

Ealing Business Partnership

Business Rate Update

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EALING COUNCIL

2019 Figures

- Multiplier £0.512 (up from £0.504 last year – 1.6% increase)
- Small Business Multiplier £0.499 (up from £0.491 – increase 1.6%) – threshold previously extended to £51K (from £25.5K)
- Cross Rail Supplement – remains at @ 2p for all above £70,000RV
- Small Business Relief extended permanently from April 2017- unchanged/automatically applied
- Final year of Transitional Relief scheme

Some information about Ealing Business Rates

- 2020/21 demands will continue with 12 month instalments for businesses who have previously requested this – anyone else interested please contact us.
- All new accounts being set to 12 months and all DD accounts
- 2020/21 bills will be processed at the beginning of March and issued on or before 15/03/19
- Ealing 12th largest in terms of rates collectable in London (20th in whole of England) and 8th largest in London by number of NNDR properties
- Net Collectable Debit £163.0M – RV £385M

Business Rates Retention

- In 2018 Government announcement that authorities will be allowed to keep the rates they collect - complicated scheme of tariffs, transfers and top-ups will be introduced to decide who keeps what
- London Pilot – April 2018 – 100% Retention shared between Ealing and GLA (64/36)
- 2019/20 Spilt between – Government 25%, Ealing 48%, GLA 27%
- 2020 – All national Pilot schemes officially ended
- From 1st April 2020 – locally agreed pooling to be potentially introduced
- Government 33%, Ealing 30%, GLA 37%

Ealing Discount Scheme - London Living Wage

- In April 2016 Ealing introduced a new discount scheme for businesses accredited with the Living Wage Foundation
- Discount was TWICE the cost of LWF accreditation
- Living Wage foundation <http://www.livingwage.org.uk/> giving further information on how to become accredited
- To be extended for a further year subject to full council approval

Government Announcements

- Next revaluation will take place from April 2021
 - 3 yearly revaluations after that
 - Antecedent date 1st April 2019
- Potential Future Changes
 - 100% Relief for public lavatories (delayed – was to be 1/4/20)
 - £1,500 to offices occupied by local newspapers
- Discretionary Relief Fund – year 4 - £42K

	Amount of discretionary pot awarded (£000s)				
	2017-18	2018-19	2019-20	2020-21	Total
LB Ealing	1,480	719	296	42	2,538

- Retail Relief Scheme
 - Commences 1/4/19 for qualifying properties with RV less than £51K
 - Definition of Retail – amended from April 2020
 - State Aid still applies
 - 33.33% reduction increased to 50% from 1/4/20 (subject to legislation)

Government Announcements – Queen’s Speech

“To support business, my government will...bring forward changes to business rates.”

- The Government is committed to conducting a fundamental review of business rates.
- The Government recognises the role of business rates as a source of local authority income and will consider input from the sector as part of the review of business rates.
- We are committed to increasing the retail discount from one-third to 50 per cent, extending that discount to cinemas and music venues, extending the duration of the local newspapers discount, and introducing an additional discount for pubs.
- We will also progress legislation to bring forward the next business rates revaluation by one year from 2022 to 2021 and move business rates revaluations from a five-yearly cycle to a three-yearly cycle. This will allow the Government to press ahead with delivering an important reform that has been strongly welcomed by business.
- More frequent revaluations will ensure that business rates bills are more up to-date reflecting properties’ current rental values. Moving to three-yearly revaluation will make the system more responsive to changing economic conditions.