



Ministry of Housing,
Communities &
Local Government

Non-Domestic Rates
Team
LGF – Local Taxation
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25 March 2021

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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 (3/2021): Targeted Support Package

This is the third 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:

- **Covid 19 Relief Scheme**
- **Material Change of Circumstance (MCC)**

Covid 19 Relief Scheme

On 25 March, the Government announced plans to provide an additional business rates support package, worth £1.5 billion to support business in England affected by Covid 10 but of which outside of the retail, hospitality, and leisure sectors.

Details of the announcement are available at:

<https://www.gov.uk/government/news/business-rates-relief-boosted-with-new-15-billion-pot>. MHCLG will provide further details in due course, including issuing guidance.

Material Change of Circumstance (MCC)

As set out in the, announcement, the Government is making clear that market-wide economic changes to property values, such as from COVID-19, can only be properly considered at general rates revaluations, and will therefore be legislating to rule out COVID-19 related MCC appeals.

We have laid a Statutory Instrument which comes into force today to make these changes prospectively. We will also be introducing primary legislation with retrospective effect, when parliamentary time allows, to ensure that the government's response to the coronavirus is not considered relevant for MCC purposes from the start of the pandemic.