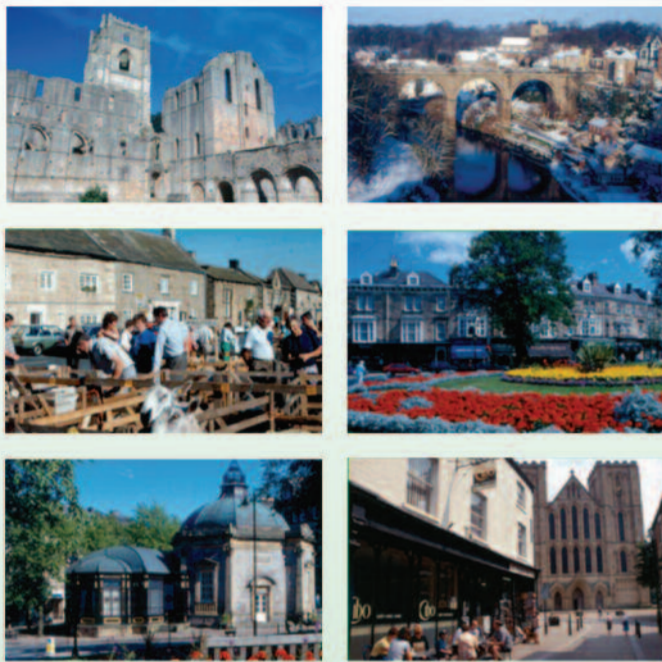


A guide to your Business Rates 2011/12



Why not pay by Direct Debit see inside for details...

If you need to contact Revenues and Benefits

www.harrogate.gov.uk/businessrates

By email: ben_rev@harrogate.gov.uk

Telephone:
Business Rates Enquiries
01423 556677

Housing and Council Tax Benefit:
01423 556455

Opening hours for telephone enquiries:
Monday to Thursday: 8.30am to 5.00pm
Friday 8.30am to 4.30pm

Visit us at:
Scottsdale House, Springfield Avenue,
Harrogate HG1 2HR

Opening hours for visits
Monday to Friday 8.30am to 4.30pm

Write to us at:
Revenues and Benefits Division,
PO Box 13, Scottsdale House,
Springfield Avenue, Harrogate HG1 2SD

How can you help us?

Tell us if you move premises or if there is any change in your circumstances that will affect the amount shown on your demand notice.

Non-Domestic Rate Levels

Although Harrogate Borough Council collects the non-domestic rates, the rate in the pound is set by Central Government. This is 41.4p for 2011/12 (40.7p for small businesses). The Council expects to collect about £54.6m from ratepayers in 2011/12. The sums are paid into a national pool. The proceeds are redistributed as part of the grant from central government. There is no relationship between the amount of rates collected in the Harrogate area and the amount redistributed to this area, which in 2011/12 will be:

North Yorkshire County Council	£25.0m
North Yorkshire Police Authority	£5.0m
North Yorkshire Fire & Rescue Authority	£1.9m
Harrogate Borough Council	£6.5m

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. Except in the City of London, where special arrangements apply, the rates are pooled by central government and redistributed to local authorities as part of the annual formula grant settlement. 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 your local authority and other local authorities in your area.

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 on their website at www.voa.gov.uk. The rateable value of your property is shown on the front of this 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 2010, this date was set as 1st April 2008. The valuation officer may alter the value if circumstances change. The ratepayer (and certain others who have an interest in the property) can also appeal against the value shown in the list if they believe it is wrong. Further information about the grounds on which appeals may be made and the process for doing so can be found on the VOA website or from your local valuation office.

Reminder Notices

A reminder notice may be issued at any time after the 1st of the month for any instalments that are outstanding. Only one reminder notice will be issued in any one year to ratepayers who fall into arrears with their instalments. On the second occasion of default the full outstanding balance of the account, not just the outstanding instalments, will become due.

E.g. If a reminder notice is issued for the April instalment and this is paid, if any future payment is not paid on or before the due date the full balance outstanding on the account will become payable immediately and the ratepayer will lose their right to make payment by instalments during the remainder of the year.

