



Your
Guide

Business Rates 2021/22

www.walthamforest.gov.uk/businessrates



Waltham Forest

March 2021

Dear Business Owner,

The past year has been like nothing any of us have ever faced. If you have lost someone to this horrific virus my heart goes out to you. Alongside the immeasurable human cost, the pandemic has hit our economy hard.

I can advise that the business rates set by Government are not increasing. Here at the council we have tried to support our borough through this difficult time in practical ways. Our staff worked tirelessly to distribute more than £50 million in grants to businesses across 18 different schemes. We've supported businesses with other costs where we can, such as rent waivers where we are the landlord, and ensured 4,003 businesses received 100% business rates relief last year. Our award-winning Choose Local campaign highlighted our fantastic businesses to motivate people to use their spending power locally.

All of this has come at a huge cost with staff and resources under pressure like never before. Even accounting for some emergency funding over the last year, the proportion of our funding that is raised through business rates and council tax continue to rise. Since 2010 we have made £120 million in savings and now have over 1,000 less staff (26%). At the same time the borough's population continues to increase and get older, placing more demand on services for our vulnerable residents such as social care, which now accounts for more than 50% of our total spend.

Despite these challenges, we are working harder than ever to help our businesses to restart and recover. I know many businesses need support now, you can find details of the support available at bit.ly/WFbusiness-support

We are also:

- Working quickly to distribute business grants, including to those ineligible for national schemes
- Setting up a Hardship Fund for businesses making an important contribution to the local economy but facing financial difficulties due to lockdown
- Developing our business support programme to providing advice and support on setting up and growing a business, including setting up an Enterprise Hub to inspire innovation

This is underpinned by a significant investment programme in every part of the borough to directly stimulate our local economy, and our work to convene and connect local businesses.

Finally, the last year has brought challenges to all of us, but I know it's been particularly tough for business owners as you have been carrying a huge amount on your shoulders. There are wellbeing resources you may find useful at bit.ly/WFwellbeing

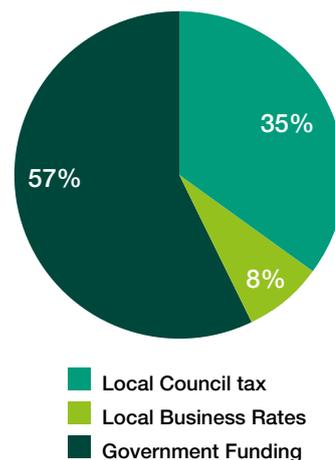
Stay safe,



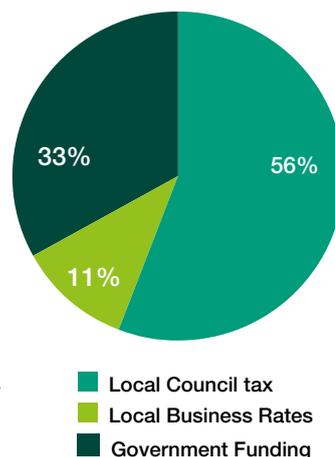
Councillor Clare Coghill
Leader of Waltham Forest Council
Email: Leader@walthamforest.gov.uk



Waltham Forest Funding 2013/14



Waltham Forest Funding 2021/22



Sign up to our newsletter for regular updates by visiting bit.ly/WFbusinessnewsletter

OUR FOUR IMMEDIATE PRIORITIES

Connecting people with jobs



Safe and healthy lives



Our 15-minute neighbourhood



Confidence in the future



Connecting people with jobs

What we've done

- We held our Local Business Recovery Summit to connect businesses to support services
- Investing in new housing and infrastructure across the borough to directly stimulate the local economy

What we're doing

- Holding a Jobs Summit and are developing a single live jobs feed to connect local residents to good, meaningful jobs in your neighbourhood
- Delivering 100 Futures Kickstart placements in the council with roles in digital, creative, health and social care, green skills and tech
- We will share our Apprenticeship Levy with local businesses and our suppliers who employ local residents and create 100 apprenticeships

Confidence in the future

What we've done

- Distributed more than £50m in grants and supported 4,003 businesses to receive 100% rates relief
- Provided finance, legal and property advice to businesses to keep their premises, waiving rent where we are the landlord, and encouraging commercial landlords to work with our Code of Practice
- Used our purchasing power to buy goods and services from local businesses wherever possible

What we're doing

- Developed an extensive Business Recovery Plan to help businesses reopen, recover and thrive again, including working tirelessly to distribute Restart Grants
- We will launch a Climate Action Plan this year to support a green recovery, create green jobs and plan how to achieve a zero carbon future
- We are designing a strategy to confront the stark inequalities exposed by the pandemic

