



Ministry of Housing,
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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 (9/2020): 2023 Revaluation, 2021/22
Provisional Multipliers and Additional Information**

This is the ninth 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:

- **Non-Domestic Rates - Duty to provide ratepayer information**
- **2023 Business Rates Revaluation – VOA update**
- **Provisional Multipliers for 2021-22**
- **Backdating of Small Business Rate Relief**
- **New Burdens**
- **Expanded retail discount queries**

Non-Domestic Rates - Duty to provide ratepayer information

The Non-Domestic Rating (Compilation and Alteration of Lists) (England) Regulations, SI 1403/2020 were laid before Parliament on 3 December and will come into force on 1 January 2021.

The Regulations require billing authorities to provide the Valuation Office Agency (VOA) information about the properties that ratepayers occupy on a quarterly basis. The provision of this information will help the VOA compile and maintain accurate rating lists. Authorities will be required to provide the first return of information by 15 January 2021, and thereafter on a quarterly basis. This will ensure that the VOA has up-to-date information ahead of 1 April 2021, which is the intended valuation date for the 2023 revaluation.

The regulations can be found at:

<https://www.legislation.gov.uk/ukxi/2020/1403/contents/made>

The Department is grateful to those from local government, and representative bodies, who have supported the development of the policy and the Regulations.

The Department recognises that the provision of this information will place additional responsibilities on billing authorities. We will assess the reasonable additional costs in line with the New Burdens doctrine.

The VOA will work with authorities to discuss and agree the format of data. If authorities require further advice, please send queries to occupierlists@voa.gov.uk.

2023 Business Rates Revaluation – VOA update

The Valuation Office Agency is contacting businesses to request rental information to support the next revaluation of business rates in England – Revaluation 2023. Once ratepayers receive a letter they need to [go online and submit their up-to-date details](#).

The VOA has created resources to help local authorities promote the 2023 Revaluation to ratepayers, which includes a digital leaflet. If you would like more information please contact the Valuation Office Agency at: communicationsteam@voa.gov.uk.

Provisional Multipliers for 2021-22

Under Schedule 7 to the Local Government Finance Act 1988 (as amended) there are two multipliers. The small business non-domestic rating multiplier which is used for those properties with a rateable value below £51,000; and the non-domestic rating multiplier, paid by properties with a rateable value above this. The small business non-domestic multiplier is determined in accordance with Schedule 7 to the 1988 Act. These rules require that the small business multiplier in 2021/22 is based on the 2020/21 multiplier adjusted in accordance with the Retail Prices Index for

September 2019 unless HM Treasury exercises its power to provide for a lower increase by order.

At Autumn Budget 2017 the Government confirmed that the adjustment of business rates would in future be based on the main measure of inflation (currently the Consumer Prices Index) rather than the Retail Prices Index from April 2018.

As set out in the Spending Review published on 25 November 2020, the Government has decided to freeze the business rates multiplier in 2021-22. Local authorities will be fully compensated for this decision.

The provisional small business non-domestic rating multiplier for 2021-22 is therefore 49.9p (0.499) and the provisional non-domestic rating multiplier is 51.2p (0.512). In accordance with Schedule 7 to the 1988 Act, the multipliers will be confirmed after the Local Government Finance Report for 2021-22 has been approved by the House of Commons.

Backdating of Small Business Rate Relief (SBRR)

It has come to our attention that some billing authorities have taken the view that applications for Small Business Rate Relief must be received by 30 September in the year following the year in which the relief is to apply.

The Business Rates Information Letter published on 20 September 2017 (link below) explained how the relevant regulations apply to requests for SBRR in relation to chargeable days after 31 March 2012. Billing authorities should continue to have regard to this advice in determining whether SBRR is applicable.

In summary, SBRR no longer requires an application and therefore shouldn't be refused on the grounds that an application has not been received. Nevertheless, as with other reliefs, local authorities must satisfy themselves that the ratepayer meets the eligibility criteria.

BRIL 20 September 2017:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650357/BRIL_5 - 2017 - Applications for SBRR.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650357/BRIL_5_-_2017_-_Applications_for_SBRR.pdf)

New Burdens – expanded retail discount, nursery discount, and council tax hardship fund.

BRIL 8/2020, published on 2 October, confirmed that the Department would fund the New Burdens costs resulting from the additional burdens placed on authorities as a result of the business rates measures announced at Budget, and the implementation of the council tax hardship fund.

We are grateful to the sector representatives who have worked closely with the Department to assess the reasonable costs of these New Burdens. The assessments are now complete. The Department will shortly write to authorities,

formally confirming the amount due to each authority in respect of these costs and, payments will be made thereafter.

If necessary, we would be grateful if business rates teams could forward this BRIL to their colleagues responsible for implementing the council tax hardship fund.

Expanded retail discount queries

We are aware that businesses may approach authorities seeking to return the award of the expanded retail discount. Where, as will be the case, authorities have decided to introduce for a year a discretionary rate relief scheme under section 47 of the LGFA 1988 which applies to a category of hereditaments, authorities cannot subsequently make a new decision to exclude what would otherwise be eligible hereditaments from that relief for that year¹. Therefore, authorities should not accept returned rate relief on, for example, supermarkets.

We would ask that authorities which are approached by businesses in these circumstances should in the first place be referred to MHCLG's general NNDR e-mail inbox at: ndr@communities.gov.uk. We are continuing to work with Treasury to agree the mechanism for how funds are returned and welcome the decision by businesses to repay support where it is no longer needed.

The Government is also considering options for further Covid-19 related support. In order to ensure that any decisions best meet the evolving challenges presented by Covid-19, the Government will outline plans for 2021-22 reliefs in the New Year.

¹ Regulation 2(3) of the Non-Domestic Rating (Discretionary Relief) Regulations SI 1989 No. 1059 as amended. This restriction does not apply if, for example, a ratepayer was no longer meet the conditions of eligibility or the authority concluded they had wrongly awarded relief.