



# *Statistical Release*

25 August 2011

## NATIONAL NON-DOMESTIC RATES COLLECTED BY LOCAL AUTHORITIES IN ENGLAND 2010-11

- The net rate yield (after allowances for changes in respect of previous years and reliefs) decreased by 0.6% to £19.3 billion in 2010-11.
- The contribution to the pool (net rate yield after allowances for collection costs including losses) also decreased by 0.6% to £18.9 billion in 2010-11.
- Between 2006-07 and 2010-11 the contribution to the pool from the local lists increased by £2.1 billion or 12%.
- London accounts for more than 27% of the contribution to the national pool while having only 15% of the population.

This release provides updated information on national non-domestic rates and associated information for the financial year 2010-11, and changes over previous years. This information is derived from national non-domestic rates (NDR3) returns submitted on behalf of all 326 billing authorities. None of the returns for 2010-11 included in this release have been certified by auditors.

The release has been compiled by the Local Government Finance – Data Collection, Analysis and Accountancy division of the Department for Communities and Local Government.

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Web-link (non-domestic rates statistics)

[www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/](http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/)

## National non-domestic rates collected by local authorities in England 2010-11

<b>Contents</b>	<b>Page</b>	
Table 1	Outturn national non-domestic rate yield, from local lists in England, since 2006-07	3
Table 2	Contribution to the national non-domestic rate pool by region 2010-11	4
Table 3a	Transitional relief granted since 2006-07	5
Table 3b	Mandatory and discretionary reliefs granted since 2006-07	6
Chart A	Mandatory and discretionary reliefs granted since 2006-07	7
Table 3c	Small business rate relief granted since 2006-07	8
Table 3d	Schedule of payment agreements since 2006-07	8
Table 4	Estimated number of empty hereditaments as at 31 March	9
<b>Additional tables (available via web-link)</b>		
Table 5	Number of empty non-domestic hereditaments by billing authority as at 31 March 2010	9
Table 6	Number of empty non-domestic hereditaments by billing authority as at 31 March 2011	9
<b>Small business rate relief scheme</b>		9
<b>Local level data</b>		10
<b>Terminology used in this release</b>		11
<b>Data Quality</b>		17
<b>Uses made of the data</b>		17
<b>Background Notes</b>		18

## National non-domestic rates collected by local authorities in England 2010-11

1. **Table 1** gives details of the yield from national non-domestic rates based on local lists, from 2006-07 to 2010-11.

- The net rate yield (after allowances for changes in respect of previous years and reliefs) decreased by 0.6% to £19.3 billion in 2010-11.
- The contribution to the pool (net rate yield after allowances for collection costs including losses) also decreased by 0.6% to £18.9 billion in 2010-11.
- Between 2006-07 and 2010-11 the contribution to the pool from the local lists increased by £2.1 billion or 12%.
- 2010-11 was a revaluation year and this contributed to a significant change in the amount of reliefs granted, and in particular transitional relief. This impacted on both the net rate yield and the contribution to the pool.

**Table 1: Outturn national non-domestic rate yield from local lists, in England, since 2006-07<sup>(a)</sup>**

	£ million				
	2006-07	2007-08	2008-09(R)	2009-10(R)	2010-11
<b>Yield before reliefs in respect of current year</b>	<b>20,013</b>	<b>20,521</b>	<b>21,307</b>	<b>22,469</b>	<b>23,090</b>
<i>add</i>					
Changes in respect of previous years	-477	-948	-670	-736	-862
<b>Yield before reliefs</b>	<b>19,536</b>	<b>19,573</b>	<b>20,637</b>	<b>21,733</b>	<b>22,228</b>
<i>less</i>					
Transitional Relief	278	-120	-73	-148	537
Mandatory Relief	2,191	2,137	1,396	2,129	2,199
Discretionary Relief	38	39	42	47	43
Small Business Rate Relief	-57	148	145	188	162
Schedule of Payment agreements <sup>(c)</sup>	-	-	59	8	-1
Deferments <sup>(c)</sup>	-	-	-	98	...
<b>Net rate yield</b>	<b>17,086</b>	<b>17,369</b>	<b>19,068</b>	<b>19,412</b>	<b>19,288</b>
<i>less</i>					
Collection costs including losses <sup>(b)</sup>	233	232	347	373	364
<b>Contribution to the pool</b>	<b>16,853</b>	<b>17,138</b>	<b>18,722</b>	<b>19,039</b>	<b>18,924</b>
	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
Small business rate multiplier (pence) <sup>(d)</sup>	42.6	44.1	45.8	48.1	40.7
National non-domestic rates multiplier (pence) <sup>(d)</sup>	43.3	44.4	46.2	48.5	41.4
Number of hereditaments ('000) <sup>(e)</sup>	1,663	1,681	1,692	1,698	1,718
Rateable value <sup>(e)</sup>	47,094 <sup>(f)</sup>	47,314 <sup>(f)</sup>	46,888 <sup>(f)</sup>	46,721 <sup>(f)</sup>	56,337 <sup>(g)</sup>

Source: Data for 2006-07 to 2009-10 are from NNDR3 auditor certified returns. Data for 2010-11 are from NNDR3 returns that have not yet been certified by auditors.