Safe and healthy lives

What we've done

- Rapidly set up Covid-19 testing facilities across the borough, carrying out over 38,000 tests so far
- Carried out more than 35,000 checks to support venues and businesses to operate safely, and handed out more than 100,000 free face masks

What we're doing

- Working with local health services to support the rollout of the vaccine programme and ensuring a new, modern hospital is delivered at Whipps Cross
- Launching a campaign to stop hate and ensure everyone who lives, works or visits our borough feels equally safe and welcome

Our 15-minute neighbourhood

What we've done

- Launched our Choose Local campaign to highlight our fantastic local businesses
- We've created people-friendly streets, investing in parks, play areas and cycle hangars and seen a 56% increase in cycling journeys in 2020

What we're doing

- We will keep investing in our town centres, creating quality cultural, work and leisure facilities
- Work is ongoing to redevelop the former EMD Cinema, which will bring up to £50m into the local economy over the next decade
- Expanding our Choose Local campaign to build local supply chains and focus on our business neighbourhoods to motivate residents to use their spending power locally
- Make our borough greener, starting by opening up the refurbished Town Hall and Fellowship Square





Non-Domestic Rates-Explanatory Notes

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. The money, together with revenue from council taxpayers, locally generated income and grants from central government, is used to pay for the services provided by local authorities in your area.

Further information about the business rates system, may be obtained at: www.gov.uk/introduction-to-business-rates and at the website of Waltham Forest at www.walthamforest.gov.uk/businessrates



Business Rates Instalments

Payment of business rate bills is automatically set on a 10-monthly cycle. However, the regulations allow ratepayers to request payments be made through 12 monthly instalments.

If you wish to take up this offer, you should contact us at businessrates@walthamforest.gov.uk as soon as possible.



National Non-Domestic Rating Multiplier

The local authority works out the business rates bill for a property by multiplying the rateable value of the property by the appropriate non-domestic multiplier. There are two multipliers: the standard non-domestic rating multiplier and the small business non-domestic rating multiplier. The Government sets the multipliers for each financial year, except in the City of London where special arrangements apply.

Ratepayers who occupy a property with a rateable value which does not exceed £50,999 (and who are not entitled to certain other mandatory relief[s] or are liable for unoccupied property rates) will have their bills calculated using the lower small business non-domestic rating multiplier, rather than the standard non-domestic rating multiplier.

Both multipliers for this financial year have been adjusted to reflect the Consumer Price Index (CPI) inflation figure for the September prior to the billing year. The current multipliers are shown on the front of your bill.



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 Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. They compile and maintain a full list of all rateable values, available at 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 specified in legislation. For the current rating list, this date was set as 1st April 2015. The Valuation Office Agency may alter the valuation if circumstances change.

The ratepayer (and certain others who have an interest in the property) can also check and challenge the valuation 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 obtained by contacting the VOA website: www.gov.uk/guidance/how-to-check-your-rateable-value-is-correct



Revaluations

All non-domestic property rateable values are reassessed at revaluations. The most recent revaluation took effect from 1st April 2017. Revaluations ensure that business rates bills are up-to date and more accurately reflect current rental values and relative changes in rents. Frequent revaluations ensure the system continues to be responsive to changing economic conditions.



Business Rate 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.

Further details and advice if you may qualify are provided below and at www.gov.uk/introduction-to-business-rates, or at www.walthamforest.gov.uk/reductions



Temporary Reliefs

Some of the permanent reliefs are set out below but temporary reliefs are often introduced by the Government at Budgets. Further detail on current temporary reliefs is available at www.gov.uk/apply-for-business-rate-relief. You can contact Waltham Forest for details on the latest availability of business rates reliefs and advice on whether you may qualify or go to their website at www.walthamforest.gov.uk/reductions.



Small Business Rates Relief

If a ratepayer's sole or main property has a rateable value which does not exceed a set threshold, the ratepayer may receive a percentage reduction in their rates bill for the property of up to a maximum of 100%.

The level of reduction will depend on the rateable value of the property. For example, eligible properties with a rateable value below a specified lower threshold will receive 100% relief. Eligible properties between that threshold and a specified upper threshold will receive partial tapered relief. The relevant thresholds for relief are set by the Government by order and can be obtained from our website or at www.gov.uk/introduction-to-business-rates.

Generally, these percentage reduction (reliefs) are 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 the limit set by order.

The aggregate rateable value of all the properties mentioned in (b), must also not exceed an amount set by order. For those businesses that take on an additional property which would normally have meant the loss of small business rate relief, they will be allowed to keep that relief for a fixed additional period.

