



Department for Levelling Up,  
Housing & Communities

Non-Domestic Rates Team  
LGF – Local Taxation  
SE Quarter - 2<sup>nd</sup> Floor  
Fry Building  
2 Marsham Street  
London SW1P 4DF

Email:  
[ndr@communities.gov.uk](mailto:ndr@communities.gov.uk)

**20 December 2021**

**Chief Finance Officers of English Billing Authorities**

**FOR THE ATTENTION OF THE BUSINESS RATES SECTION**

Dear Chief Finance Officer

**Business Rates Information Letter (9/2021): Business Rates Guidance**

This is the ninth business rates information letter to be issued by the Department for Levelling Up, Housing and Communities 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:**

- **2022/23 Retail, Hospitality and Leisure Relief Scheme**
- **Extension of Transitional Relief and Supporting Small Business Relief for Small and Medium properties Scheme**
- **Department for Education Update and Request for Information - Business Rates Billing for Maintained Schools and Academies**

## **Business Rates Guidance: 2022/23 Retail, Hospitality and Leisure Relief Scheme**

At the Budget on 27 October the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties worth almost £1.7 billion in 2022-23. This will support the businesses that make our high streets and town centres a success and help them to evolve and adapt to changing consumer demands.

The 2022/23 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 50% relief, up to a cash cap limit of £110,000 per business. The guidance is intended to support billing authorities in the operation and delivery of the policy.

The Government anticipates that local authorities will include details of the relief to be provided to eligible ratepayers for 2022/23 in their bills for the beginning of the 2022/23 billing cycle.

The guidance sets out the eligibility criteria for the scheme and can be found at: <https://www.gov.uk/government/publications/business-rates-guidance-202223-retail-hospitality-and-leisure-relief-scheme>

## **Business Rates Guidance: Extension of Transitional Relief and Supporting Small Business Relief for Small and Medium properties Scheme**

At the Budget the government also announced that it would extend the current transitional relief scheme and the supporting small business scheme for one year to the end of the current revaluation cycle. The scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).

The guidance is intended to support billing authorities about the operation and delivery of the policy. The Government anticipates that billing authorities will include details of the relief to be provided to eligible ratepayers for 2022/23 in their bills for the beginning of the 2022/23 billing cycle.

The guidance sets out the eligibility criteria which central government and can be found at: <https://www.gov.uk/government/publications/business-rates-guidance-extension-of-transitional-relief-and-supporting-small-business-relief-for-small-and-medium-properties>

## **Department for Education Update and Request for Information - Business Rates Billing for Maintained Schools and Academies**

From April 2022, the Education and Skills Funding Agency (ESFA) (an executive agency of the Department for Education) will pay business rates directly to billing authorities on behalf of pre-16 schools and academies.

A summary of the key changes are:

- ESFA will act as a paying agent for business rates for all local authority maintained schools and academies
- Billing authorities will upload bill data to an online portal for all schools under their authority during April to May 2022
- ESFA will validate and make payments to billing authorities in a single instalment in June 2022
- Billing authorities will also be able to upload any adjustments to rates bills during June 2022 to Feb 2023
- ESFA will validate these claims and make a single instalment payment to billing authorities in March 2023
- The government has committed to meeting resulting new burdens and will undertake an assessment to assess those costs

The ESFA would like to thank those billing authorities who have already engaged with the ESFA in the consultation and user research. To keep billing authorities updated on the changes, research, and system development the EFSA would be grateful if authorities could provide their business rates team contact details to the EFSA's mailbox, including their: name, email address and telephone number to: [business.rates@education.gov.uk](mailto:business.rates@education.gov.uk) by 7 January 2021.

The EFSA would also like to thank billing authorities for taking part in research and development for the new business rates process. If authorities are interested in being involved, please set this out in the return email with billing authorities contact details. Authorities can read more about these changes in our: [changes to the payment process of schools' business rates document](#)