

2018-19

Your business rates explained

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What do your business rates pay for?

Non-Domestic Rates

Non-Domestic Rates, or business rates are set by national government and collected by local authorities. They are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the London business rates retention pool, London local government will retain 100% of business rates collected in 2018-19. Islington and other boroughs will retain 64% and the GLA will retain 36% (less a tariff payment to the government). This provides a direct financial incentive for authorities to work with local businesses to create a favourable local environment for inclusive growth, since authorities will benefit from growth in business rates revenues.

The money, together with revenue from council tax payers 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.

Business Rate Supplements

The Business Rate Supplements Act 2009 enables levying authorities – county councils, unitary district councils and, in London, the Greater London Authority – to levy a supplement on the business rate to support additional projects aimed at economic development of the area. Business Rate Supplements (BRS) are not applicable to properties with a rateable value of £70,000 or below, and authorities have discretion to increase that threshold. The total maximum BRS which may be levied by a levying authority is 2p per pound of rateable value. Levying authorities have the power to apply such reliefs to the BRS as they think appropriate and in such cases must include an explanation of the rules for the application of those reliefs in the final prospectus for the BRS.

The business rate supplement applicable is being levied by the Greater London Authority in relation to the Crossrail project. Further information may be found in the Crossrail BRS final prospectus which is available at www.london.gov.uk/crossrail-brs.

Paying your business rates

Paying by instalments

However you pay, you can pay your business rates by instalments, allowing you to spread your payments. Please note that if you fall behind or make payments late, you will have to pay the full amount you owe.

Direct Debit

Direct Debit is the most convenient way to pay as you don't need to remember your payment dates! You can now pay up to 12 instalments throughout the year, instead of ten, and also have the choice of four payment dates – 1st, 8th, 15th and 23rd of the month.

Simply visit www.islington.gov.uk/businessrates to set one up. If you pay by Direct Debit it's your responsibility to make sure there's enough money in your account each month. If there is not, your bank or building society may charge you fees or interest.

Online

You can make online debit card payments by visiting www.islington.gov.uk/payit

By phone

Debit card payments can be made over the phone. Call our 24-hour automated service on **020 7527 8000** and have the reference number on your bill and your bank card ready.

By telephone/internet banking

To pay your bill using your bank's telephone or internet banking service, please quote Islington Council's bank account number **63217760** and sort code **20-00-00**, together with your eight digit business rates reference number.

By cheque

Cheques should be made out to 'Islington Council'. Remember that you need to allow at least five working days for a cheque or bank payment to clear. Please ensure you have written your business rates account number on the back of your cheque. We cannot accept post-dated cheques. Send your cheques to the address below.

Paying your share

Businesses that fail to pay their bill will face legal action. If we don't receive the full amount within 14 days of asking for it, we will take legal action. This will inevitably mean having to pay extra costs on top of the outstanding business rates. If there is still a failure to pay, we have the right to take action such as calling in bailiffs to seize goods up to the amount you owe. We may also take bankruptcy action that could affect your ability to carry out your business or get credit.

Personal Information

Data Protection: Any information you give us will be used for the purposes of administering your business rates. All data is held securely and processed in compliance with the Data Protection Act 1998, and the General Data Protection Regulation (GDPR). The Council has a duty to protect public funds it administers, and may use information held about you for the prevention and detection of fraud and other lawful purposes. This may include matching business rates data with other council records. The Council will also use the information for the purpose of performing any of its statutory enforcement duties. It will make any disclosures required by law and may also share this information with other bodies responsible for auditing or administering public funds. We will not disclose your personal information to third parties for marketing purposes. The Council also uses basic business rates information about you, e.g. name and address, in other areas of service provision if this helps you to access services more easily, promotes more efficient and cost effective delivery of services, and to help recover monies owed to the council. For further details and our policy please refer to our data protection page: www.islington.gov.uk/about-the-council/information-governance/data-protection

We are here to help

If you are having problems paying your business rates, or would like more information about business rates, please contact us at:

Revenues and Benefits

W www.islington.gov.uk/businessrates

E business.rates@islington.gov.uk

T 020 7527 2633

A PO Box 34750, N7 9WF

If you are not happy with the response you receive, contact:
The Revenues Manager, PO Box 34750, N7 9WF. If you are still not satisfied, you can make a formal written complaint to:
Head of Revenues PO Box 34750, N7 9WF.

