

Business Rates and Valuation
Division
Local Government Finance
Directorate
Zone 5/D2
Eland House
Bressenden Place
London SW1E 5DU

Email: ndr@communities.gov.uk

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (05/2011): Business Rates Retention consultation

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

<http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/>

This letter covers:

- **Publication of the consultation document *Local Government Resource Review: Proposals for Business Rates Retention* and eight supporting technical papers**

Publication of consultation documents

1. The Government has set out its proposals to allow local authorities to retain business rates in a consultation document, published on 18 July, *Local Government Resource Review: Proposals for Business Rates Retention*.
2. These proposals represent a fundamental shift in the way that local authorities are funded, freeing councils from dependence upon central Government grant and giving them a strong financial incentive to drive local economic growth.

3. On 19 August 2011, the Government published eight technical papers which provide more details of the Government's proposals. In addition, and to help consultees to make informed responses to the consultation exercise, the Government has published an interactive calculator. This enables users to explore the principal features of the proposed business rates retention scheme by entering their own inputs and varying components. Guidance on how to use the calculator is available in Technical Paper 5.
4. You can find the consultation, the supporting technical papers, and an interactive calculator on the Departmental website:

www.communities.gov.uk/localgovernment/localgovernmentfinance/lgresourcereview/

5. Responses are sought by 24 October 2011.