(a) This excludes contributions from the central list and other contributions to the pool.

(b) Includes the City of London offset of £9.8 million in 2009-10 and £10.0 million in 2010-11.

(c) See *Terminology used in this release* and Table 3d for further details.

(d) See *Terminology used in this release* and Table 3c for further details.

(e) As at 31 December in previous year.

(f) Based on draft list for use following April 2005 revaluation.

(g) Based on draft list for use following April 2010 revaluation.

2. In **Table 1** the figures for the yields before reliefs do not equal the rateable value multiplied by the multiplier, as the yield figures are outturn for the year as a whole but the rateable value is given as at 31 December of the previous year.
3. The figures for transitional relief shown in **Table 1** are net (i.e. the reduced yield due to the full increases in NNDR being deferred because of the transitional arrangements less the increased yield due to the full decreases in NNDR being deferred). For full details on transitional relief see **Table 3a**.
4. Whilst the yield before reliefs has increased by 2.3% to £22,228 million, the contribution to the pool decreased by 0.6% to £18,924 million. 2010-11 was a revaluation year and this contributed to significant changes in the amount of reliefs granted, and in particular transitional relief (see **Table 3a**) which contributed to this decrease.
5. **Table 2** gives a breakdown of the contribution to the national non-domestic rate pool by region in 2010-11.

- London accounts for more than 27% of the contribution to the national pool while having only 15% of the population.

**Table 2: Contribution to the national non-domestic rate pool by region 2010-11**

	Contribution to pool (£ million)	Proportion of contribution to pool (%)	Proportion of total population (%)
North East	703	3.7	5.0
North West	2,164	11.4	13.3
Yorkshire & the Humber	1,540	8.1	10.1
East Midlands	1,251	6.6	8.6
West Midlands	1,701	9.0	10.4
East of England	1,894	10.0	11.2
London	5,159	27.3	15.0
South East	2,960	15.6	16.3
South West	1,554	8.2	10.1
<b>Total England</b>	<b>18,924</b>	<b>100.0</b>	<b>100.0</b>

Source: NNDR3 returns and ONS mid-year 2010 population estimates

6. **Table 3a** gives figures for transitional relief applied to national non-domestic rates bills by billing authorities since 2006-07. Transitional relief is designed to phase in large increases in individual rate bills arising from the revaluation through caps on annual increases. This relief is funded by phasing in reductions in individual rate bills through caps on annual reductions.

<b>Table 3a: Transitional relief granted since 2006-07</b>					<b>£ million</b>
	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09(R)</b>	<b>2009-10(R)</b>	<b>2010-11</b>
<b>Transitional relief in respect of the current year</b>					
Income received due to decrease in rates being delayed	-149.0	-91.6	-33.1	0.0	-700.2
Relief granted due to increase in rates being delayed	501.5	229.6	99.3	0.0	1,355.4
<b>Net transitional relief granted in respect of the current year</b>	<b>352.5</b>	<b>138.0</b>	<b>66.2</b>	<b>0.0</b>	<b>655.2</b>
<b>Transitional relief in respect of any previous year</b>					
Income received due to decrease in rates being delayed	9.1	-91.8	-4.1	-75.2	-52.0
Relief granted due to increase in rates being delayed	-84.1	-166.2	-134.9	-72.6	-66.6
<b>Net transitional relief granted in respect of any previous year</b>	<b>-74.9</b>	<b>-257.9</b>	<b>-139.1</b>	<b>-147.8</b>	<b>-118.6</b>
<b>Net transitional relief granted irrespective of the year to which it relates</b>	<b>277.5</b>	<b>-120.0</b>	<b>-72.9</b>	<b>-147.8</b>	<b>536.6</b>

Source: Data for 2006-07 to 2009-10 are from NNDR3 auditor certified returns. Data for 2010-11 are from NNDR3 returns that have not yet been certified by auditors.

+ve figures indicate relief being granted  
-ve figures indicate receipts

7. **Table 3b** gives figures for mandatory and discretionary reliefs applied to national non-domestic rates bills by billing authorities. Mandatory reliefs are automatic entitlements in any billing authority area whereas discretionary reliefs are granted at a billing authority’s discretion and paid for partly by them. An example of these two types of relief is properties held by charities, which are automatically entitled to mandatory relief of 80% but where billing authorities have the discretion to “top up” the amount to 100%. In the case of charity relief, 25% of the discretionary relief granted may be offset against the authority’s contribution to the pool figure and the remaining 75% of the discretionary relief granted must be funded by the local authority from their own resources. The amount of discretionary relief that can be offset against the local authority’s contribution to the pool depends upon the relief granted.

