



Department for  
Communities and  
Local Government

Non-Domestic Rates Team  
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**22 December 2017**

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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 (9/2017): Administration**

This is the ninth business rates information letter to be issued by the Department for 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/>.

- **Spring Budget 2017 £300m Discretionary Rate Relief Scheme**
- **Spring Budget 2017 Rate Relief Schemes - NNDR process**

## **Spring Budget 2017 £300m Discretionary Rate Relief Scheme**

1. As previously confirmed, there is no provision for end year flexibility. Unallocated funds cannot be rolled over into the next financial year, and will be returned to DCLG as part of the usual NNDR process. Further guidance is provided below.
2. Relief can be provided to eligible businesses in respect of a financial year up to 6 months (to the 30 September) following the close of that financial year, as set out in S.47 to the Local Government Finance Act 1988. However, Ministers expect that relief should be provided in year. Authorities should therefore plan on the basis of providing all relief by the close of the current financial year, to ensure local businesses can benefit from the support available in year.
3. After 30 September, no further claims for support will be met or supported by DCLG in respect to the previous financial year.
4. Authorities running an application based process should ensure they plan accordingly. If indications highlight the risk of a low take up rate, authorities should consider now what additional steps they will take to manage this. This could include providing automatic awards to eligible businesses rather than inviting full applications where viable, subject to confirmation that State Aid requirements are met.

## **Spring Budget 2017 Rate Relief Schemes - NNDR process**

5. Authorities will be aware that the usual process for compensating authorities for the relief they provide, which is paid on the basis of the authorities' NNDR1 (forecast) return. This amount is then reconciled at the point the authority submits their NNDR3 (actual) return.
6. Compensation due to authorities in regard to the 2017 Spring Budget relief schemes will be paid at different times in regard to relief provided in 2017-18.
  - Compensation for the Discretionary Scheme was paid 'on account' as per each authority's allocation earlier this year. Any value of relief given (up to an authority's annual allocation) will be reconciled at NNDR3 2017-18 stage when the actual value of relief given is known.
  - Compensation for the SSB and Pub Schemes will be paid in year on the basis of data returned to DCLG via the recent data collection exercise. Authorities were required to return two forms (certified by s151 officers) to [DCLG-SBSchemes@communities.gsi.gov.uk](mailto:DCLG-SBSchemes@communities.gsi.gov.uk). These in year payments will be reconciled at NNDR3 2017-18 stage. In line with the usual process, if authorities did not submit data, no payment will be made until NNDR3 stage.
7. For 2018/19, we expect to continue paying authorities their allocations in quarterly payments 'on account' for the Discretionary scheme, as per 2017/18.
8. Supporting Small Business and Support for Pubs will be included in future NNDR1 and NNDR3 returns. Compensation payments will therefore be paid in line with all

other discretionary reliefs compensated via s31 grant – the timings will remain in line with the NNDR returns timeline.

9. We encourage authorities to continue to update us with information on relief awarded and ratepayers benefitting to [DCLG-SBSchemes@communities.gsi.gov.uk](mailto:DCLG-SBSchemes@communities.gsi.gov.uk).