

Your 2018/19 Business Rates Explained



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Foreword from the Managing Director

Cannock Chase has faced many challenges over recent years arising from the significant reductions in the level of funding from Central Government, the closure of Rugeley Power Station and the growing demand for affordable housing.

The Council had to make some difficult decisions as part of its Financial Recovery Plan for 2017-18 onwards to deliver annual savings of £1.6m in relation to the day to day running cost of services. This has provided a strong foundation for the Council's budget over the next three years from 2018-19 to 2020-21 which has been agreed in February 2018.

There were three key budget decisions:

- 1. Council Tax to increase by 1.95% from 2018-19** - the Council decided not to increase Council Tax to the maximum 3% allowed by Central Government.
- 2. To continue to protect frontline services** - The 1.95% increase protects all frontline services provided by the District Council, at a time when inflation exceeds 3% per annum.
- 3. To utilise the capital resources of the Council to provide car park improvements (£492,000), additional affordable housing (£644,000) and to create a District Investment Fund** - In relation to the latter - the Council plans to set aside £6.5m from developer contributions to invest in skills, business growth and infrastructure to create new job opportunities in the district.

Cannock Chase is experiencing record levels of investment in housing, transport infrastructure and business expansion and the District Council wants to take all steps to ensure this continues in the future. The Mill Green Designer Outlet Village is a £120m investment that will create 1,200 new jobs and bring 3 million visitors into the district when it opens in 2020. This will transform tourism, business and employment prospects in the district. Kingswood Lakeside has become a significant employment hub with major investment over the last three years. The Rugeley Power Station site has huge potential for regeneration in the future.

The Council has invested in new leisure facilities including a new full size artificial turf pitch in Hednesford and has achieved National Green Flag standard for six of the district's parks which promotes community wellbeing in the district.

The Council's wider role is to do all in its power to make the district a prosperous and attractive place to live and work in and we will continue to strive towards that aim now and in the future.

Tony McGovern

Managing Director



General Explanatory Notes

Non-Domestic Rates

Non-Domestic Rates, or business rates, collected by local authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1st April 2013, authorities keep a proportion of the business rates paid locally. This provides a direct financial incentive for authorities to work with local businesses to create a favourable local environment for growth since authorities will benefit from growth in business rates revenues.

The money, together with revenue from council tax payers, revenue support grant 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



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.



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 Cannock Chase District Council as soon as possible.

Revaluation 2017 and Transitional Arrangements

All rateable values are reassessed at a general revaluation. The most recent revaluation took effect from 1st April 2017. 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 Government.

Whilst the 2017 revaluation did not increase the amount of rates collected nationally, within this overall picture, the majority of ratepayers received a reduction or no change in their bill whereas some ratepayers saw increases.

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 Cannock Chase District Council or www.gov.uk/introduction-to-business-rates.



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 your local authority. 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. Full details can be obtained from Cannock Chase District Council.

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 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 valuation period.

Certain changes in circumstances will need to be notified to Cannock Chase District 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).

The local authority has discretion to give further relief on the remaining bill. Full details can be obtained from Cannock Chase District Council.

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 from Cannock Chase District Council.

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: 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 from Cannock Chase District Council.

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 from Cannock Chase District Council.

Local Discounts

Local authorities have a general power to grant discretionary local discounts. Full details can be obtained from Cannock Chase District Council.

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 Cannock Chase District Council immediately with details of the aid received.

Hardship Relief

The local authority has discretion to give hardship relief in specific circumstances. Full details can be obtained from Cannock Chase District Council.

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.

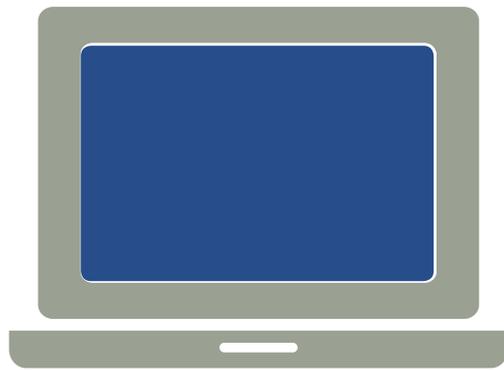
Information Supplied with Demand Notices

Information relating to the relevant and previous financial years in regard to the gross expenditure of the local authority is available at www.cannockchasedc.gov.uk/businessrates.

A hard copy is available on request by writing to **Cannock Chase District Council** or calling **01543 464282**

Council Tax valuation bands

The Valuation Office Agency which is part of HM Revenue and Customs (not your local Council) has put every property into one of eight valuation bands.