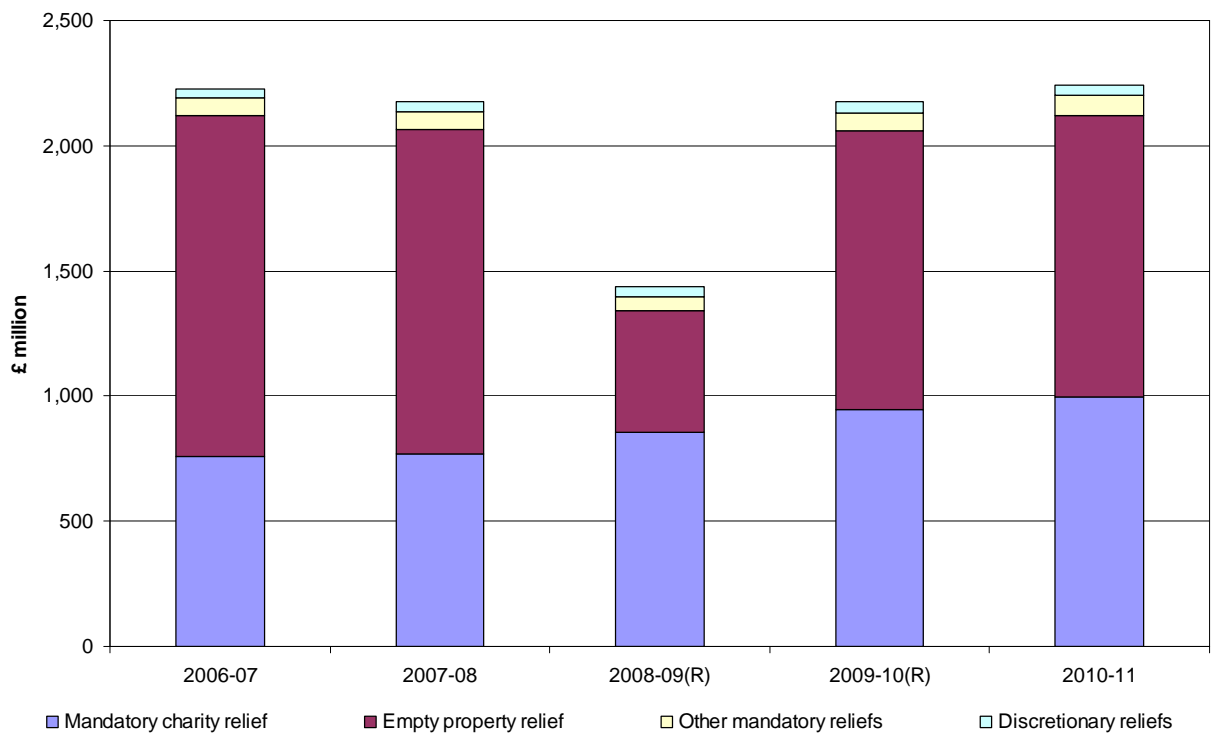
- Local authorities granted a total of £2,242 million of mandatory and discretionary reliefs in 2010-11, an increase of 3% compared with 2009-10.
- Local authorities granted a net total of £998 million of mandatory charity relief in 2010-11, an increase of 6% when compared with the 2009-10 figure and an increase of 31% when compared with 2006-07.
- Discretionary relief granted fell by 8% compared with 2009-10, the first fall since 2005-06.

