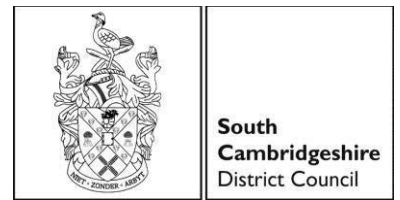


# Explanatory Notes

## Key information about your Business Rates bill



### About Business Rates

Non-Domestic Rates, or Business Rates, collected by local authorities is the way that those who occupy non-domestic property make a contribution towards the cost of local services. Authorities keep a proportion of the business rates paid locally. This money, together with revenue from council tax payers, revenue support grants provided by the Government and certain other sums, is used to pay for the services provided by local authorities in your area. Further information about the business rates system, including transitional and other reliefs may be obtained at: [www.gov.uk/introduction-to-business-rates](http://www.gov.uk/introduction-to-business-rates) and at [www.scambs.gov.uk/business/business-rates](http://www.scambs.gov.uk/business/business-rates)

To find out more about how the money you pay is spent locally, please visit the following websites:

Cambridgeshire County Council  
<https://www.cambridgeshire.gov.uk/council/finance-and-budget/council-tax>  
Cambridgeshire Fire Authority  
<https://www.cambsfire.gov.uk/about-us/finance/financial-documents/>  
South Cambridgeshire District Council  
<https://www.scambs.gov.uk/council-tax/financial-information>

If you do not have access to the internet and would like a copy of this information, please contact us using the details on your bill.

### Rateable Value

Apart from properties that are exempt from Business Rates, each non-domestic assessment has a rateable value which is set by the Valuation Office Agency (VOA), an Agency of HM Revenues & Customs. A full list of all rateable values is available at [www.gov.uk/voa](http://www.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. For the current rating list, this date was set as 1 April 2021.

The Valuation Office Agency 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 value 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:

[www.gov.uk/guidance/how-to-check-your-rateable-value-is-correct](http://www.gov.uk/guidance/how-to-check-your-rateable-value-is-correct)

Your billing authority can only backdate any amendment from the date from which any change to the list is to have effect.

### National Non-Domestic Rating Multiplier

The local authority works out the business rates bill by multiplying the rateable value of the property by the multiplier. There are two multipliers: the standard non-domestic rating multiplier and the small business non-domestic rating multiplier. The former is higher to pay for small business rate relief. The Government sets the multipliers for each financial year, except in the City of London where special arrangements apply. Both multipliers for a financial year are based on the previous year's 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.

Hereditaments with a rateable value which does not exceed £50,999, will have their bills calculated using the lower small business non-domestic rating multiplier, rather than the national non-domestic rating multiplier.

### 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 businesses to require their local authority to enable payments to be made through 12 monthly instalments. If you wish to take up this offer, you should contact us as soon as possible via [www.scambs.gov.uk/business/business-rates](http://www.scambs.gov.uk/business/business-rates)

### Revaluations

All non-domestic property rateable values are reassessed at revaluation. The most recent revaluation took effect from 1<sup>st</sup> April 2023. Revaluations ensure that business rates bills are up to date and more accurately reflect current rental values and relative changes in rents. Frequent revaluations will now take place every 3 years to ensure the system continues to be responsive to changing economic conditions.

### Transitional Rate Relief

At any revaluation, some ratepayers will see reductions or no change in their bills, whereas some ratepayers will see increases.

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 [www.gov.uk/introduction-to-business-rates](http://www.gov.uk/introduction-to-business-rates)

### Business Rates Reliefs

Depending on individual circumstances, a ratepayer may be eligible for a rate relief (i.e. a reduction in your business rates bill). There are a range of available reliefs. Some of the permanent reliefs are set out below, but temporary reliefs are often introduced by the Government at Budgets. You should contact us for details on the latest availability of business rates reliefs and advice on whether you may qualify. Further details on reliefs are provided at [www.gov.uk/introduction-to-business-rates](http://www.gov.uk/introduction-to-business-rates) or at [www.scambs.gov.uk/business/business-rates](http://www.scambs.gov.uk/business/business-rates)

### Unoccupied Property Rates

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 unless the unoccupied property rate has been reduced by the Government by order. In most cases the unoccupied property rate is zero for properties owned by charities and community amateur sports clubs. In addition, there are a number of exemptions from the unoccupied property rate, and full details can be obtained from your local authority at [www.scambs.gov.uk/business/business-rates/business-rates-reliefs-and-exemptions](http://www.scambs.gov.uk/business/business-rates/business-rates-reliefs-and-exemptions), or from gov.uk at [www.gov.uk/apply-for-business-rate-relief](http://www.gov.uk/apply-for-business-rate-relief).

