

PE1648/O

Renfrewshire Council submission of 24 July 2017

The local authority role following a revaluation is as the billing and collection agent. Councils apply the poundage rate set by the Scottish Government to the rateable value determined by the Assessor. Councils also considers and applies business rates relief, where applicable.

In relation to the support available to businesses because of the revaluation exercise, the transitional protection offered to businesses in the Renfrewshire area is limited to businesses in the hospitality sector

Where a ratepayer disputes the new rateable value, the council explains that they have the option to appeal against the rateable value. If they wish to appeal they are advised to appeal to the Assessor before 30 September 2017 via the [Scottish Assessors Association \(SAA\) web portal](#). Where a ratepayer chooses to appeal, council advice is for businesses to continue to pay the rates as billed pending the outcome of the appeal, even if it takes some time for a decision to be made. We also encourage businesses having difficulty paying what is due to contact the Council Business Rates team to discuss alternative payment arrangements,

In terms of the legislative change introduced through The Community Empowerment (Scotland) Act 2015, that gives councils the power to develop and fund a local relief scheme which reduces or cancels rates in respect of non-domestic property. To date Renfrewshire Council has not made any policy decision in relation to this.

Any council considering a scheme is expected to consider:-

- what categories of lands are specified in the scheme.
- the geographical areas that would be included in the scheme.
- the business activities that would be included in the scheme
- any other aspects that could apply

It is important to note that any reduction in income as a result of a local scheme must be funded from council budgets. The legislation also requires councils to fully consider the impact on council tax payers of establishing a new scheme or amending an existing scheme.

The business rate position for nurseries in Renfrewshire is detailed in the table overleaf and the information is summarised as follows:

- Following the 2017 revaluation for NDR there are 48 properties that the assessor has classed specifically as a 'Day Nursery' - this does not include all pre 5 centres/nurseries usually located within Primary Schools as some of these are included in the RV of the school in Renfrewshire and are not classed as separate buildings.
- The value of the increase in RV across all 48 nurseries was over £600k. This equates to a 77% increase between 31/03/17 and 01/04/17.

- Of the 25 properties receiving relief or exemption prior to 1/4/17, the revaluation resulted in a change to the level of relief awarded. 13 lost relief /exemption and 1 gained.
- The biggest individual increase for a single ratepayer was £19,840 for 2017/18, but another ten properties face increases of over £10k, and sixteen between £5k and £10k, with a further five from the smallest increase of £921 up to £5k.
- Eleven properties face no change to their bills (all receive 100% relief or exemption) and the final five properties had a decrease.

Nurseries in Renfrewshire – business rate revaluation analysis

Payable Amount	No of Properties
Decrease	5
No change	11
Increase from £0 - £5k	5
Increase from £5 - £10k	16
Increase from £10 - £15k	9
Increase from £15 - £20k	2
	48

	No of Properties	Total 2016 RV (£)	Total 2017 RV (£)	Difference (£)
Increase in RV	40	703,300	1,344,800.00	641,500.00
Decrease in RV	6	87,100.00	56,050.00	-31,050.00
No change in RV	2	6,600.00	6,600.00	0.00
	48	797,000	1,407,450	610,450

	No of Accounts	2016 Liability (£)	2017 Liability (£)	Difference (£)
Increase in liable amount	39	337,669.88	613,965.80	276,295.92
Decrease in liable amount	9	65,750.80	48,067.90	-17,682.90
	48	403,420.68	662,033.70	258,613.02

	No of Accounts	2016 Payable (£)	2017 Payable (£)	Difference (£)
Increase in payable amount	32	280,712.53	559,770.00	287,114.60
Decrease in payable amount	5	49,736.45	31,478.30	-18,258.15
No Change in payable amount	11	0.00	0.00	0.00
	48	330,448.98	591,248.30	268,856.45

	No of Properties	2016 Payable (£)	2017 Payable (£)	Difference (£)
Gained relief/Exemption	1	5,445.00	0.00	-5,445.00
Lost Relief/Exemption	13	134,315.40	297,412.00	163,096.60
No Change to Relief/Exemption	11	0.00	0.00	0.00
	25	139,760.40	297,412.00	157,651.60