**Table 3b: Mandatory and discretionary reliefs granted since 2006-07**

	£ million				
	2006-07	2007-08	2008-09(R)	2009-10(R)	2010-11
<b>Mandatory reliefs in respect of the current year</b>					
Charity	756.6	786.3	849.6	941.1	1,004.5
Rural village shop	5.7	5.7	5.9	6.2	5.3
Former agricultural premises <sup>(a)</sup>	0.5	-	-	-	-
Partly occupied	45.9	41.9	27.3	40.3	42.5
Empty property	1,377.8	1,366.3	606.3	1,125.3	1,129.9
Community amateur sports clubs	8.9	10.3	12.4	14.6	14.9
<b>Total mandatory reliefs in respect of the current year</b>	<b>2,195.4</b>	<b>2,210.4</b>	<b>   1,501.5</b>	<b>   2,127.5</b>	<b>   2,197.2</b>
<b>Mandatory reliefs in respect of any previous year</b>					
Charity	2.9	-15.5	4.2	4.0	-6.3
Rural village shop	-0.5	0.2	0.2	0.2	0.2
Former agricultural premises <sup>(a)</sup>	0.1	0.0	0.0	0.0	0.0
Partly occupied	8.6	14.0	9.0	4.9	15.5
Empty property	-16.0	-72.3	-119.3	-8.2	-8.2
Community amateur sports clubs	0.4	0.3	0.3	0.4	0.7
<b>Total mandatory reliefs in respect of previous years</b>	<b>-4.5</b>	<b>-73.4</b>	<b>-105.6</b>	<b>   1.2</b>	<b>   1.9</b>
<b>Total mandatory reliefs irrespective of the year to which they relate</b>	<b>2,191.0</b>	<b>2,137.0</b>	<b>1,395.9</b>	<b>   2,128.7</b>	<b>2,199.0</b>
<b>Discretionary reliefs in respect of all years</b>					
Charity	8.2	8.8	9.1	10.1	10.5
Non-profit making bodies	25.4	25.7	27.9	28.9	26.1
Rural village shop	1.9	2.0	2.1	2.3	2.0
Other small rural business	1.2	1.3	1.3	1.4	1.2
Former agricultural premises <sup>(a)</sup>	0.1	0.0	0.0	0.0	0.0
Hardship	1.4	0.9	1.3	3.7	3.3
Charges on property	0.0	0.0	0.1	0.1	0.0
Community amateur sports clubs	0.1	0.2	0.2	0.2	0.2
<b>Total</b>	<b>38.2</b>	<b>38.9</b>	<b>41.9</b>	<b>46.8</b>	<b>43.3</b>
Source: Data for 2006-07 to 2009-10 are from NNDR3 auditor certified returns. Data for 2010-11 are from NNDR3 returns that have not yet been certified by auditors.					
(a) Relief for former agricultural premises ended in August 2006.					
+ve figures indicate relief being granted					
-ve figures indicate receipts					

8. **Chart A** shows graphically how the levels of mandatory charity relief, empty property relief, other mandatory reliefs and discretionary reliefs have changed over the period 2006-07 to 2010-11.

**Chart A: Mandatory and discretionary reliefs granted since 2006-07 <sup>(a)</sup>**



(a) excludes small business rate relief

- Tables 3c** gives figures for small business rate relief (SBRR) applied to national non-domestic rates bills by billing authorities. The SBRR is designed to help small businesses meet the cost of their rates and is funded by those businesses not receiving benefit from the scheme through a supplement. Further details can be found in *Terminology used in this release*.

**Table 3c: Small business rate relief granted since 2006-07**

	£ million				
	2006-07	2007-08	2008-09(R)	2009-10(R)	2010-11
<b>Small business rate relief in respect of the current year</b>					
Additional revenue to fund SBRR	-310.5	-132.3	-176.3	-176.6	-371.4
Cost of SBRR granted	237.4	259.9	298.2	333.2	505.1
<b>Net small business rate relief granted in respect of the current year</b>	<b>-73.1</b>	<b>127.6</b>	<b>121.9</b>	<b>156.6</b>	<b>133.6</b>
<b>Small business rate relief in respect of any previous year</b>					
Additional revenue to fund SBRR	1.4	10.9	5.6	7.5	12.5
Cost of SBRR granted	14.6	9.3	17.4	23.8	16.1
<b>Net small business rate relief granted in respect of any previous year</b>	<b>16.0</b>	<b>20.2</b>	<b>22.9</b>	<b>31.3</b>	<b>28.6</b>
<b>Net small business rate relief granted irrespective of the year to which it relates</b>	<b>-57.1</b>	<b>147.8</b>	<b>144.8</b>	<b>187.9</b>	<b>162.2</b>
<b>Additional multiplier used to fund small business rate relief (pence)</b>	<b>0.7</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>	<b>0.7</b>

Source: Data for 2006-07 to 2009-10 are from NNDR3 auditor certified returns. Data for 2010-11 are from NNDR3 returns that have not yet been certified by auditors.

+ve figures indicate relief being granted  
-ve figures indicate receipts

10. **Tables 3d** gives figures for the value of the schedule of payment agreements reached, and the amount received of these delayed payments in the period 2006-07 to 2010-11. Further details can be found in *Terminology used in this release*.

**Table 3d: Schedule of payment agreements granted since 2006-07**

	£ million				
	2006-07	2007-08	2008-09(R)	2009-10(R)	2010-11
<b>Schedule of payment agreements</b>					
Reduction due to schedule of payment agreement	-	-	59.3	15.3	3.1
Receipts as a result of schedule of payment agreement	-	-	0.0	-7.3	-3.9
<b>Net cost of Schedule of payment agreements</b>	<b>-</b>	<b>-</b>	<b>59.3</b>	<b>8.0</b>	<b>-0.8</b>

Source: Data for 2006-07 to 2009-10 are from NNDR3 auditor certified returns. Data for 2010-11 are from NNDR3 returns that have not yet been certified by auditors.

