



**Ministry of Housing,
Communities &
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Rishi Sunak MP
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Clive Betts MP
Chair
Housing, Communities and Local Government
Select Committee
House of Commons
London
SW1A 0AA

1 7 JUN 2019

Dear Clive,

THE NON-DOMESTIC RATING (LISTS) BILL

On Wednesday 12 June 2019 the Government introduced the Non-Domestic Rating (Lists) Bill. All Bill documents can be found at the following link:

<https://services.parliament.uk/Bills/2017-19/nondomesticratinglists.html>

At Budget 2017 and Spring Statement 2018, the Government committed to bring forward by one year the next revaluation for non-domestic rates in England to 1 April 2021 and to move the cycle of new rating lists thereafter in England from every five years to every three years.

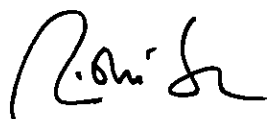
In your capacity as Chair of the Housing, Communities and Local Government Committee, I am pleased to inform you that the Government has introduced this Bill to deliver upon those commitments.

More frequent revaluations are a reform which has been frequently requested by businesses. It will improve the fairness of the business rates system by more accurately reflecting properties' current rental value in rate bills. In order to ensure businesses can benefit from this change as soon as possible, the legislation also brings forward the next revaluation to 2021 from 2022.

In support of a shorter revaluation cycle, we are also changing the latest date by which the Valuation Office Agency must publish the new draft rating list. We are moving this from no later than 30 September preceding the revaluation to no later than 31 December preceding. Nevertheless, we will still give ratepayers as much notice as possible of their draft rateable values and new rate bills within a new three yearly cycle. Of course ratepayers will also need to know the final multiplier and transitional relief scheme before they can estimate their new bill and at previous revaluations this has been announced at the Autumn Budget. Therefore, we expect ratepayers to have several months' notice of their new bills.

The Government issued a discussion paper on more frequent revaluations in 2016 and carefully considered all responses. Please be reassured that, as was the case at the 2017 revaluation, we intend to make any adjustments as are necessary to the rates retention scheme to ensure locally retained income is, as far as is practicable, unaffected by the 2021 revaluation. We will consult with local government on how to make these revaluation adjustments to the rates retention scheme nearer the time.

I would be pleased to discuss the Bill in greater detail with you if you would find that helpful.

A handwritten signature in black ink, appearing to read 'Rishi Sunak', written in a cursive style.

RISHI SUNAK MP