

BUSINESS RATES EXPLANATORY NOTES FOR THE FINANCIAL YEAR 2023/2024

These explanatory notes have been published by the [Department for Levelling Up, Housing and Communities](#), the Government department with responsibility for Business Rates.

NON-DOMESTIC RATES

Non-Domestic Rates, or business rates, collected by local authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1st April 2013, authorities keep a proportion of the business rates paid locally. The money, together with revenue from council taxpayers, locally generated income and grants from central government, is used to pay for the services provided by local authorities in your area. Further information about the business rates system, may be obtained at gov.uk/introduction-to-business-rates

BUSINESS RATES INSTALMENTS

Payment of business rate bills is automatically set on a 10-monthly cycle. However, the Government has put in place regulations that allow ratepayers to make payments by 12 monthly instalments. If you wish to take up this offer, please e-mail New Forest District Council at ndr@nfdc.gov.uk

NATIONAL NON-DOMESTIC RATING MULTIPLIER

The local authority works out the business rates bill for a property by multiplying the rateable value of the property by the appropriate non-domestic multiplier. There are two multipliers: the standard non-domestic multiplier and the small business non-domestic multiplier. The Government sets the multipliers for each financial year.

Ratepayers who occupy a property with a rateable value which does not exceed £50,999 (and who are not entitled to certain other mandatory relief(s) nor liable for unoccupied property rates) will have their bills calculated using the lower small business non-domestic rating multiplier, rather than the standard non-domestic rating multiplier. Both multipliers for a financial year are based on the previous years' multiplier adjusted to reflect the Consumer Price Index (CPI) inflation figure for the September prior to the billing year unless a lower multiplier is set by the Government. The current multipliers are shown on the front of your bill.

RATEABLE VALUE

Apart from properties that are exempt from Business Rates, each non-domestic property has a rateable value which is set by the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. They compile and maintain a full list of all rateable values, available at gov.uk/voa.

The rateable value of your property is shown on the front of your bill. This broadly represents the yearly rent the property could have been let for on the open market on a particular date, specified in legislation. For the current rating list that came into effect on 1 April 2023, this date was set as 1 April 2021.

The VOA may alter the value if circumstances change. The ratepayer (and certain others who have an interest in the property) can also check and challenge the valuation shown in the list if they believe it is wrong. Further information about the grounds on which challenges may be made and the process for doing so can be found on the VOA website- gov.uk/guidance/how-to-check-your-rateable-value-is-correct.

If you would like to contact the Valuation Office Agency, their details are-

Tel: 03000 501501

Online contact form: gov.uk/contact-voa

REVALUATIONS

All non-domestic property rateable values are reassessed at revaluation. The most recent revaluation took effect from 1st April 2023. Revaluations ensure that business rates bills are up to date, more accurately reflect current rental values and relative changes in rents. Frequent revaluations ensure the system continues to be responsive to changing economic conditions.

BUSINESS RATE RELIEFS

Depending on individual circumstances, a ratepayer may be eligible for a rate relief (i.e. a reduction in their business rates bill). There are a range of available reliefs. Further details are provided below and at www.gov.uk/introduction-to-business-rates or at newforest.gov.uk/businessrates.

TRANSITIONAL RATE RELIEF

Transitional relief schemes are introduced at each revaluation to help those facing increases. Transitional relief is applied automatically to bills. Further information about transitional arrangements may be obtained from New Forest District Council at nndr@nfdc.gov.uk or at gov.uk/introduction-to-business-rates

TEMPORARY RELIEFS

Some of the permanent reliefs are set out below but other temporary reliefs may be introduced by the Government at a fiscal event. Further detail on current temporary reliefs is available at www.gov.uk/apply-for-business-rate-relief or at newforest.gov.uk/businessrates.

SMALL BUSINESS RATE RELIEF

If a ratepayer's sole or main property has a rateable value which does not exceed £12,000, the ratepayer will receive a 100% reduction in their rates bill, while other eligible properties

above the £12,000 lower threshold and below the £15,000 upper threshold, may receive partial relief. Generally, small business rate relief is available to ratepayers who occupy either:

- one property with a rateable value which does not exceed £14,999, or
- one main property and other additional properties providing those additional properties each have rateable value which does not exceed £2,899 and the aggregate rateable value of all properties must not exceed £19,999 outside London on each day for which relief is being sought.

For those businesses that take on an additional property which would normally have meant the loss of small business rate relief, they are allowed to keep that relief for a period of 12 months.

Certain changes in circumstances will need to be notified to the local authority by the ratepayer who is in receipt of relief (other changes will be picked up by the local authority). The changes which should be notified are:

- (a) the property falls vacant,
- (b) the ratepayer taking up occupation of an additional property, or
- (c) an increase in the rateable value of a property occupied by the ratepayer in an area other than the area of the local authority which granted the relief.

If you meet the eligibility criteria and do not already receive small business rate relief, please complete the online claim form at newforest.gov.uk/businessrates

CHARITY AND REGISTERED COMMUNITY AMATEUR SPORTS CLUB RELIEF

Charities and registered Community Amateur Sports Clubs are entitled to 80% relief where the property is occupied by the charity or the club and is wholly or mainly used for the charitable purposes of the charity (or of that and other charities), or for the purposes of the club (or of that and other clubs).

LOCAL DISCOUNTS

Local authorities have a general power to grant discretionary local discounts and to give hardship relief in specific circumstances. Further information can be obtained at newforest.gov.uk/businessrates

UNOCCUPIED PROPERTY RATE RELIEF

Business Rates are generally payable in respect of unoccupied non-domestic property. However, they are generally not payable for the first three months that a property is empty. This is extended to six months in the case of certain industrial properties. After this period rates are payable in full. Certain other properties such as vacant listed buildings are not liable for business rates until they are reoccupied. Full details on exemptions can be obtained from gov.uk/apply-for-business-rate-relief or from newforest.gov.uk/businessrates.

SUBSIDY CONTROL

The new UK subsidy control regime commenced from 4th January 2023. The new regime enables public authorities, including devolved administrations and local authorities, to deliver subsidies that are tailored for local needs. Public authorities giving subsidies must comply with the UK's international subsidy control commitments.

The subsidy control legislation provides the framework for a new, UK-wide subsidy control regime. Further information about subsidy control can be found on the gov.uk website at: gov.uk/government/collections/subsidy-control-regime.

RATING ADVISERS

Ratepayers do not have to be represented in discussions about their rateable value of their property or their rates bill. However, ratepayers who do wish to be represented should be aware that members of the Royal Institution of Chartered Surveyors (RICS rics.org/uk) and the Institute of Revenues Rating and Valuation (IRRV irrv.org.uk) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct.

Before you employ a rating adviser or company, you should check that they have the necessary knowledge and expertise, as well as appropriate indemnity insurance. Take great care and, if necessary, seek further advice before entering any contract.

INFORMATION SUPPLIED WITH DEMAND NOTICES

Information relating to the gross expenditure of New Forest District Council for the 2023-24 financial year is available at newforest.gov.uk/counciltax