+ve figures indicate relief being granted  
-ve figures indicate receipts from the repayment where reliefs have been previously granted



## Estimated number of empty non-domestic hereditaments in England as at 31 March

11. **Table 4** contains details of local authority estimates of the number of non-domestic hereditaments that were empty as at 31 March. The national estimates have been derived from both the figures supplied by local authorities and, where necessary, by imputation for earlier years.

- At 31 March 2011, there were an estimated 269,000 empty non-domestic hereditaments in England representing 16% of all hereditaments.

**Table 4: Estimated number of empty hereditaments as at 31 March**

	2008	2009	2010(R)	2011
Number of empty hereditaments (thousand)	237	237	267	269
The percentage of hereditaments that are empty	14%	14%	16%	16%

Source: NNDR returns

### Additional tables

Two additional tables have been produced at local authority level that are not included in the printed version of this release. They are available on the Department's website and can be found at:

[www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/outturn/](http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/outturn/)

- **Table 5** show details of the number of empty properties by billing authority as at 31 March 2010.
- **Table 6** show details of the number of empty properties by billing authority as at 31 March 2011.

### Small business rate relief scheme

A revised form from Leicester UA has been received revising the number of hereditaments benefiting from, and contributing to, the small business rate relief scheme as at 31 December 2010. The table below has the revised figures for 2010:

## Number of hereditaments benefiting from, or contributing to, the Small Business Rate Relief (SBRR) scheme as at 31 December

	2006	2007	2008	2009	thousand hereditaments	2010
Contributing to the SBRR scheme	...	1,265	1,254	1,233		1,233
Benefiting from the SBRR scheme	396	433	453	487		504
<i>of which</i>						
<i>In receipt of Small Business Rate Relief</i>	...	...	406	437		455
<i>of which</i>						
<i>RV of less than £5,000 (relief at 50%)<sup>(a)</sup></i>	...	...	259	280		293
<i>RV between £5,001 &amp; £10,000 (relief up to 50%)<sup>(b)</sup></i>	...	...	147	157		162
<i>Pay Small Business Rate multiplier only</i>	...	...	47	50		49

Source: NNDR1 (Supplementary) returns

(a) At 31 December 2010 the limits were RV of less than £6,000 (relief at 100%)

(b) At 31 December 2010 the limits were RV between £6,001 & £12,000 (relief up to 100%)

In addition the local level table has been revised to include the correct figures at the following link:

<http://www.communities.gov.uk/publications/corporate/statistics/nondomesticrates201112f>

### Local level data

To accompany this release the underlying local authority level data on non-domestic rates collected have been published. This covers the years from 2005-06 through to the most recent year 2010-11. This can be found with the associated statistical releases:

<http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/outturn/>

Following detailed quality assurance of this local level data several minor revisions have been made. These data should be considered the correct and most recent version. Any national data changes have been marked revised in this statistical release.

## **Terminology used in this release**

A list of terms relating to local government finance is given in the glossary of terms and acronyms to *Local Government Financial Statistics England No.21 2011*. This is accessible at

[www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/](http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/)

The most relevant terms for this release are explained below.

**Billing authority** - a local authority empowered to set and collect non-domestic rates, and manage the Collection Fund, on behalf of itself and other local authorities in its area. In England, shire and metropolitan districts, the Council of the Isles of Scilly, unitary authorities, London boroughs and the City of London are billing authorities.

**Central list** - Since 1990, a central rating list has existed for England containing large network properties which would not sit comfortably on local rating lists e.g. railways, light railways, utilities, communication facilities, pipelines and canals. The income from such properties is collected by central government and paid by them into the pool.

**Charity relief** - a relief within the business rates system to help charities meet the cost of their rates.

**Community Amateur Sports Clubs (CASC) relief** - a relief within the business rates system to help sports clubs meet the cost of their rates.

**Deferment** – in 2009-10 businesses were allowed to defer 60% of the increase in their bills arising from the change in the multiplier. 50% of the money deferred is to be paid in 2010-11 and 50% in 2011-12.

There is no separate figure shown in **Table 1** for the repayment in 2010-11 of the amount deferred from 2009-10; this is included in the *Changes in respect of previous years* adjustments.

**Discretionary relief** - In addition to **mandatory reliefs**, local authorities have the power to award relief at their discretion provided the hereditaments meet locally set criteria. The current categories of discretionary relief are:

- Charity
- Non-profit making bodies
- Rural village shop
- Other small rural businesses
- Community & Amateur sports clubs
- Hardship
- Charges on property

A further relief for former agricultural properties ceased during August 2006 and is no longer available but may be applied retrospectively where applicable.

An example of these mandatory and discretionary reliefs is properties held by charities, which are automatically entitled to mandatory relief of 80% but where billing authorities have the discretion to “top up” the amount to 100%.

