



# Factsheet: Electronic Billing and Guidance on Business Rate Bills (clause 12-13)

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## What are electronic billing and guidance on business rate bills?

Clause 12 enables Government to make regulations to require billing authorities to offer electronic billing and to require that, where a ratepayer has more than one property in a single billing authority area, they have the option to receive their bills via a single electronic communication or by accessing a single account on a website. Electronic billing supports a more modern and streamlined business rates billing process by enabling ratepayers to receive their bills electronically – for example via e-mail or through a secure online account with the billing authority. Clause 13 enables the Government to issue guidance to billing authorities on the form and content of business rate bills. Such guidance would support greater standardisation of business rates bills, with the aim of making them easier for ratepayers to understand and more consistent across different authorities.

## What is the policy hoping to achieve and where are we now?

At Budget 2016, and following the Business Rates Review, the Government made a commitment to modernise and improve the administration of business rates. These measures are intended to support that commitment. While many authorities already voluntarily offer electronic billing, a significant number do not. The Government is clear that all ratepayers should have the option to receive their bills electronically.

In terms of ratepayers with more than one property in a single area, the Government does not intend to require that they receive a single bill covering all their properties. Rather, the measures are intended to help streamline the process by enabling ratepayers who opt-in to electronic billing to receive their different bills in one communication or via a single online account with the authority. Statutory guidance on the form and content of bills will support greater standardisation of bills. As part of previous discussions (e.g. the 2014 review of the Administration of Business Rates in England), businesses have said that bills can be difficult to understand and inconsistent in content and format. The ability to issue statutory guidance on bills will support the Government's aim of making them more consistent and easier for businesses to understand.

## Why is legislation needed?

While authorities may already voluntarily implement electronic billing, primary legislation is needed to make this a requirement. The Government already has powers to make regulations on the form and content of bills, and there are existing regulations (the *Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003*) that set out some core requirements for what bills must include. The ability to issue statutory guidance on the form and content of bills is intended to complement these existing requirements, and provide a more flexible approach to supporting the more consistent appearance of bills.

## Why is a delegated power required?

The Local Government Finance Act 1988 (Schedule 9) already provides the Government with the power to make regulations on the administration of business rates. The measures on electronic billing build on these existing powers.

## How do we see this working in practice?

The measures will enable Government to ensure all ratepayers will be able to request to receive their business rate bills online, streamlining the billing process. Any future guidance on the form and



content of bills will support simplified and more consistent billing across different authorities – ensuring businesses with more than one property see more consistent bills that they should find easier to understand and compare.

### **How can I find out more?**

Further detail on the outcomes of the Business Rates Review is available at:

[www.gov.uk/government/consultations/business-rates-review-terms-of-reference-and-discussion-paper](http://www.gov.uk/government/consultations/business-rates-review-terms-of-reference-and-discussion-paper)

### **Key questions & answers:**

#### **Will you also provide for powers to require local authorities to provide for online payment of bills?**

- Over 95% of local authorities already offer the ability for ratepayers to pay their bills electronically.

#### **Don't authorities already offer electronic billing?**

- While the vast majority of authorities already offer the ability to pay bills online, a significant number of authorities do not yet offer the ability to receive bills online.

#### **Will existing regulations on the form and content of bills be replaced by future guidance?**

- Government expects that any statutory guidance will complement existing regulations, rather than replace them.

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