



Ministry of Housing,
Communities &
Local Government

Correspondence

3/2026: Pubs and Live Music Venue Relief local authority guidance

Published 20 February 2026

Applies to England

Contents

Pubs and Live Music Venues relief scheme guidance

Retail, Hospitality and Leisure Multipliers Regulations FAQ

Annex A



© Crown copyright 2026

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at <https://www.gov.uk/government/publications/32026-pubs-and-live-music-venue-relief-local-authority-guidance/32026-pubs-and-live-music-venue-relief-local-authority-guidance>

To: Chief Finance Officers of English Billing Authorities - For the attention of the Business Rates section

From: Non-Domestic Rates Team, LGF - Local Taxation, Ministry of Housing, Communities and Local Government
(ndr@communities.gov.uk)

Date: 19 February 2026

For the attention of the business rates section

Dear Chief Finance Officer

This is the third business rates information letter to be issued by the Ministry of Housing, Communities and Local Government in 2026. Previous letters are available on the internet at:

<https://www.gov.uk/government/collections/business-rates-information-letters> (<https://www.gov.uk/government/collections/business-rates-information-letters>)

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/businessratesinformationletters/>
(<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/businessratesinformationletters/>).

This letter covers:

- publication of the local authority guidance for the Pubs and Live Music Venue business rates relief
- Retail, Hospitality and Leisure Multipliers Regulations FAQ

Pubs and Live Music Venues relief scheme guidance

1. Further to [BRIL 1-2026](https://www.gov.uk/government/publications/12026-pubs-and-live-music-venues-relief-2026-to-2027/12026-pubs-and-live-music-venues-relief-2026-to-2027) (<https://www.gov.uk/government/publications/12026-pubs-and-live-music-venues-relief-2026-to-2027/12026-pubs-and-live-music-venues-relief-2026-to-2027>), the government has finalised and published

[guidance for local authorities on the Pubs and Live Music Venues relief scheme \(https://www.gov.uk/guidance/business-rates-pubs-and-live-music-venues-relief-local-authority-guidance\)](https://www.gov.uk/guidance/business-rates-pubs-and-live-music-venues-relief-local-authority-guidance).

Retail, Hospitality and Leisure Multipliers Regulations FAQ

2. Further to the guidance shared in [BRIL 4-2025](https://www.gov.uk/government/publications/42025-retail-hospitality-and-leisure-rhl-multipliers/42025-retail-hospitality-and-leisure-rhl-multipliers), (<https://www.gov.uk/government/publications/42025-retail-hospitality-and-leisure-rhl-multipliers/42025-retail-hospitality-and-leisure-rhl-multipliers>) the department has produced a FAQ document for local authorities on the Retail, Hospitality and Leisure multipliers. This document is below at Annex A.

Annex A

Retail, Hospitality, and Leisure (RHL) Regulations – frequently asked questions

1. General

How are the new regulations different to the RHL relief?

- Eligibility for the new RHL multipliers is defined in legislation ([The Non-Domestic Rating \(Definition of Qualifying Retail, Hospitality or Leisure Hereditament\) Regulations 2025](https://www.legislation.gov.uk/ukxi/2025/1093/contents/made)) (<https://www.legislation.gov.uk/ukxi/2025/1093/contents/made>).
- local authorities (LAs) are responsible for determining whether a hereditament meets the legislative definition of RHL, as contained in the regulations and therefore qualifies for the RHL multipliers.

What guidance has central government issued to help local authorities interpret eligibility?

- The government has laid legislation and published accompanying guidance to assist LAs in interpreting that legislation.

- [The Non-Domestic Rating \(Definition of Qualifying Retail, Hospitality or Leisure Hereditament\) Regulations 2025](https://www.legislation.gov.uk/ukxi/2025/1093/contents/made) (<https://www.legislation.gov.uk/ukxi/2025/1093/contents/made>)
- [Business Rates Multipliers: Qualifying Retail, Hospitality or Leisure - GOV.UK](https://www.gov.uk/guidance/business-rates-multipliers-qualifying-retail-hospitality-or-leisure) (<https://www.gov.uk/guidance/business-rates-multipliers-qualifying-retail-hospitality-or-leisure>)
- As administrators of the business rates system, it is right that LAs are responsible for determining whether a hereditament meets the legislative definition of RHL and therefore qualifies for the RHL multipliers.

What level of discretion does an LA have in deciding eligibility for relief?

- Legislating for eligibility criteria for the RHL multipliers means that local authorities will have less discretion than under previous relief schemes. The intention is to ensure that eligibility is clear and consistent, reducing the scope for varied interpretation.

Will existing RHL eligible hereditaments need to re-establish eligibility, or will BAs use existing records?