In the case of discretionary charity relief, 25% of the top up amount may be offset against the authority's contribution to the pool figure and 75% of the top up amount must be funded by the local authority from their own resources. The amount of discretionary relief that can be offset against the local authority's contribution to the pool depends upon the relief granted.

**Distributable Amount** - the estimated total amount in the national business rate pool that is available to be distributed to local authorities as part of the annual Local Government Finance Settlement. The business rates are collected by local authorities from the **Local list** and paid into a national pool and then, along with business rates collected by CLG from the **Central list**, redistributed to all authorities.

Prior to 2006-07, business rates were distributed based on an amount per head depending on the services that the authority provided. From 2006-07 onwards, it is distributed using the same formula as that for Revenue Support Grant.

**Empty property rates** - business rates charged on empty property – i.e. charge to the owner / occupier of a property which is on the rating list but which has no business tenant.

**Empty property rate relief** - a relief within the business rates system to help owners / occupiers of empty properties meet the cost of their **Empty property rates**.

Prior to 1 April 2008, after an initial 3 month rate-free period, industrial properties continued to receive 100% relief, while all other empty properties received 50% relief. During 2008-09 properties could only claim 100% relief for the first 3 months (or 6 months for industrial properties) of being empty, after which they were liable for full rates.

In 2009-10 additional Empty Property Rate relief was introduced for smaller properties. Following the initial rate-free period, properties below £15,000 in rateable value continued to receive 100% relief. This limit was raised to £18,000 in 2010-11 following revaluation.

**Hereditament** - the legal name for the unit of non-domestic property that is, or may become, liable to national non-domestic rates, and thus appears on the rating list. The list is compiled and maintained by the Valuation Office Agency of HM Revenue and Customs (VOA). These can include pylons, telephone boxes, advertising hoardings as well as offices, shops, warehouses, factories, and public buildings like hospitals and schools. A hereditament may be several buildings together like a university campus or just one office in a block.

There are around 1.7million hereditaments in England.

**Local Government Finance Act 1988** - the main legislation in respect of business rates; also called 'the 1988 Act' or 'LGFA 1988'.

**Local list** - local rating lists include not only non-domestic **hereditaments** but also Crown properties, such as central government hereditaments and Ministry of Defence establishments. The income from properties on local rating lists is collected by billing authorities and paid by them into the pool.

**Mandatory relief** - Hereditaments are automatically entitled to relief of all or part of their rates bill provided they meet the criteria set down in legislation. There are currently five categories of mandatory relief:

- Charity
- Rural village shop
- Community & Amateur sports clubs
- Partially empty properties
- Empty properties

A further relief for former agricultural properties ceased during August 2006 and is no longer available for the current year but may be applied retrospectively where applicable.

**National multiplier** - the figure used to calculate a non-domestic rates bill from the rateable value. The rateable value times the multiplier equals the notional rates liability. The figure is set annually by the Government and reflects the change in the Retail Price Index in September the previous year. The standard multiplier includes a supplement which funds small business rate relief.

This figure is set annually by the Government and reflects the change in the Retail Price Index in September the previous year. However, at revaluation, the multiplier is amended to ensure that nationally, no additional revenue other than would have been due allowing for inflation, is collected.

The multiplier for 2010-11 was £0.407.

**NNDR – national non-domestic rates** - are a means by which local businesses or organisations contribute to the cost of local authority services. Liable properties include public buildings, pipelines and advertising hoardings, as well as businesses. Some non-domestic properties, such as agricultural land and associated buildings, and churches, are exempt however. On 1 April 1990 the rating of non-domestic (mainly commercial and industrial) properties was substantially reformed. Before 1990-91, rates were set individually by local authorities and varied from authority to authority. Since 1 April 1990, the national multiplier has been set by the Government.

**ONS** – the Office for National Statistics is the government agency responsible for compiling, analysing and disseminating many of the United Kingdom's economic, social and demographic statistics including the Retail Price Index, trade figures and labour market data as well as the periodic census of the population and health statistics.

**Rates liability** - the basis of the rates bill. The liability is the **rateable value** times the multiplier, but may be adjusted by any **transitional relief** in place, or by any **mandatory, discretionary** or **small business rate** relief applicable, to give the amount of rates payable.

**Rateable value – RV** - the legal term for the notional annual rent of a **hereditament**, assessed by the VOA. Every property has a rateable value that is based, broadly, on the annual rent that the property could have been let for on the open market at a particular date (for this release 1 April 2003, using a list compiled for 1 April 2005). The RV is used in determining the **rates liability**, and therefore the bill.

**Revaluation** - the rateable value of a property is re-assessed every five years, at revaluation, to ensure changes in property market rent values are taken into account. Rateable values go both up and down at revaluation, in comparison to the average.

The multiplier is amended to ensure that nationally, no additional revenue other than would have been due allowing for inflation, is collected as a result of revaluation.

