

Local Authority Leaders via email only

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BUSINESS RATES RELIEFS

The Chancellor announced three business rate reliefs at the Budget to help businesses most affected by the revaluation that took effect from April 2017. These were:

- Supporting small business ensuring that no business losing small business rates relief or rural rate relief as a result of the revaluation faces excessive increases in bills
- Local discretionary fund a £300 million pot to be distributed to the hardest hit businesses under locally designed criteria
- Relief for pubs a £1,000 rebate for all pubs with a rateable value of under £100,000

My Department issued a Business Rates Information Letter on 9 March that set out further details about the operation of each of these schemes, including initial guidance on the supporting small businesses scheme. Since then, we have, following consultation, confirmed the funding available to each billing authority for the local discretionary scheme. We have also published final guidance on the small business and pubs relief schemes. My Department has also written today to billing authorities to confirm that the Government intends to provide £12,000 new burdens funding to each billing authority, with an additional payment due once rebilling costs can be established in the light of actual numbers of businesses receiving each relief.

We made clear in the March BRIL that we expected each billing authority to begin identifying eligible businesses under the small business scheme and notifying them that they would be receiving additional relief. You should also have consulted with local businesses and designed your local discretionary relief schemes and I would like to thank those authorities that have made significant progress in this regard.

Now that all guidance and funding arrangements are in place, I expect you to make rapid progress in implementing the schemes, which should be beginning to deliver relief to businesses in all areas by the end of June. We have sent each authority a request for information on progress and we will be following this up with authorities that do not seem to have given this work sufficient priority.

I would also strongly request that all authorities exercise discretion and judgement when considering enforcement action for non-payment in relation to businesses that may be expecting relief to be applied following the Budget announcement.

I look forward to hearing about progress in delivering these reliefs, which will provide much needed help to many local businesses.

MARCUS JONES MP

CC: Local Authority Chief Executives