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22 February 2022

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (1/2022): Confirmation of the Non-Domestic Rating Multipliers for 2022/2023 and the Education and Skills Funding Agency

This is the first business rates information letter to be issued by the Department for Levelling Up, Housing and Communities this year. Previous letters are available on the internet at:

https://www.gov.uk/government/collections/business-rates-information-letters

or for archived letters:

http://webarchive.nationalarchives.gov.uk/20120919132719/http:/www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/.

This letter covers:

- Confirmation of the Non-Domestic Rating Multipliers for 2022/2023
- The Education and Skills Funding Agency

Confirmation of the Non-Domestic Rating Multipliers for 2022/2023

The Government is freezing the business rates multipliers in 2022/23 and laid the necessary legislation (the Local Government Finance Act 1988 (Non-Domestic Rating Multipliers) (England) (No. 2) Order 2021.

Following the approval by the House of Commons on 10th February 2022 of the Local Government Finance Report (England) 2022/2023, the Secretary of State has calculated the non-domestic rating multipliers for England for 2022/2023. In accordance with the requirements of paragraph 6(1) of Schedule 7 to the Local Government Finance Act 1988 (inserted by par 62 of the Local Government Act 2003), this Business Rates Information Letter provides details on the non-domestic rating multiplier and the small business non-domestic rating multiplier for England for 2022/2023:

- non-domestic rating multiplier 51.2p (0.512)
- small business non-domestic rating multiplier 49.9p (0.499)

The Education and Skills Funding Agency

The Education and Skills Funding Agency (ESFA), which is an executive agency of the Department for Education, has previously announced changes to its National Non Domestic Rates (NNDR) payment process from April 2022. The changes mean the ESFA will pay business rates directly to the billing authority on behalf of local authority maintained schools and academies.

This is an optional change for billing authorities in 2022 to 2023. We asked all billing authorities to confirm to the ESFA by 21 February if they wished to implement the new payment process from April 2022. We are in the process of finalising these responses and we will confirm with all billing authorities shortly if they are implementing the new process, or if they will be continuing with the existing NNDR arrangements.

It's important to note that in two-tier areas, implementation of the new payment process can only go ahead where <u>all</u> billing authorities in the area agree to using the new payment process. This is to ensure that there is consistency for maintained schools and academies within each education authority.

There is <u>further guidance</u> available for billing authorities including a **Q&A** detailing what it means for billing authorities who implement the new payment process and for those billing authorities that remain under the current NNDR arrangements.

Please use the ESFA enquiry form for any NNDR enquiries.