- The new multipliers and eligibility criteria are set out in legislation. It is up to Billing Authorities to determine whether they should review records in line with the new legal definitions.

Will government monitor implementation?

- The government is undertaking light touch monitoring and will continue to engage with local government.

2. Scope and Eligibility for RHL Multipliers

Does the word ‘some’ in Reg 3(2) mean that even minimal on-site package pick-up by members of the public qualifies a business for the lower multipliers?

- Yes, providing the hereditament isn't wholly or mainly used for the storage and distribution of goods for online sale (as per Schedule 1).

Are racing stables eligible for RHL relief if the public cannot visit?

- No. A hereditament must be wholly or mainly used for providing RHL activity to visiting members of the public to qualify.

Would kennels/catteries be eligible for the RHL multipliers as a service to visiting members of the public?

- Yes, this is set out in the guidance.

How is ‘visiting members of the public’ defined for eligibility (e.g., commercial fleet garages)?

- As set out in the guidance, the RHL multipliers are intended to only benefit hereditaments that are used to provide in-person RHL.
- The definition can therefore only be met if a hereditament is wholly or mainly used for providing RHL activity to ‘visiting members of the public’.
- ‘Visiting members of the public’ is not defined and must therefore take its ordinary meaning. A hereditament can only be considered to be providing RHL to visiting members of the public if it is accessible to the public for the RHL purpose.
- A person would not be considered a ‘visiting member of the public’ when they are attending the place where they are employed, their educational establishment, or to access services from hereditaments that are closed to the public – such as childcare providers.
- Where a hereditament is accessible to the public for RHL purposes, it does not matter whether the visiting member of the public is attending for work, domestic, or leisure reasons. For example, a garage may provide MOT and repair services to businesses or to consumers, but in either case it is providing services to visiting members of the public.
- Regulation 3(3) makes clear that the reference to ‘visiting members of the public’ does not exclude hereditaments where people need to have a membership (for example, membership to a gym or private members club), tickets/passes (such as for the theatre or a theme park), or an appointment to visit the hereditament (for example, at a hairdressers or shops that are by appointment only).

What about online RHL – how should they be treated?

- Some hereditaments may also provide RHL online and the reference to ‘visiting members of the public’ does not exclude those hereditaments.
- For example, the main purpose of a shop is to sell goods to visiting members of the public, even if a significant amount of the shop’s business is also done online.
- Similarly, a high street travel agency may service both in-person and online customers, but it will be within scope if the main purpose of the hereditament is to provide in-person services.
- A hereditament will not be in scope where it is used to run an online retail business that is not generally set up to be open or accessible to the public. Regulation 3(2) makes clear that LAs should assess the main use of the hereditament, rather than by measuring the proportion of in-person or online sales.

Are businesses operating on B2B arrangements (e.g., food wholesalers) eligible for the RHL multipliers?

- The test for “visiting members of the public” is set out above
- In terms of wholesalers specifically – as set out in the guidance, the ‘retail sale or hire of goods’ refers to the sale or hire of goods directly to the end-user.
- It excludes wholesale sales and hires.

Will supermarkets with RVs \geq £500,000 be exempt from the high-value multiplier?

- No, there are no exemptions from the high-value multiplier. All properties with RVs of £500,000 and above are in scope.

How are empty properties with a retail/hospitality/leisure purpose treated for relief?

- The RHL multipliers will only apply to occupied properties.
- Hereditaments that are unoccupied will revert to the national multipliers after Empty Property Relief (if eligible) ends, even if they are intended to next be used for RHL purposes.

Will there be changes for classes like racecourses and racing stables that have benefited from RHL relief previously?

- LAs will need to administer the lower RHL multipliers in line with the legislation.
- Only hereditaments that meet the legislative definition of RHL will qualify for the lower multipliers.
- Decisions that have previously been made by LAs over eligibility for RHL relief are not affected by this legislation, but some hereditaments in receipt of relief may be out of scope of the lower multipliers.

Do the RHL multipliers cover the preparatory period before a retail hereditament begins trading?

- No, as they will not meet the legislative definition before they are trading.

3. Application and Hierarchy of Multipliers and Reliefs

Will BAs roll over current RHL status or require new applications?

- LAs will need to administer the lower RHL multipliers in line with the legislation.

- Only hereditaments that meet the legislative definition of RHL will qualify for the lower multipliers.
- Decisions that have previously been made by LAs over eligibility for RHL relief are not affected by this legislation, but some hereditaments in receipt of relief may be out of scope of the lower multipliers.

How should billing authorities approach occupations exempt from the high-value multiplier?

- There are no exemptions from the high-value multiplier. All properties with RVs of £500,000 and above are in scope.

Do LAs need to review all SBRR cases to identify those that should use the RHL multipliers?

