or more, or
- The self-catering accommodation is classed as an outdoor education centre or a tourist hostel.

21. For self-catering properties, 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 2020 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.

22. Tourist Hostels are defined as properties such as :

- The service which it provides has an emphasis, on the sharing of facilities by people who do not necessarily reside in the same household.
- Some bedrooms may be private, but typically at least some will be dormitory style shared rooms. Toilets and showers may be en-suite or shared.
- Normally, individual dormitory beds or private rooms can be booked separately.
- Their purpose is to provide accommodation for visitors/travellers and does not include accommodation provided to homeless people or victims of domestic violence

23. The above list is not intended to be exhaustive as it would be impossible to list all the many and varied leisure, retail, tourism and hospitality uses that exist. There will also be mixed uses. However, it is intended to be a guide for local authorities as to the types of uses that the Welsh Government considers for this purpose to be eligible for

grant funding. Local authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the grant. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the grant.

24. Premises that are excluded from eligibility from the current retail, leisure and hospitality rates relief scheme, will also be excluded from eligibility for this grant. For example: Gaming establishments (as generally found in a city centre environment but potentially also located anywhere) that usually have access limited to people aged 18 and over and are a) not entitled to SBRR and b) where gambling rather than amusement is the predominant activity will not be eligible for grant support

Registration Details and Declarations

25. It is expected that all businesses will need to complete a registration process to confirm the details of the business, and to agree to a number of declarations. This registration should include the following information as a minimum (however individual LA's may wish to add additional information in line with their process requirements).

- Business Name
- Business Address
- Type of Business (hospitality, retail, leisure, tourism, supply chain)
- No. of employees
- Bank Account Details

26. In addition, the registration forms should contain the following declarations.

- I declare that my business has been impacted by the restrictions brought into place on the 26th December 2021, with supply chain businesses impacted by a reduction in turnover of greater than 40%
- I declare that my business was trading up to the 13th December 2021 and would be expected to trade to the 14th February 2022
- I understand that I can be awarded a Non-Domestic Rates Grant(s) OR a Discretionary Grant for this business but I cannot be awarded both types of grant for this business.
- I Declare that the grant received will be used to support the business
- I declare that all the information provided above is true and accurate
- I declare that I will not make any staff redundant for the period of this funding (to the 14th February)
- I declare that my business is complying with all Welsh Government regulations and guidance to protect our staff and the public and recognise failure to do so can lead to claw back of grants provided.
- I declare that the total amount of funding received in grant aid does not exceed my annual turnover
- I understand that if a grant payment is made and evidence subsequently emerges to show that I am not eligible for that grant payment, the Local Authority, acting on behalf of Welsh Government, may require repayment of the grant in full or part from me. Also, should it be determined that the payment was made as a result of an act of fraud by me or on my behalf, legal action may be taken against me
- I acknowledge that my Local Authority will undertake any appropriate business checks considered necessary to assess the application

- I confirm that I have read and understood the privacy notice which can be accessed at this link: [Privacy Notice - Welsh Government Economic Resilience Fund Grants - Administered by Local Authorities | Business Wales](#)
- The final decision is at the discretion of the Local Authority, and there is no formal appeals process, however Local Authorities will review any reasonable representations.

Subsidy Control

27. It is expected that the Small Amounts of Financial Assistance (SAFA) will be utilised as the legal route for this funding, the limit for funding in the previous 3 years is £335,000.

28. Local Authorities will check that the total aid awarded does not exceed the £335,000 limit.