E complaints.benefits@islington.gov.uk

Reducing your payment

Unoccupied Property Rating

Business rates will not be payable in 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. Full details on exemptions can be obtained from www.islington.gov.uk/businessrates. If the unoccupied property rate for the financial year has been reduced by order, it will be shown on the front of your bill.

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 time, the local authority has discretion in certain cases to award relief in respect of the unoccupied part.

Small Business Rate Relief

Ratepayers who occupy a property with a rateable value which does not exceed £50,999 (and who are not entitled to other mandatory relief or are liable for unoccupied property rates) 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 rateable value of the property mentioned in **(a)**, or the aggregate rateable value of all the properties mentioned in **(b)**, must not exceed £19,999 outside London or £27,999 in London on each day for which relief is being sought. If the rateable value, or aggregate rateable value, increases above those levels, relief will cease from the day of the increase.

The Government has introduced additional support to small businesses. 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 Islington Council. 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 valuation period.

Certain changes in circumstances will need to be notified to Islington Council by a ratepayer who is in receipt of relief (other changes will be picked up by the council). The changes which should be notified are —

- (a) the ratepayer taking up occupation of an additional property, and
- (b) 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).

Visit www.islington.gov.uk/businessrates for further details.

Relief for Local Newspapers

The Government is providing funding to local authorities so that they can provide a discount worth up to £1,500 a year for 2 years from 1st April 2017, to office space occupied by local newspapers. This is up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits. The relief will be delivered through local authority discretionary discount powers (under section 47(3) of the Local Government Finance Act 1988). Eligibility criteria for this relief is set out in a guidance note: “The case for a business rates relief for local newspapers”, which can be obtained at www.gov.uk/government/consultations/the-case-for-a-business-rates-relief-for-local-newspapers

Spring Budget 2017 Relief Scheme: Supporting Small Business

Ratepayers losing Small Business or Rural Rate Relief as a result of the 2017 revaluation will have their increases limited to the greater of either (i) a cash value of £600 per year, or (ii) the matching cap on increases for small properties in the transitional relief scheme.

This relief will run for 5 years to 31st March 2022 and ratepayers will receive the relief until this date or they reach what their bill would have been within the relief scheme, whichever is first.

This relief will be delivered through local authority discretionary discount powers (under section 47(3) of the Local Government Finance Act 1988). Further information can be obtained by emailing business.rates@islington.gov.uk.

Spring Budget 2017 Relief Scheme: Discretionary Scheme

The Government is providing £300 million of funding to local authorities over 4 years to 31st March 2021 to provide discounts to ratepayers in their area on a discretionary basis. Each authority has been allocated a share with which to design and implement a scheme to deliver targeted support to ratepayers. The £300m will cover the 4 years from 2017/18: £175m in 2017/18; £85m in 2018/19; £35m in 2019/20 and £5m in 2020/21.

Local authority allocations can be found at:

<https://www.gov.uk/government/consultations/discretionary-business-rates-relief-scheme>

This relief will be delivered through local authority discretionary discount powers (under section 47(3) of the Local Government Finance Act 1988). Further information can be obtained by emailing business.rates@islington.gov.uk

Spring Budget 2017 Relief Scheme: Support for Pubs

The Government is providing funding for local authorities to provide a £1,000 discount to pubs with a rateable value of below £100,000. This was to run for 2017/18 only; at Autumn Budget 2017, the Government extended the scheme for an additional year. Pubs with a rateable value of below £100,000 will also receive a £1,000 discount for 2018/19.

This relief will be delivered through local authority discretionary discount powers (under section 47(3) of the Local Government Finance Act 1988). Further information can be obtained by emailing business.rates@islington.gov.uk

Local Discounts

Local authorities have a general power to grant discretionary local discounts. Full details can be obtained from www.islington.gov.uk/businessrates.

State Aid

The award of such discounts is considered likely to amount to state aid. However it will be state aid compliant where it is provided in accordance with the De Minimis Regulations EC 1407/2013. The De Minimis Regulations allow an undertaking to receive up to €200,000 'de minimis' aid over a rolling three year period. If you are receiving, or have received, any 'de minimis' aid granted during the current or two previous financial years (from any source), you should inform us immediately with details of the aid received, by emailing business.rates@islington.gov.uk

Hardship Relief

Islington Council has discretion to give hardship relief in specific circumstances. Full details can be obtained by emailing business.rates@islington.gov.uk

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) and the Institute of Revenues, Rating and Valuation (IRRV - website www.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, 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.

