



Department for
Communities and
Local Government

Non-Domestic Rates and
Settlement Branch
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24 October 2014

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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 (10/2014)

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

<https://www.gov.uk/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:

- **business rates retention and shale oil and gas: consultation on draft regulations**
- **business rates on cash machines**
- **information on local authority websites**

Business Rates Retention and Shale Oil and gas: Consultation on Draft Regulations

1. The Government announced on 24 October the start of a technical consultation on draft regulations to implement 100% local retention of business rates on shale oil and gas sites.
2. The Government believes shale oil and gas may hold potential for adding to the UK's energy sources, helping to improve energy security, create jobs and meet carbon targets. And to ensure shale development is safe there are robust rules in place to ensure on-site safety, prevent water contamination and mitigate seismic activity and minimise air emissions.
3. The Government also believe that local councils and communities should share in the economic opportunities and benefits of shale oil and gas. The draft regulations will ensure that local councils that host shale oil or gas sites can benefit from millions of pounds in business rates paid by site operators. The measure could be worth up to £1.7 million for a typical site and will be funded by central Government.
4. The draft regulations define the sites on which 100% retention of business rates will apply and set out the arrangements for sharing that revenue between the different tiers of local government. Consultation will allow us to ensure we have correctly defined shale oil and gas sites and that the regulations, once made, will give local government the certainty they need over future business rates income.
5. The consultation closes on 5 December. Once the Government has considered responses to the consultation the regulations will be laid before Parliament with a view to them coming into force by 1 April 2015. The regulations can be found at the following link:

www.gov.uk/government/consultations/business-rates-retention-and-shale-oil-and-gas-technical-consultation

Business Rates on Cash Machines

6. Ministers would like to urge authorities to consider using their business rates local discounts powers to aid access to free to use cash machines. Recent reports have highlighted the difficulties of obtaining cash in certain localities. We would therefore like authorities to consider using their powers to provide relief to cash machines where there is a clear community benefit, such as where cash machine providers commit to introduce extra cash machines or reduce charges on existing machines. We would also like to remind authorities that, under business rates retention scheme, central government funds 50% of the cost of any local discount granted.

Information on Local Authority Websites

7. We have been contacted by a number of ratepayers who say that some local authority websites have out-of-date or inaccurate information. As you will appreciate, it is vital that ratepayers are able to easily access accurate information on business rates, particularly on business rates reliefs. Authorities may therefore wish to review the information on their websites and

discuss best practice with other authorities. Current information on business rates can be found at the following link:

<https://www.gov.uk/introduction-to-business-rates>