### Partly Occupied Property Relief

A ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Where a property is partly occupied for a short period of time, the local authority has discretion in certain cases to award relief in respect of the unoccupied part. Full details can be obtained from your local authority at [www.scambs.gov.uk/business/business-rates](http://www.scambs.gov.uk/business/business-rates)

### Small Business Rate Relief

Ratepayers who occupy a property with a rateable value which does not exceed £50,999 will have their bills calculated using the lower small business non-domestic rating multiplier, rather than the national non-domestic rating multiplier. In addition, generally, if the sole or main property is shown on the rating list with a rateable value which does not exceed £15,000, the ratepayer will receive a percentage reduction in their rates bill for this property of up to a maximum of 100%. For a property with a rateable value of not more than £12,000, the ratepayer will receive a 100% reduction in their rates bill.

Generally, this percentage reduction (relief) is only available to ratepayers who occupy either

- (a) one property, or
- (b) one main property and other additional properties, providing those additional properties each have a rateable value which does not exceed £2,899.

The total (or aggregated) rateable value of the property mentioned in (b), must not exceed £19,999 outside London or £27,999 in London on each day for which relief is sought. If the rateable value, or aggregate rateable value, increases above those levels, relief will cease from the day of the increase. For those businesses that take on an additional property which would normally have meant the loss of small business rate relief, the Government has confirmed that they will be allowed to keep that relief for a period of 12 months.

Where a ratepayer meets the eligibility criteria and has not received the relief they should contact their local authority. Provided the ratepayer continues to satisfy the conditions for relief which apply at the relevant time as regards the property and the ratepayer, they will automatically continue to receive relief in each new financial year.

Certain changes in circumstances will need to be notified to the local authority by a ratepayer who is in receipt of relief (other changes will be picked up by a 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.

**Charity and 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). Your local authority has discretion to give further relief on the remaining bill. Full details can be obtained from your local authority.

### Relief for Local Newspapers

The Government has extended funding to local authorities so that they can provide a discount worth up to £1,500 to office space occupied by local newspapers. This relief commenced 1<sup>st</sup> April 2017, and has now been extended to 31<sup>st</sup> March 2025.

There is a maximum of one discount per local newspaper title and per hereditament, up to Subsidy limits.

### Supporting Small Business Relief 2024/25

At the Autumn Statement on 17<sup>th</sup> November 2022 the Government announced that the Supporting Small Business scheme will cap bill increases at £600 per year for any business losing eligibility for some or all Small Business Rate Relief or Rural Rate Relief at the 2023 Revaluation.

Those in receipt of 2023 SSBR whose 2023 rateable values are £51,000 or more will not be liable to pay the supplement to fund Small Business Rate Relief while they are eligible for Supporting Small Business Relief 2023. Charities and Community Amateur Sports Clubs, who are already entitled to 80% mandatory relief are not eligible for SSBR 2023. For any ratepayer receiving support under the 2017 scheme, eligibility for the 2023 SSBR will end on 31<sup>st</sup> March 2024. For further details visit [www.scams.gov.uk/business/business-rates](http://www.scams.gov.uk/business/business-rates)

### Retail, Hospitality and Leisure Relief 2024

At the Autumn Statement on 22<sup>nd</sup> November 2023, the Government announced a new Retail Relief, which replaces the previous schemes has been extended for a fifth year into 2024-25. Qualifying Retail, Hospitality and Leisure hereditaments can receive a 75% discount of the chargeable amount, after other reliefs and exemptions are applied. This amount is capped at £110,000 per business.

For further information on the scheme, please visit [www.scams.gov.uk/business/business-rates/business-rates-reliefs-and-exemptions](http://www.scams.gov.uk/business/business-rates/business-rates-reliefs-and-exemptions)

### Local Discounts

Local authorities have a general power to grant discretionary local discounts and to give hardship relief in specific circumstances. Full details can be obtained from your local authority [www.scams.gov.uk/business/business-rates](http://www.scams.gov.uk/business/business-rates)

### Hardship Relief

The local authority has discretion to give hardship relief in specific circumstances. Full details can be obtained from your local authority.

### Rate Relief for Businesses in Rural Areas

Certain types of properties in a rural settlement with a population below 3,000 may be entitled to relief. The property must be the only general store, the only post office or a food shop with a rateable value of less than £8,500 or the only public house or the only petrol station and have a rateable value of less than £12,500. The property has to be occupied. An eligible ratepayer is entitled to relief at 100% of the full charge.

### Subsidy Control

The new UK subsidy control regime commenced from 4<sup>th</sup> 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 at [www.gov.uk/government/collections/subsidy-control-regime](http://www.gov.uk/government/collections/subsidy-control-regime).

If you are receiving, or have received, any subsidy granted during the current or two previous financial years (from any source), you should inform the council immediately with details of the amount received.

### Rating Advisers

Ratepayers do not have to be represented in discussions about their rateable value 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 – website [www.rics.org](http://www.rics.org)) and the Institute of Revenues Rating and Valuation (IRRV – website [www.irrv.net](http://www.irrv.net)) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct. Before you employ a rating advisor, 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 into any contract.