



Ministry of Housing,  
Communities &  
Local Government

Non-Domestic Rates  
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**Chief Finance Officers of English Billing Authorities**

**FOR THE ATTENTION OF THE BUSINESS RATES SECTION**

Dear Chief Finance Officer

**Business Rates Information Letter (6/2020): Updated Guidance: Coronavirus Response**

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

<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/busratesinformationletters/>.

**This letter covers:**

- **Updated Guidance for the Expanded Retail Discount 2020/21: Coronavirus Response**
- **Updated Guidance for the Nursery Discount 2020/21: Coronavirus Response**
- **Compensation for the Expanded Retail Discount and Nursery Discount**

## **Updated Guidance for the Expanded Retail Discount 2020/21: Coronavirus Response**

The guidance for the expanded retail discount has been updated to provide further advice on the matter of state aid. As set out in the guidance, the Government's assessment is that, given the impact of Covid-19 in the sectors receiving the relief, that the Expanded Retail Discount 2020/21 is not a State aid. The Government has considered this matter in discussions with the European Commission and is content with this analysis following those discussions. Local Authorities should provide the relief to all eligible properties.

The guidance can be accessed here:

<https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>

Given the importance of this additional support for local businesses, we would encourage authorities to do all you can to ensure that revised bills are issued as quickly as possible to all qualifying ratepayers and confirm that they will not need to pay any rates for this year.

Local authorities will be fully compensated for the loss of income associated with granting the expanded relief and the Government will meet the associated new burdens funding to cover the administrative costs of implementation.

## **Nursery Discount 2020/21: Coronavirus Response**

As with the retail discount the guidance for the nursery discount has been updated to reflect the current position on state aid. The Government's assessment is that, given the impact of Covid-19 in the sector receiving the relief, that the nursery discount 2020/21 is also not a State aid. The Government has considered this matter in discussions with the European Commission and is content with this analysis following those discussions. Local Authorities should provide the relief to all eligible properties.

Updated guidance to local authorities on the implementation of the nursery relief has now been published at: <https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2020-to-2021-coronavirus-response-local-authority-guidance>

Local authorities will be fully compensated for the cost of this measure and Government will meet the associated new burdens costs.

## **Compensation for the Expanded Retail Discount and Nursery Discount**

A supplementary data collection exercise to provide the necessary data to allow the Department to calculate the amounts of s31 grant compensation due has been circulated to billing authority contacts and they should complete and submit this form by the 9 April deadline.

Any queries regarding this data collection should be sent to [ndr.statistics@communities.gov.uk](mailto:ndr.statistics@communities.gov.uk)