Hereditaments were revalued from 1 April 2010 (based on property values as at 1 April 2008).

**Rural rate relief** - relief within the business rates system to help retain essential commercial services in rural areas.

Mandatory Rural rate relief is available for a sole shop, general store or post office in a defined rural area with a maximum RV of £7,000 or a sole petrol filling station or pub with a maximum RV of £10,500.

Discretionary Rural rate relief is also available for other businesses in a defined rural area with a maximum RV of £14,000.

**Schedule of Payments** – in 2008-09 there were several assessments that were back dated for a number of years. To assist with the recovery of this money, agreements for a Schedule of Payments were drawn up between local authorities and the rate payer to allow the payment of this back dated liability over a maximum period of 8 years.

From June 2010 a moratorium was introduced by the Government on repayments of revenues to be paid over 8 years through a Schedule of Payments removing the need for local authorities to collect the backdated liability for the remainder of 2010-11 reducing the expected repayments collected.

The figures for Schedule of Payment agreements in **Table 1** are net, the figures in **Table 3d** show the breakdown how the net figures are arrived at.

**Small business rate relief scheme (SBRR)** - a relief scheme within the business rates system to help small businesses meet the cost of their rates.

The SBRR is funded by those businesses not receiving benefit from the scheme through a supplement included in the National Multiplier.

An important change to the level of relief granted was introduced from 1 October 2010 and runs until at least 30 September 2012. Those hereditaments with a rateable value of less £6,000 who were eligible for relief at 50% of their rate liability now have 100% rate relief – they pay no rates at all. Those hereditaments with a rateable value of between £6,001 and £12,000 and were eligible for relief on a sliding scale between 50% and zero and now entitled to relief on a sliding scale between 100% and zero. The additional costs arising from this temporary change in the scheme will be met by the Government. There will be no adjustment to the multiplier to reflect the extension of the relief.

**For the period 2005-06 to 2009-10**

<b>Rateable Value range</b>	<b>Multiplier payable</b>	<b>Relief granted</b>	<b>Note</b>
Below £5,000	Small business rate multiplier 2005-06: 41.5p 2006-07: 42.6p 2007-08: 44.1p 2008-09: 45.8p 2009-10: 48.1p.	50% rate relief on liability	This relief is available for: - one property; - one main property and other additional properties, according to certain conditions.
Between £5,001 and £10,000		Relief is on a declining sliding scale from 50% to zero.	
Between £10,001 and £21,500 in London or £10,001 and £15,000 elsewhere		No relief granted	
Rest	National non-domestic rate multiplier 2005-06: 42.2p 2006-07: 43.3p 2007-08: 44.4p 2008-09: 46.2p 2009-10: 48.5p		The Small business rate relief scheme is funded by businesses that pay the national non-domestic rates multiplier.

**For 1 April 2010 to 30 September 2010**

<b>Rateable Value Range</b>	<b>Multiplier payable</b>	<b>Relief Granted</b>	<b>Note</b>
Below £5,000	Small business rate multiplier 2010-11: 40.7p	50% rate relief on liability	This relief is available for: - one property; - one main property and other additional properties, according to certain conditions.
Between £5,001 and £10,000		Relief is on a declining sliding scale from 50% to zero.	
Between £10,001 and £21,500 in London or £10,001 and £15,000 elsewhere		No relief granted	
Rest	National non-domestic rate multiplier 2010-11: 41.4p		The Small Business Rate Relief scheme is funded by businesses that pay the national non-domestic rates multiplier.

**For 1 October 2010 to 31 March 2011**

<b>Rateable Value Range</b>	<b>Multiplier payable</b>	<b>Relief Granted</b>	<b>Note</b>
Below £6,000	Small business rate multiplier 2010-11: 40.7p	100% rate relief on liability	This relief is available for: - one property; - one main property and other additional properties, according to certain conditions.
Between £6,001 and £12,000		Relief is on a declining sliding scale from 100% to zero.	
Between £12,001 and £25,500 in London or £12,001 and £18,000 elsewhere		No relief granted	
Rest	National non-domestic rate multiplier 2010-11: 41.4p		The Small Business Rate Relief scheme is funded by businesses that pay the national non-domestic rates multiplier.

**Small business multiplier** - the small business multiplier excludes the supplement which funds the SBRR scheme. The small business multiplier for 2010-11 was £0.407. The figure is set annually by the Government and reflects the change in the Retail Price Index in September of the previous year.

**Transitional Relief** - Properties are revalued every five years and transitional arrangements are in place which moderate significant increases and decreases in bills. The transitional scheme is designed to be broadly revenue neutral over the life of the scheme. This revenue neutrality is achieved by phasing in both the decreases in the rate bills of those who benefit from revaluation, and also the increases in the rates bills of those who face higher rates bills due to revaluation. The figures for Transitional Relief shown in **Table 1** are net (i.e. the reduced yield due to the full increases in NNDR being deferred because of the transitional arrangements less the increased yield due to the full decreases in NNDR being deferred); **Table 3a** gives a breakdown of how the net figures are arrived at.