Payment Difficulties

Should you be having any difficulties in making payment of your Non-Domestic Rates contact us as quickly as possible. Do not leave the matter until recovery action has been taken as this may result in you paying additional costs, even where an arrangement for payment may be agreed.

Further Information

If you require further information about any of the items in this leaflet please contact the Revenues Division, or visit our website at www.harrogate.gov.uk/revenuesandbenefits

Use of Information

For collecting Non-Domestic Rates, your name and address may be passed to the District Valuer, to help in the valuation of properties or with appeals against his assessment of properties. We may also share this information within the Council or with other government organisations for the purposes of preventing or detecting fraud. We also comply with the Data Protection Act.

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. Between revaluations the multipliers change each year in line with inflation and to take account of the cost of small business rate relief. In the year of revaluation the multipliers are rebased to account for overall changes to total rateable value and to ensure that the revaluation does not raise extra money for Government. The current multipliers are shown on the front of this bill.

Revaluation 2010 and Transitional Arrangements

All rateable values are reassessed every five years at a general revaluation. The current rating list is based on the 2010 revaluation. Five-yearly 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 2010 revaluation did not increase the amount of rates collected nationally, within this overall picture, over a million properties saw their business rate liabilities reduced and some ratepayers saw increases. For those that would otherwise see significant increases in their rates liability, the Government has put in place a £2 billion transitional relief scheme to limit and phase in changes in rate bills as a result of the 2010 revaluation. To help pay for the limits on increases in bills, there also have to be limits on reductions in bills. Under the transition 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 2010, 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 this bill. Further information about transitional arrangements and other reliefs may be obtained from Harrogate Borough Council or the website www.mybusinessrates.gov.uk. More information on revaluation 2010 can be found at www.voa.gov.uk.

Council Tax and What it Pays For

Harrogate Borough Council collects Council Tax on all domestic properties to help pay for the cost of local services. In the coming year Harrogate Borough Council will keep just 14% of your Council Tax to help provide the full range of its own services. The rest is paid over to the North Yorkshire County Council, North Yorkshire Police Authority, North Yorkshire Fire & Rescue Authority and various Parish Councils. Each authority sets its own tax level and the Borough Council collects the total due for all the authorities.

The changes in the overall tax bill for 2011/12 for a Band D property are:

	Band D Tax	Increase	%
North Yorkshire County	£1,057.48	£0.00	0.0
North Yorkshire Fire	£62.10	£0.00	0.0
North Yorkshire Police	£204.55	£0.00	0.0
Harrogate Borough	£219.56	£0.00	0.0
TOTAL	£1,543.69	£0.00	0.0

Harrogate Borough Council's Spending Plans

Harrogate Borough Council's spending this year has reduced by 11.6% mainly due to the transfer of responsibility for Concessionary Travel to North Yorkshire County Council. The net cost of this in the 2010/11 budget was nearly £2m. Government Grant has reduced by 25%. This includes an adjustment for the transfer of Concessionary Travel. Grant per head remains 10% below the average for a District Council.

In order to achieve a Council Tax freeze the Council has increased its charges for services, made savings totalling £0.9m through improved efficiency and agreed service cuts of £0.25m. These savings have helped the Council to cover the cost of inflation, the reduced trading surplus on Conference & Exhibitions, increased employer's pension and national insurance contributions and a variety of government and local initiatives eg the cost of Carbon Reduction Commitment Energy Efficiency Scheme.

Parishes over £140,000:

Harrogate has no parishes with precepts over £140,000 in 2011/12.

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 the local authority. If the unoccupied property rate for the financial year has been reduced by order, it will be shown on the front of this 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 the local authority.

Small Business Rate Relief

This relief is only available to ratepayers who apply to their local authority and who occupy either -

- one property, or
- one main property and other additional properties providing those additional properties each have a rateable value of less than £2,600.

The rateable value of the property mentioned in (a), or the aggregate rateable value of all the properties mentioned in (b), must not exceed £17,999 outside London or £25,499 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. Ratepayers who satisfy these conditions will have the bill for their sole or main property calculated using the lower small business non-domestic rating multiplier rather than the national non-domestic rating multiplier that is used to calculate the liability of other businesses. In addition, if the sole or main property is shown on the rating list with a rateable value which does not exceed £12,000, the ratepayer will receive a percentage reduction in their rates bill for this property of up to a maximum of 50% for a property with a rateable value of not more than £6,000. Until 30th September 2011 the maximum relief has been increased to 100%.