Information Supplied with Demand Notices

Information relating to the relevant and previous financial years in regard to the gross expenditure of the local authority is available at www.islington.gov.uk/finance. A hard copy is available on request by emailing business.rates@islington.gov.uk, or calling 0207 527 2633.

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 officers of the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. They draw up and maintain a full list of all rateable values, available at www.gov.uk/government/organisations/valuation-office-agency. 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 revaluation that came into effect on 1st April 2017, this date was set as 1st April 2015.

The valuation officer may alter the value if circumstances change. The ratepayer (and certain others who have an interest in the property) can appeal against the value shown in the list if they believe it is wrong. Full details on your rights of appeal are available from the Valuation Office Agency. Your billing authority can only backdate any business rates rebate to the date from which any change to the list is to have effect.

Further information about the grounds on which appeals may be made and the process for doing so can be found on the www.gov.uk website or obtained from your local valuation office.

National Non-Domestic Rating Multiplier

The local authority works out the business rates bill by multiplying the rateable value of the property by the appropriate 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. Except in the City of London where special arrangements apply, the government sets the multipliers for each financial year for the whole of England according to formulae set by legislation.

The current multipliers are shown on the front of your bill.

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 the local authority as soon as possible.

Revaluation 2017 and Transitional Arrangements

All rateable values are reassessed at a general revaluation.

Revaluations make sure each ratepayer pays their fair contribution and no more, by ensuring that the share of the national rates bill paid by any one ratepayer reflects changes over time in the value of their property relative to others. Revaluation does not raise extra money for the government.

A £3.6 billion transitional relief scheme limits changes in rate bills as a result of the 2017 revaluation. To help pay for the limits on increases in bills, there are also limits on reductions in bills. Under the transitional scheme, limits continue to apply to yearly increases and decreases until the full amount is due (rateable value times the appropriate multiplier). The scheme applies only to the bill based on a property at the time of the revaluation. If there are any changes to the property after 1st April 2017, transitional arrangements will not normally apply to the part of a bill that relates to any increase in rateable value due to those changes. Changes to your bill as a result of other reasons (such as changes to the amount of small business rate relief) are not covered by the transitional arrangements.

The transitional arrangements are applied automatically and are shown on the front of your bill. Further information about transitional arrangements and other reliefs may be obtained from the council or www.gov.uk/introduction-to-business-rates.

More information on the 2017 revaluation can be found at www.gov.uk/introduction-to-business-rates/revaluation.

Crossrail Business Rate Supplement (BRS)

What is Crossrail and how will it benefit your business?

Crossrail will connect the outer suburbs and Heathrow airport to the West End, City and Canary Wharf. It is vital to the future of London's economy. The increased earnings it will bring – from new jobs and quicker journeys – will benefit businesses across London. It will be named the Elizabeth line upon full opening in honour of Queen Elizabeth II.

The single largest investment in London's infrastructure for decades, it has employed up to 14,000 people at the peak of construction. The new Crossrail trains are currently in operation on a section of the route from Liverpool Street to Shenfield. Furthermore a significant milestone has been reached as the permanent track for the Elizabeth line has been completed. Crossrail services are due to commence through central London by the end of 2018 with full opening of the line by December 2019.

To find out more, visit www.crossrail.co.uk, call the Crossrail 24 hr Helpdesk on 0345 602 3813 or email helpdesk@crossrail.co.uk.

Developments in the construction and financing on Crossrail

The Mayor of London agreed a settlement with government in October 2010 for the Crossrail route and secured investment to upgrade the Tube. Crossrail is now being built at its key sites across London.

In April 2012 the Mayor introduced a community infrastructure planning (CIL) levy on new developments in London to finance Crossrail. This is paid for by the developer. Find out more at: www.london.gov.uk

How will London's businesses help fund Crossrail?

The Crossrail Business Rate Supplement (BRS) has been used to finance £4.1 billion of the costs of the project. Of this, around £3.3 billion has been borrowed with the remaining £0.8 billion being funded directly using BRS revenues. It will need to be levied until the GLA's borrowing is repaid. This is expected to be some time in the 2030s.

Does my business have to pay the Crossrail BRS?