Band	Range of values (based on 1991 prices)	Proportion of Band D Council Tax Payable
A	Up to £40,000	6/9
B	£40,001 to £52,000	7/9
C	£52,001 to £68,000	8/9
D	£68,001 to £88,000	1
E	£88,001 to £120,000	11/9
F	£120,001 to £160,000	13/9
G	£160,001 to £320,000	15/9
H	Over £320,000	18/9

The charge for each property band is as follows:-

Band	District £	County £	Fire £	Police £	Total £
A	141.96	807.01	49.02	128.37	1,126.36
B	165.62	941.52	57.19	149.77	1,314.10
C	189.28	1,076.02	65.36	171.16	1,501.82
D	212.94	1,210.52	73.53	192.56	1,689.55
E	260.26	1,479.52	89.87	235.35	2,065.00
F	307.58	1,748.53	106.21	278.14	2,440.46
G	354.90	2,017.53	122.55	320.93	2,815.91
H	425.88	2,421.04	147.06	385.12	3,379.10

Your Council Tax bill states which band applies to your home and your home's valuation is based on an estimate of how much it was worth on 1 April 1991. Price changes since that time won't affect the valuation.

In addition a further charge is included for the spending of Parish Councils' where appropriate.

Why the increase in spend?

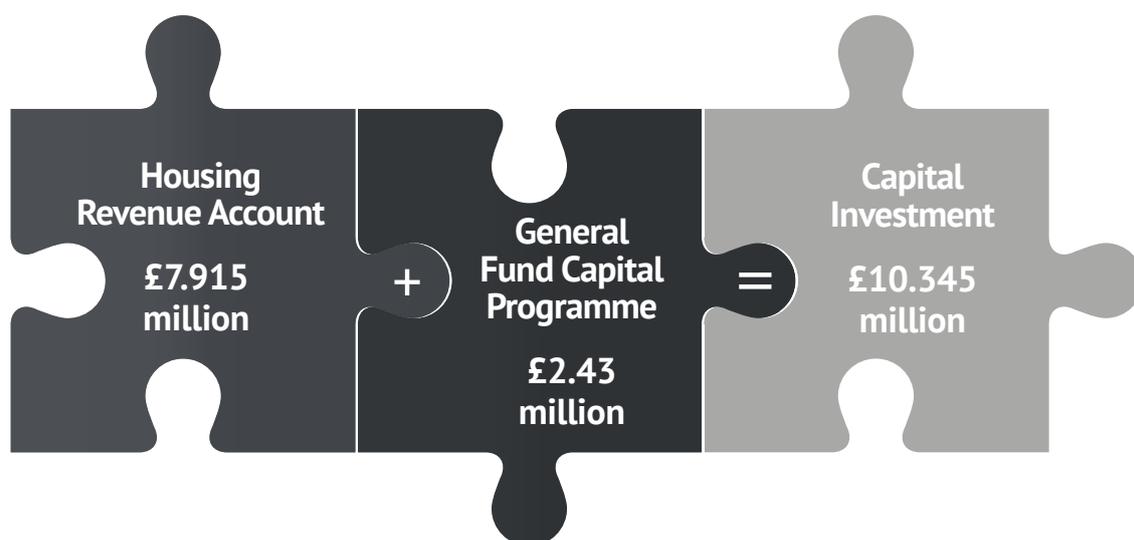


The Council's budget requirement for 2018/19 of £10.551 million is £354,000 more than in 2017/18. The adjacent table identifies the major reasons for this:

	£'000s
Inflation and price increases	297
Less efficiency savings	(350)
Changes in income	(271)
Other variations	678
Increase in budget requirement	354

Capital Expenditure

In 2018/19 Cannock Chase Council will be spending approximately £10.345 million on capital investment, which is split £7.915 million on the Housing Revenue Account and £2.43 million on the General Fund Capital Programme.



Areas of investment in the Housing Capital Programme include developing former garage sites to provide additional council houses and improvements to existing council housing including upgrading of central heating, kitchens, bathrooms and electrical systems. Funds have also been set aside for external and environmental works and disabled housing adaptations.

Areas of Investment on the General Fund Capital Programme include additional cemetery provision, expansion of the Civic Centre car park and the purchase of replacement wheeled bins. Resources will continue to be made available for disabled facilities grants to private householders.

Borrowing

The Council's total outstanding debt at 31 March 2018 is estimated to be £82 million.

Staffing

Budgeted staffing for 2018/19 is shown in the adjacent table with the previous year's figures as a comparison (part time staff are shown as full time equivalents):

	Full time equivalents	Full time equivalents 2017-18 £	Full time equivalents 2018-19 £
General Fund		318.7	320.4
Housing Revenue Account		121.3	114.0
Budget requirement		440.0	434.4

Parish Councils

Parish Councils tell Cannock Chase Council how much income they need from Council Tax (their 'precept'). This is paid for from the District Council's General Fund and is recovered by setting a parish tax for each Parish Council.

The detailed analysis has been provided by Rugeley Town Council in line with the Local Government Act 1992 which requires all Parish/Town Councils with a precept in excess of £140,000 to provide details of expenditure and income to Council Tax/National Non-domestic Rate payers.

What is your Parish spending?

