**Autumn Budget 2017**

The Chancellor of the Exchequer announced on 22 November at the 2017 Autumn Budget a package of Business Rates measures:

* Switch from RPI to CPI for Business Rates indexation
* Implementing 3-year Business Rate revaluations following the next
* revaluation
* Commitment to legislate to reinstate previous VOA practice on the valuation of business properties located in multi-occupancy buildings
* Extension of the £1000 Business Rates discount for pubs.

Business Rates Indexation and Provisional Multipliers for 2018-19

Under Schedule 7 to the Local Government Finance Act 1988 (as amended) there are two multipliers. The small business non-domestic rating multiplier which is used for those properties with a rateable value below £51,000; and the non-domestic rating multiplier, paid by properties above those levels and which includes the supplement to pay for the small business rate relief scheme.

The small business non-domestic multiplier is determined by Schedule 7 to the 1988 Act. These rules ensure that the small business multiplier in 2018-19 is based on the 2017-18 multiplier adjusted for Retail Price Index inflation for September 2017 unless HM Treasury

exercises its order making power.

At Autumn Budget 2017 the government confirmed that it would bring forward the planned switch in the indexation of Business Rates from RPI to the main measure of inflation (currently CPI) by two years to April 2018. This will apply to bills from 1 April 2018.

This results in a provisional small business non-domestic multiplier for 2018-19 of 48.0p. The provisional non-domestic multiplier will therefore be 49.3p in 2018-19.

In accordance with Schedule 7 to the 1988 Act, the provisional multipliers will be confirmed after either the Local Government Finance Report for 2018-19 has been approved by the House of Commons or 1 March 2018, whichever is earlier.

More Frequent Revaluations

It was confirmed that the frequency of revaluations would be increased to every three years, following the next revaluation currently due in 2022. Three year revaluations will be delivered by the Valuation Office Agency, and to support this business owners will be required to provide regular information on who is responsible for Business Rates and on property characteristics including use and rent to the Valuation Office Agency.

Reinstating previous VOA practice for properties located in multi-occupancy buildings

Implementation of this measure will be led by the Valuation Office Agency, once the necessary legislation is in place ratepayers will be able to ask the Valuation Office Agency to recalculate valuations so that bills are based on previous practice backdated to April 2010 as appropriate. This, in turn, will include reinstating Small Business Rate Relief for ratepayers who as a result once again meet the single hereditament test. More detailed guidance on implementation will be provided in due course once further information is provided by government.

Extension of the Pubs Relief Scheme

The public house relief scheme is to be extended by a further year. The existing guidance and terms for the current scheme will continue to apply in the same way – eligible pubs with a rateable value of below £100,000 will receive a £1000 discount on their bill. The relief will have effect for 2018/19.