What Do These Services Include?

Cultural and Related Services (£50 per head)

- Parks and Gardens, Swimming Pools, Sports and Leisure Centres, Museums and Galleries, Holiday Tourism and Conferences and Exhibitions.

Environmental Services (£49 per head)

- Refuse Collection, Recycling, Public Toilets, Licensing, Food Safety, Street Cleansing, Control of Dogs, Pests and Noise, Cemeteries and Crematorium, CCTV and Community Safety.

Planning and Development Services (£17 per head)

- Forward Planning, Development Control, Building Control, Economic Development, and Regeneration Schemes.

Housing Services (£16 per head)

- Homelessness, Housing Advice, Housing Benefits and Housing Improvement Grants. Council Housing is in a separate account.

Highways, Roads and Transport (CR £6 per head)

- Surplus on Car Parking, Street Furniture and Parish Lighting.

Central Services (£17 per head)

- Council Tax Collection, Payment of Benefits, Land Charges, Electoral Registration, Elections, and Grants to Voluntary Organisations. Also included are capital financing charges and balance transfers.

Overall, the Council plans to spend £143 per resident on its services in 2011/12. Of this, £12 comes from Government Grant, £41 from redistributed business rates and £90 from Council Tax, about £1.73 per week per resident.

If an application for relief is granted, 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 not need to re-apply for relief in each new valuation period. Certain changes in circumstances will need to be notified to the local authority by the ratepayer (other changes will be picked up by the local authority). The changes which must be notified are

- the ratepayer taking up occupation of a property they did not occupy at the time of making their application for relief, and
- 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.

Notification of these changes must be given to the local authority within 4 weeks of the day after the day on which the change happened. If this happens, there will be no interruption to the ratepayer's entitlement to the relief. A notification that the ratepayer has taken up occupation of an additional property must be by way of a fresh application for relief; notice of an increase in rateable value must be given in writing. Full details on the eligibility criteria and on how to apply for this relief are available from the local authority.

Charity & Community Amateur Sports Club (CASC) Relief

Charities and registered CASCs are entitled to 80% relief where the property is occupied by the charity or the CASC, 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 CASC (or of that and other CASCs).

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

Deferred payment of 2009/10 rates liabilities

Ratepayers in 2009/10 were able to defer payment of 3% of their 2009/10 rates bill and, where applicable, 60% of the increase in that bill due to the ending of the 2005 rating list transitional relief scheme. The right to apply for deferral has now ended. For those ratepayers who applied for this scheme, the deferred amount to be collected in 2011/12 will be included with the bill.

BUDGET 2011/12

2010/11		Service	2011/12	
Gross Cost £'000	Net Cost £'000		Gross Cost £'000	Net Cost £'000
1,952	1,146	Council Tax Collection	1,904	1,128
		Other Central Services to the Public	11,939	860
11,926	1,274	Cultural & Related Services	20,312	7,897
20,856	7,426	Refuse Collection	6,479	4,483
6,804	4,532	Other Environmental & Regulatory Services	6,005	3,312
5,970	3,146	Planning & Development	6,301	2,730
6,667	3,164	Housing Services	47,774	2,588
45,035	1,716	Highways, Roads & Transport	2,098	CR 918
5,169	882	Corporate Costs & Overheads	3,807	3,582
3,858	3,568	COST OF SERVICES	106,619	25,662
108,237	26,854	Financing costs and Balance transfers	2,084	CR 3,625
CR 980	CR 1,982	BOROUGH COUNCIL SPENDING	108,703	22,037
107,257	24,872	PARISH PRECEPTS	560	560
552	552	BOROUGH AND PARISH SPENDING	109,263	22,597
107,809	25,424	<i>Funded By:</i> Government Grant	1,995	
	1,429	Redistributed Business Rates	6,454	
	9,839	Collection Fund Deficit	DR73	
	0	Council Taxpayers (Parish Element)		560
	552	Council Taxpayers (Harrogate Borough Element)		13,661
	13,604			22,597
	25,424			