Full details on the relevant limits in relation to second properties and the current period for which a ratepayer may continue to receive relief after taking on an additional property can be obtained from our website.

Certain changes in circumstances will need to be notified to Waltham Forest by the ratepayer who is in receipt of relief. (other changes will be picked up by the local authority) The changes which should be notified are—

- (a) the property falling 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).

The local authority has discretion to give further relief on the remaining bill. Full details can be obtained from www.walthamforest.gov.uk/reductions.



Transitional Rate Relief

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

Transitional relief schemes are introduced at each revaluation to help those facing increases. Such relief schemes are funded by limiting the reduction in bills for those who have benefitted from the revaluation. Transitional relief is applied automatically to bills. Further information about transitional arrangements and other reliefs may be obtained from www.walthamforest.gov.uk/reductions or the website www.gov.uk/apply-for-business-rate-relief



Local Discounts and Hardship Relief

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 www.walthamforest.gov.uk/reductions



Unoccupied Property Rating

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 premises, whilst certain other properties such as vacant listed buildings are not liable for business rates until they are reoccupied. Full details on exemptions can be obtained from www.walthamforest.gov.uk/reductions or from gov.uk at www.gov.uk/apply-for-business-rate-relief.



State Aid

The award of discretionary relief(s) 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 Regulation allows an undertaking to receive up to EUR 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 Waltham Forest Business Rates team immediately with details of the aid 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) 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 or company 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.walthamforest.gov.uk/NNDR-guide. A hard copy is available on request by writing to the council at businessrates@walthamforest.gov.uk or on 020 8496 3000



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. This power has also been extended to the mayors of Cambridgeshire and Peterborough, Liverpool City Region, West of England, and West Midlands combined authorities.

Business Rate Supplements (BRS) are not applicable to properties with a rateable value of £50,000 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/s as shown on your bill is / are being levied by the Greater London Authority in relation to the Crossrail project. Further information may be found in the BRS project prospectus.



Business Improvement Districts (BID) Levy

Business Improvement Districts (BID) are business led partnerships created through a ballot process to deliver additional services to local businesses. A BID is a defined area in which a levy is charged on business rates payers in addition to the business rates bill. The levy collected is then used to develop projects which benefit businesses in the local area.



The Argall BID area

While the Council is responsible for the billing and collection of the BID levy on behalf of the BID operators, it does not determine how the BID is operated. Any queries regarding the BID should be directed to the operator. For more information please visit www.argallbid.co.uk.

GREATER LONDON AUTHORITY



Crossrail Business Rate Supplement (BRS)

What is Crossrail and how will it benefit your business?

Crossrail is London's newest railway. It will connect the outer suburbs and Heathrow airport to the West End, City and Canary Wharf. As such, Crossrail 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 in honour of Queen Elizabeth II.

Crossrail is the single largest investment in London's infrastructure for decades. It employed up to 14,000 people at the peak of construction. Work is continuing to complete the project and stations along the route as soon as possible. The section through central London is expected to open in 2022.

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 funding of Crossrail

The previous Mayor of London agreed a funding settlement with Government in 2010 for the Crossrail scheme. The Mayor and the Secretary of State for Transport agreed revised funding packages for Crossrail in December 2018 and November 2020.

How will London's businesses help fund Crossrail?

In April 2012, the last Mayor introduced a Community Infrastructure Levy (MCIL) on new developments in London to finance Crossrail. The developer pays this levy. Business ratepayers of larger properties have contributed through a special Crossrail Business Rate Supplement (BRS) since April 2010.

Under the current funding package, the GLA is expected to contribute around £6.9 billion towards Crossrail. This is financed through the MCIL and BRS. The BRS will need to be levied until the GLA's Crossrail related borrowing is repaid. This is expected to around the late 2030s but no later than 2041, in line with the published Crossrail BRS prospectus. The policies for the BRS in 2021-22 remain unchanged from last year.

Does my business have to pay the Crossrail BRS?

Your rates bill makes clear if you are liable to pay the BRS. It applies only to assessments (for example business and other non-domestic premises) with a rateable value above £70,000 in London. This threshold means that at least 85 per cent of the capital's non-domestic properties will be exempt in 2021-22.

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

The Crossrail BRS multiplier for 2021-22 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, there is no transitional relief scheme 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

020 7983 4100 • crossrail-brs@london.gov.uk • www.london.gov.uk/crossrail-brs
Finance, GLA, City Hall London SE1 2AA



Council Spending 2021-2022

The total amount required from taxpayers is the net cost of services provided by us, together with those of the various precepting and levying bodies. From this is deducted the contribution from the Government and the retained NNDR income.