Your rates bill makes clear if you are liable to pay the BRS. Since April 2017 the Crossrail BRS is applied only to assessments (for example business and other non domestic premises) with a rateable value of over £70,000 on the local rating lists of the 32 London boroughs and City of London Corporation. Around 85 per cent of non domestic properties in London will be exempt from the BRS in 2018-19 due to this threshold.

How much do I pay if my property's rateable value is above £70,000?

The Crossrail BRS multiplier for 2018-19 remains at 2p per pound of rateable value. Reliefs for the Crossrail BRS will apply on the same basis and at the same percentage rate as for your National Non Domestic Rates (NNDR) bill. However, no transitional relief is provided for the BRS.

Keeping you up to date

We will give ratepayers an annual update over the lifetime of the BRS.

Contact for more information

Finance, GLA, City Hall, London SE1 2AA

W www.london.gov.uk/crossrail-brs

E crossrail-brs@london.gov.uk

T 020 7983 4100

Answers to common questions about business rates

Has my Rateable Value changed?

All business rates properties were subject to a revaluation in 2017.

How can I challenge the Rateable Value if I think it is wrong?

You can lodge an appeal with the Valuation Office Agency (VOA) but in the meantime you will need to pay the amount shown on your bill. More information on how to appeal can be found on page 4.

What is the Business Rates Supplement (BRS) and where can I find out more about it?

It is a charge raised by the Greater London Authority (GLA) to contribute towards the Crossrail project. Visit www.london.gov.uk/crossrail-brs for more information.

What is being done to help small businesses?

Small Business Rate Relief (SBRR) can be claimed if your rateable value is less than £15,000 and you are a single business. If you think you may qualify there is more information on page 8 or visit our website www.islington.gov.uk/business

What is the easiest way to pay?

Direct Debit is, and to make it even easier for you to pay your Business Rates we offer the option of 12 instalments. You also have the choice of four payment dates in the month – the 1st, 8th, 15th and the 23rd.

Useful contacts

Trading standards:

Contact us for advice on the sale of goods, consumer protection laws, underage and proxy sales, illegal street trading, counterfeit goods and more.

W www.islington.gov.uk/tradingstandardsadvice

E trading_standards@islington.gov.uk

T 020 7527 3198

Parking:

Everything you need to know about parking, including applying for a business permit, buying business visitor vouchers, paying a fine and parking restrictions, can be found on our new look parking web pages. You can also apply for a universal parking permit that is valid across the whole borough - visit the website to find out more and to download the application form.

W www.islington.gov.uk/parking

Our 'resident roamer' parking scheme means anyone with a resident permit can park free in any resident parking bay between 11am-3pm Monday-Saturday, with some restrictions on Arsenal match days and event days.

Rubbish and recycling collections for businesses:

Our business waste and recycling collection service is high quality, competitively priced and can be tailored to meet your business need. You can choose from a wide range of flexible collection options, using either bins or sacks, and we offer a confidential waste service. Just call our Commercial Waste team for further information.

Please note: your business has a statutory duty to store, transport and dispose of waste legally. Should you need advice or guidance on complying with legislation the team will be happy to help.

W www.islington.gov.uk/businesswaste

T 0207 527 4900

Reporting anti-social behaviour

If you are bothered by anti-social behaviour, for example noise, rowdy groups or nuisance behaviour, report it so we can help.

W www.islington.gov.uk/reportasb

T 020 7527 7272

Report graffiti, dumped rubbish, overflowing bins and more using our Clean Islington app, available to download free.

Are you thinking of extending or altering your premises but need some help with your planning application?

Book an appointment with an experienced Planning Officer for advice before you submit your application to help resolve issues upfront and speed up the process. Visit the website for more information and booking instructions.

W www.islington.gov.uk/planningadvice

iWork for Business

The iWork for Business team can help you to recruit locally and develop a flexible, diverse workforce with the right skills for your organisation.

W www.islington.gov.uk/business/best

E LSE@islington.gov.uk

Do you need advice on construction projects?

Our Building Control service ensures your project complies with national building regulations. It is run by qualified, experienced surveyors and we cover all types of building projects from house extensions to major construction projects.


W www.islington.gov.uk/buildingcontrol


E building.control@islington.gov.uk


T 020 7527 5999

If you would like more information or this document in large print or Braille, audiotape or in another language, please contact 020 7527 2000.

If you would like to know more about business rates, please contact:

 business.rates@islington.gov.uk

 020 7527 2633

 www.islington.gov.uk/businessrates

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