The transitional relief scheme for the period 2005-06 to 2009-10 was designed to phase in significant changes in bills over a maximum of four years so that in 2009-10, the final year of the 2005 revaluation period, all hereditaments were expected to be paying their true rates liability. Although there was no transitional relief granted in respect of 2009-10, the figures shown in **Table 1** for that year relate to Transitional Relief granted in respect of previous years.

The transitional relief scheme for the period 2010-11 to 2014-15 is designed to phase in significant changes in bills over maximum of five years.



## **Data quality**

The information in this release is based on data returned to the Department for Communities and Local Government by English billing authorities on National non-domestic rates (NNDR3) forms. Data have for 2006-07 to 2009-10 have been certified by the Audit Commission auditors; data for 2010-11 have not been subject to auditor certification. The data collected includes local authorities' calculations of their contribution to the national non-domestic rates pool. These data are compared with data taken from either the authorities' NNDR1 or NNDR2 form. If an authority has over contributed to the pool they are reimbursed with the amount they have over contributed; if they have under contributed to the pool they are asked for an additional payment.

Figures are subjected to rigorous pre-defined validation tests both within the form itself, while the form is being completed by the authority and also in the Department for Communities and Local Government as the data are received and stored.

Finally, the release document, once prepared, is also subject to intensive peer review before being cleared as fit for the purposes of publication.

## **Uses made of the data**

The data in this Statistical Release are used to inform government policy on national non-domestic rates including specific details on both mandatory and discretionary rate reliefs. The national non-domestic rates figures for 2010-11 are also used to estimate accrued national non-domestic rates for the Office for National Statistics to use in the Public Sector Finances statistics and the National Accounts.

This information is required to calculate each local authority's final contribution to the national non-domestic rates pool. It updates forecast information and allows the exact amounts of outturn payments to be made either to local authorities or back to central government.

## Background Notes

1. The NNDR3 data in this release are taken from returns that have been certified by auditors up to and including those for 2009-10. Data for 2010-11 have not been subject to auditor certification.
2. For press enquiries about this Statistical Release please contact the Local Government press desk on 0303 444 0444 or email [press.office@communities.gsi.gov.uk](mailto:press.office@communities.gsi.gov.uk). For other enquiries please telephone John Farrar on 0303 444 2116 or email [nndr.statistics@communities.gsi.gov.uk](mailto:nndr.statistics@communities.gsi.gov.uk).
3. The responsible statisticians for this release are Steven Melbourne and Mike Young who can be contacted on [nndr.statistics@communities.gsi.gov.uk](mailto:nndr.statistics@communities.gsi.gov.uk)
4. This Statistical Release can be found at the following web address:  
[www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/outturn/](http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/nondomesticrates/outturn/)
5. Timings of future releases are regularly placed on the department's website, [www.communities.gov.uk/corporate/researchandstatistics/statistics/publicationschedule/](http://www.communities.gov.uk/corporate/researchandstatistics/statistics/publicationschedule/) and on the National Statistics website, [www.statistics.gov.uk/hub/release-calendar/index.html](http://www.statistics.gov.uk/hub/release-calendar/index.html)
6. Further information is also available on the department's website [www.communities.gov.uk/localgovernment/localgovernmentfinance/](http://www.communities.gov.uk/localgovernment/localgovernmentfinance/)
7. For a fuller picture of recent trends in local government finance, readers are directed to *Local Government Financial Statistics England No.21 2011* which is available in hard copy from Cambertown Limited at [product@communities.gsi.gov.uk](mailto:product@communities.gsi.gov.uk) (Tel. Tel: 0300 123 1124) and electronically in PDF format via the Department's web site: [www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/](http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/)
8. Both the Scottish Government and the Welsh Assembly Government also collect non-domestic rates data. Their information can be found at the following websites:

Scotland:

[www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/Publications](http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/Publications)

Wales:

In English:

[new.wales.gov.uk/topics/statistics/theme/loc-gov/non-dom/?lang=en](http://new.wales.gov.uk/topics/statistics/theme/loc-gov/non-dom/?lang=en)

In Welsh:

[new.wales.gov.uk/topics/statistics/theme/loc-gov/non-dom/?lang=cy](http://new.wales.gov.uk/topics/statistics/theme/loc-gov/non-dom/?lang=cy)

**Symbols and convention used in this release**

...	=	not available
–	=	not relevant
-	=	Negative
0	=	Zero or negligible
	=	Discontinuity in data

**Rounding**

Where figures have been rounded, there may be a slight discrepancy between the total and the sum of constituent items