

# Pubs & Live Music Venues Relief 2026-27



## Introduction

On 27 January 2026, the government announced that eligible pubs and live music venues in England will receive a 15% reduction on their business rates bills for the 2026/27 financial year.

The government also announced that eligible pubs and live music venues' business rates bills would be frozen in real terms in 2027/28 and 2028/29 and that separate guidance will be provided for the delivery of that measure, ahead of the relevant financial years.

Therefore, this document sets out the operation and delivery of the policy in Epsom & Ewell to provide a 15% relief in the 2026/27 financial year. Epsom & Ewell Borough Council's relief scheme mirrors the guidance issued by central government.

An amended or separate policy will apply in 2027/28 and 2028/29 once government guidance ahead of those financial years has been published.

The council may review and amend the relief scheme and the amount of relief to reflect any changing circumstances or guidance from central government.

## How the relief will be provided?

The government will, in line with the eligibility criteria for Pub and Live Music Venues relief, reimburse Epsom & Ewell Borough Council if we use our discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief.

The government will fully reimburse Epsom & Ewell and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief, using a grant under section 31 of the Local Government Act 2003.

## Eligibility criteria – which properties will benefit from the relief

Hereditaments (rated business properties) that meet the eligibility criteria for pubs and live music venues relief will be occupied hereditaments which meet all of the following conditions for the chargeable day:

- a. They are wholly or mainly being used:
  - as a pub
  - as a live music venue

## Pubs

We consider a pub to mean a hereditament where all of the following criteria apply. A hereditament that:

- a. is open to the general public
- b. allows free entry other than when occasional entertainment is provided
- c. allows drinking without requiring food to be consumed
- d. permits drinks to be purchased at a bar

For these purposes, the meaning of a pub does not include:

- a. restaurants, cafes, nightclubs, snack bars
- b. hotels, guesthouses, boarding houses

- c. sporting venues
- d. festival sites, theatres, cinemas
- e. museums, exhibition halls
- f. casinos

The proposed exclusions above are not intended to be exhaustive and the council will determine those cases where eligibility is unclear.

Where eligibility is unclear, we will consider broader factors in our assessment – i.e. in meeting the stated intent of this policy in that it demonstrates the characteristics that would lead it to be classified as a pub by the natural meaning of the word. For example: being owned and operated by a brewery; establishments that are open to wide sections of local communities and practically operate as a pub for that local community.

### **Live music venues**

We consider a live music venue to mean a hereditament that:

- a. Is wholly or mainly used for the performance of live music for the purpose of entertaining an audience
- b. Can be used for other activities but only if those other activities:
  - are ancillary or incidental to the performance of live music (e.g. the sale of food or drink to audience members)
  - do not affect the primary use of the premises for the performance of live music (e.g. because the activities are infrequent such as use of the venue as a polling station or fortnightly community event)

Properties are not a live music venue for the purpose of this relief if the property is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

There may be circumstances where it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this to be clear in most circumstances, we will refer to guidance found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.

### **How much relief will be available**

The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula will be used to determine the amount of relief to be granted for a chargeable day in the 2026/27 financial year:

- a. Amount of relief to be granted =  $V \times 0.15$  (i.e. 15% relief) where:
  - V is the daily charge for the hereditament for the chargeable day after
  - the application of any mandatory relief and certain other discretionary
  - reliefs in line with the sequence of reliefs below.

This will be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day. The relief is not subject to any cap or the Minimal Financial Assistance limit in Subsidy Control.

### **Subsidy control**

The pubs and live music venues relief awards are likely to amount to subsidies. The government and Epsom & Ewell will therefore take appropriate steps to comply with the Subsidy Control Act 2022 and international subsidy control rules. (See: [gov.uk/government/collections/subsidy-control-regime](https://www.gov.uk/government/collections/subsidy-control-regime))

The government considers that any business rates relief awards made in accordance with its guidance are consistent with the subsidy control principles. As the relief forms part of a wider subsidy scheme, local authorities that satisfy themselves that an award complies with the government guidance are not required to conduct their own assessment of the award against subsidy control principles. It also means that an individual relief awarded under this subsidy scheme that complies with the government guidance is insulated from legal challenge under the Subsidy Control Act. There is no cap on the value of a business rates relief award that can be made under the scheme. For the avoidance of doubt, subsidies awarded under the scheme do not constitute nor contribute to Minimal Financial Assistance.

Local authorities have an obligation to report individual reliefs worth over £100,000. This is not cumulated per beneficiary but applies per subsidy award (i.e. the relief applied to each hereditament). It is also not cumulated with the subsidy awarded in the form of the lower Retail, Hospitality and Leisure multipliers. This means that for every individual subsidy provided of more than £100,000, Epsom & Ewell will include details of the subsidy on the subsidy control database and link that award to the subsidy scheme under which it is given.

### Sequence of reliefs

The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, but before any reliefs where Epsom & Ewell may use its wider discretionary relief powers introduced by the Localism Act 2011, which are not funded by section 31 grants. However, as required in the national non-domestic rates guidance notes, the former categories of discretionary relief available prior to the Localism Act 2011 (i.e. charitable/CASC and not for profit) will be applied first in the sequence of discretionary reliefs and, therefore, before pubs and live music venues relief.

If Epsom & Ewell uses its discretionary powers to apply any locally funded relief at a cost to Epsom & Ewell under section 47, this will be applied after the pubs and live music venues relief. The ordering will be applied in the following sequence:

- a. Improvement Relief
- b. Transitional Relief
- c. Other mandatory Reliefs (as determined in legislation)
- d. Section 47 Discretionary Relief in the following order:
  - 2026 Supporting Small Business (SSB)
  - former categories of discretionary relief available prior to the Localism Act 2011 (i.e. charitable, CASC, not for profit) should be applied first in
  - the sequence of discretionary reliefs, after SSB
  - other discretionary reliefs (centrally funded) including Freeport relief
  - 2026/27 pubs and live music venues relief scheme
  - other locally funded scheme

### Recalculations of relief

As with other reliefs, the amount of Pub and Live Music Venue Relief will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or to the hereditament. This change of circumstances could arise during the year in question or during a later year.

All awards are subject to whether they meet the requirements to be reimbursed by central government.

Where relief has been found to have been awarded incorrectly or in error the relief will be removed and amended bills issued. If a change in circumstances that would affect the relief is not informed to the council within 28 days, Epsom & Ewell reserves the right to cancel all relief granted and refuse any further application.

## **Application Process**

Where the property appears to be occupied as an eligible pub and/or live music venue Epsom & Ewell may apply the discount automatically and instruct the ratepayer to inform us should they not be entitled (for example, now closed or incorrect usage). Where we have not determined eligibility an application can be submitted by the ratepayer, or an agent authorised to act on their behalf.

## **Appeals Process**

There is no statutory right of appeal against a decision regarding discretionary rate relief unless the decision is so unreasonable that no reasonable person could have reached it ('Wednesbury Rules').

However, Epsom & Ewell recognises that ratepayers should be entitled to have a discretionary decision reviewed if dissatisfied with the outcome. Only the ratepayer or authorised agent may appeal against the decision not to award relief or the level of relief awarded. Appeals must be made within four weeks of the notification of decision.

Appeals must be in writing specifying reasons why a decision should be amended and supported by relevant new or additional evidence.

An appeal will be deemed to be discontinued if further evidence requested from the ratepayer has not been received within four weeks of the request.

Appeals against decisions made under delegated authority will be considered by the Section 151 Officer.