2017-18 £	Parish	2018-19 £	Band D Equivalent
59,490	Brereton and Ravenhill	62,969	32.90
7,000	Bridgtown	7,000	12.68
4,400	Brindley Heath	4,400	18.51
10,451	Cannock Wood	10,591	26.90
66,512	Heath Hayes and Wimblebury	73,000	18.23
63,565	Norton Canes	84,933	39.15
298,208	Rugeley	301,190	57.68
137,500	Hednesford	137,500	26.72

Rugeley Town Council	Revenue Expenditure 2017-18 £	Revenue Expenditure 2018-19 £
Administration	82,800	76,000
Charter Fair	22,500	20,500
Christmas	31,500	31,500
Council office	14,750	14,787
Elections	5,000	5,000
Grant aid	3,000	3,000
Other services	57,600	56,250
Public toilets	20,000	0
Rugeley Rose	153,450	160,835
Total gross expenditure	390,600	367,872
Income	65,100	70,000
Total net expenditure	325,500	297,872
Total precept	298,208	301,190

The Environment Agency - Midlands Region

The Council Tax (Demand Notices) (England) Regulations 2011.

The Environment Agency is a levying body for its Flood and Coastal Erosion Risk Management Functions under the Flood and Water Management Act 2010 and the Environment Agency (Levies) (England and Wales) Regulations 2011.

The Environment Agency has powers in respect of flood and coastal erosion risk management for 2369 kilometres of main river and along tidal and sea defences in the area of the Trent Regional Flood and Coastal Committee. Money is spent on the construction of new flood defence schemes, the maintenance of the river system and existing flood defences together with the operation of a flood warning system and management of the risk of coastal erosion. The financial details are:



Trent Regional Flood and Coastal Committee

Parish	2017-18 £'000s £	2018-19 £'000s £
Gross expenditure	46,057	47,439
Levies raised	2,014	2,054
Total Council Tax base	1,761	1,792

The majority of funding for flood defence comes directly from the Department for the Environment, Food and Rural Affairs (Defra). However, under the new Partnership Funding rule not all schemes will attract full central funding. To provide local funding for local priorities and contributions for partnership funding the Regional Flood and Coastal Committees recommend through the Environment Agency a local levy.

A change in the gross budgeted expenditure between years reflects the programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee to which you contribute. The total Local Levy raised by this committee has increased by 2%

The total Local Levy raised has increased from £2,014,017 in 2017/2018 to £2,054,297 for 2018/2019.

Statement concerning adult social care funding

The Secretary of State for Communities and Local Government has made an offer to adult social care authorities. (Adult social care authorities' are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)

The offer is the option of an adult social care authority being able to charge a 'precept' on its council tax for financial years from the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this 'precept' at an appropriate level in each financial year up to and including the financial year 2019-20.

Handy Contacts

Cannock Chase Council Contact Centre	01543 462621
Main fax	01543 462317
Web address	www.cannockchasedc.gov.uk
24 hour telephone payment line	0161 621 4113 or 01543 215020
To pay on-line	www.cannockchasedc.gov.uk/payonline
Business Rates enquiries	01543 464282
Business Rates email	businessrates@cannockchasedc.gov.uk
Council Tax enquiries	01543 464285
Council Tax email	counciltax@cannockchasedc.gov.uk
Benefits section	01543 464292
Benefits section email	benefits@cannockchasedc.gov.uk
Valuation Office Agency website	www.gov.uk/voa/contact
Listing Officer, Valuation Office Agency	03000 501501
Staffordshire Fire & Rescue Service	Fire HQ, Stoke-on-Trent and Fire Staffordshire and Rescue, Pirehill, Stone, ST15 0BS www.staffordshirefire.gov.uk
	08451 221155 In an Emergency Dial 999
Staffordshire Police	Police Headquarters, PO Box 3167, Stafford, ST16 9JZ www.staffordshire.gov.uk/policeauthority
	Police single non emergency number 101 In an Emergency Dial 999
Staffordshire County Council	St Chad's Place, Stafford, ST16 2LR www.staffordshire.gov.uk Main reception 0300 111 8000



Our residential magazine was delivered through your door last year.

Find out what's happening in your area including local projects, events, activities and fun places to visit plus the continuing development at the former Cannock Stadium site and Mill Green Designer Outlet Village.

To check out our latest Chase Matters visit www.cannockchasedc.gov.uk/chasematters

Look out for more information on our

f Facebook page - www.facebook.com/cannockchasedc



Register to receive your electronic copy by emailing:
communications@cannockchasedc.gov.uk
 or write to: **Communications, Cannock Chase Council, Civic Centre,
 Beecroft Road, Cannock, Staffordshire WS11 1BG**



For more information about your Council Tax visit
www.cannockchasedc.gov.uk/counciltax

For more information about your Business Rates visit
www.cannockchasedc.gov.uk/businessrates

If you would like to speak to a member of staff, please contact **01543 464285**