- It is up to LA to determine which hereditaments are in scope of the RHL multipliers.
- LAs will need to consider whether properties in receipt of SBRR also meet the legislative definition of qualifying RHL and therefore are eligible for the lower RHL multipliers.

Are the thresholds for SBRR changing?

- The thresholds for SBRR are not changing, but the grace period for businesses opening a second premises has been extended to 36 months for those ratepayers expanding into a second premises on or after 27 November 2025.

Is there guidance on what information needs to be shown on bills (e.g., display of all five multipliers)?

- This is contained in the BRIL: [4/2025: Retail, Hospitality and Leisure \(RHL\) Multipliers - GOV.UK](https://www.gov.uk/government/publications/42025-retail-hospitality-and-leisure-rhl-multipliers)
(<https://www.gov.uk/government/publications/42025-retail-hospitality-and-leisure-rhl-multipliers/42025-retail-hospitality-and-leisure-rhl-multipliers>)

How should LA treat the RHL multipliers for subsidy control purposes?

- The RHL multipliers are likely to amount to subsidies. The Government is therefore taking appropriate steps to comply with the Subsidy Control Act 2022 and international subsidy control rules.
- There is no cap on the value of business rates support that can be made through the RHL multipliers. For the avoidance of doubt, subsidies awarded under the scheme do not constitute, nor contribute to, Minimal Financial Assistance.

- LAs will have an obligation to report individual subsidies worth over £100,000 per property per year. To calculate the value of the subsidy, LAs should look at the difference in business rates liability for a single property as a result of the RHL multipliers applying by comparing its bill to what it would have been if the national multipliers had applied instead, holding all other factors in the bill constant. LAs should not cumulate this with any subsidy awarded in the form of the pubs and live music venues relief. LAs also should not cumulate it with subsidies (including the RHL multipliers) given to other properties occupied by a chain business.
- For every individual subsidy provided of more than £100,000, LAs need to include details of the subsidy on the subsidy control database and link that award to the “Retail, Hospitality and Leisure Business Rates Multipliers and Pubs and Live Music Venues Relief” subsidy scheme. To do so, LAs will need to create an account to use the [Manage UK Subsidies Portal \(https://searchforuksubsidies.beis.gov.uk/\)](https://searchforuksubsidies.beis.gov.uk/). To gain access, users must email: subsidydatabase@businessandtrade.gov.uk.

Are the RHL multipliers capped?

- No

Do the RHL multipliers cumulate with other reliefs for subsidy control purposes?

- No

Are the RHL multipliers assessed at the hereditament rather than business level?

- Yes. Eligibility is based on whether an individual property meets the legislative definition of “qualifying RHL”.
- The £100,000 threshold for uploading a subsidy to the subsidy control database applied per hereditament, rather than per business.

Should LAs award to chains as long as the rateable value of their property isn’t above the high-value multiplier threshold?

- Yes

Will the VOA ever recommend which multiplier should be applied for RHL rating purposes?

- No. the VOA’s job is to independently assess the value of properties. As administrators of the business rates system, it is the responsibility of LAs to determine whether a hereditament meets the legislative definition of RHL and therefore qualifies for the RHL multipliers.

4. Transitional Relief (TR) Scheme

When will details of the TR scheme be released?

- Transitional relief regulations have been included in the BRIL: [5/2025: Confirmation of Budget package and the Non-Domestic Rating Multipliers for 2026/2027](https://www.gov.uk/government/publications/52025-confirmation-of-budget-package-and-the-non-domestic-rating-multipliers-for-2026/2027) (<https://www.gov.uk/government/publications/52025-confirmation-of-budget-package-and-the-non-domestic-rating-multipliers-for-2026/2027>)

Will RHL qualifying businesses be eligible for Transitional Relief if new rating valuations increase RVs/BR?

- Yes. The support package includes transitional relief for those seeing bill increases due to revaluation, including RHL properties.

5. Software Providers and Billing Process

Has the government engaged software providers and LAs, and will it provide funding for local government to make the changes?

- The government has engaged with local authorities and software suppliers to support local implementation ahead of billing.
- As set out in the BRIL: [5/2025: Confirmation of Budget package and the Non-Domestic Rating Multipliers for 2026/2027](https://www.gov.uk/government/publications/52025-confirmation-of-budget-package-and-the-non-domestic-rating-multipliers-for-2026/2027) (<https://www.gov.uk/government/publications/52025-confirmation-of-budget-package-and-the-non-domestic-rating-multipliers-for-2026/2027>) At the Budget the government committed to meeting the reasonable New Burden costs for the admin and software changes.



OG
L

All content is available under the [Open Government Licence v3.0](#), except where otherwise stated



© Crown copyright