Adjustments are then made to take account of any estimated surplus or deficit on the collection fund. The resulting sum is divided by the council tax base (76,701 band 'D' equivalent properties reduced to reflect council tax benefits) to arrive at the council tax.

We fund certain expenditure from loans. At March 2021 the outstanding balance of such loans is estimated at £348 million. No part of these liabilities are payable to, or recoverable from, other billing or precepting authorities, although 42% of the debt relates to the ring-fenced Housing Revenue Account.

	2020/21 £'000	2021/22 £'000
Dedicated Schools Budget	171,199	179,787
Families - Other support for schools	23,304	23,729
Families - Children & Young People	38,783	40,345
Families - Adults group	66,305	68,980
Families - Public Health	15,556	16,549
Residents - Neighbourhoods & Commercial	40,816	42,302
Residents - Housing & Growth	8,414	8,316
Corporate Expenditure	4,957	5,862
Economic Growth	8,429	7,496
Corporate Development	14,046	12,955
Finance & Governance	8,227	8,554
Services Total	400,034	414,874
Add contingency estimate	13,608	14,404
Interest & Capital Charges	950	3,702
Depreciation Contra Entry	(29,862)	(28,616)
Contribution To/(From) Funds	452	(8,732)
Sub-Total	385,182	395,634
Levies counting as Waltham Forest expenditure	9,349	10,192
Budget Required	394,531	405,825



Explanation of changes in expenditure 2020/21 to 2021/22

The table shows that the net budget requirement of the Council, together with that of levying bodies counted as Waltham Forest spending, will increase from £394.529m to £405.8255m.

This is made up as follows:

	£'000
Inflation	2,074
Schools	8,588
Growth	5,100
Pressures	5,994
Movement in reserves	(9,183)
Specific Grants	(1,278)
	(11,720)

Statement of funds and balances

The table below shows the changes to our working balance on the General Fund between 31 March 2020 and the end of March 2022.

	General Fund £'000
Balances at 31 March 2020	14,862
Contribution to balances	0
Temporary use of balances	0
Estimated Balances at 31 March 2021	14,862
Contribution to balances	0
Temporary use of balances	0
Estimated Balances at 31 March 2022	14,862

Are you entitled to Expanded Retail or Nursery Discount?



In the budget on 3 March 2021, Government announced a further support package for businesses, including reliefs for the 2021/22 billing year through Expanded Retail Discount and Nursery Discount.

Expanded Retail Discount

This discount is applicable to occupied businesses within the Retail, Hospitality and Leisure sectors that provide services to visiting members of the public and are wholly or mainly being used as:

- Shops, Restaurants and Cafes
- Drinking establishments
- Cinemas and live music venues
- Assembly or leisure venues
- Hotels, guest and boarding premises and self-catering accommodation liable for business rates.

For full details, including a full list of eligible businesses, please visit the Government website at <https://www.gov.uk/government/publications/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance>.

To apply for the discount, please visit our website to complete an online application form. <https://www.walthamforest.gov.uk/content/business-rates-reductions-and-grants>



Nursery (childcare) Discount

This discount applies to properties occupied by businesses on Ofsted's Early Years Register that are wholly or mainly used for the provision of the Early Years Foundation Stage in the billing year 2021/22. This is awarded automatically. If you believe qualify and have not been awarded the discount, email: businessrates@walthamforest.gov.uk



How much are these discounts worth to my business?

Eligible businesses are entitled to 100% discount for the period 1 April 2021 to 30 June 2021 so will have no business rates to pay for the first three months of the billing year.

The value of the discount reduces to 66% of the rates liability from 1 July 2021 to 31 March 2022, meaning that qualifying businesses will pay one-third of their rates liability for the remaining 9-months of the billing year.

Direct Debit



The easy way to pay

Direct Debit is the safest, easiest and cheapest way to pay your Business Rates.

If you pay your business rates by Direct Debit you have a choice of 6 different payment dates throughout the month (1, 6, 10, 15, 21, 28).

To set up a Direct Debit go online at

www.walthamforest.gov.uk/directdebit

Information Supplied with Demand Notices

Information relating to the current and previous financial years in regard to the gross expenditure of the local authority is available at

www.walthamforest.gov.uk/businessrates.

A hard copy is available on request by writing to the council or contacting us on 020 8496 3000.

Visit: www.walthamforest.gov.uk/businessrates

Call: 020 8496 3000

Monday to Friday 9am to 1pm

Email: businessrates@walthamforest.gov.uk

