

# Business Rates

7<sup>th</sup> March 2021



# Business Rates Calculation



- Rateable Value (RV) X Multiplier

$$£100,000 \times 51.2p = £51,200 - \text{Rates Payable}$$

- Rateable Values are set by the Valuation Office Agency – Part of HMRC
- The Multiplier is set by central government each year usually increasing by CPI
- Rateable Value of all properties - £1,004,626,520
- Number of Business Premises - 18,292
- Collection rates are usually very high – over 99% for the last 5 years



# Business Rates Retention



- Introduced in 2013
- Incentivised Councils to grow their rate base as they could keep a share of the growth
- The central/local shares have changed each year
- There is still no local control over what can be raised
- We are now in the London Pool



# Challenges of Business Rates



- No control over the amounts raised
- Appeals – RV has reduced by £24.2m so far this year
- Very difficult to estimate income for the MTFS
- The concept of business rates is out of date



# Impact of coronavirus

- Net collectable debit has dropped from £472m to £357m
- Reliefs have increased by £103m
- Collection rates are down by 2.3%
- Business rate grants - so far awarded £80m
- Local Restrictions Support Grants – November 2020
- Lockdown Grants – January 2021



# Business Rates



Questions.....

