EXPLANATORY MEMORANDUM TO

THE COUNCIL TAX AND NON-DOMESTIC RATING (DEMAND NOTICES) (ENGLAND)(AMENDMENT) REGULATIONS 2019

2019 No. 101

1. Introduction

1.1 This explanatory memorandum has been prepared by the Ministry of Housing, Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 These Regulations amend the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003 (S.I. 2003/2613) ("the 2003 Regulations"). These Regulations update the explanatory notes which must be published on an authority's website in relation to non-domestic rating demand notices.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)

3.2 As the instrument is subject to negative resolution procedure there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business at this stage.

4. Extent and Territorial Application

4.1 The territorial extent of this instrument is England and Wales.

4.2 The territorial application of this instrument is England only.

5. European Convention on Human Rights

5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation no statement is required.

6. Legislative Context

6.1 Schedule 2 to the 2003 Regulations sets out the matters which must be included in a non-domestic rating demand notice ("rates bill") or be published on the billing authority's website. Part 1 of that Schedule applies to demand notices sent by a billing authority other than the Common Council (to which Part 3 of Schedule 2 applies). Where the billing authority is a rural settlement authority, Part 1 is modified by Part 2 of Schedule 2. Where the billing authority is a business rates supplement authority, Part 1 is modified by Part 2A of Schedule 2. Where the Common Council is a business rates supplement authority, Part 3 is modified by Part 3A of Schedule 2. The

explanatory notes, which are set out in each Part of Schedule 2, give the ratepayer information about non-domestic rates and the reliefs that are available.

6.2 To ensure rates bills contain up-to-date information, these Regulations amend the explanatory notes in Parts 1 to 3A of Schedule 2 to the 2003 Regulations to reflect changes to non-domestic rating which will have effect for the 2019-20 billing year.

7. Policy background

What is being done and why?

7.1 The 2003 Regulations, amongst other things, set out the information that is to be contained in non-domestic rating demand notices and be published online. The explanatory notes which are required to be published on a billing authority's website inform ratepayers of non-domestic rates policy so that they understand the policy and the impact it may have on their rates bills. Billing authorities are also required to provide ratepayers with a hard copy of these explanatory notes on request. Explanatory notes are updated annually through regulations to reflect any relevant changes in non-domestic rates policy.

7.2 The Government is amending the explanatory notes in Schedule 2 to the 2003 Regulations to reflect the changes that will apply for the 2019-20 billing year, such as the introduction of the new retail rate relief scheme as announced at the 2018 Autumn Budget and the extension of the Business Rate Supplements to mayors of combined authorities. As set out in the explanatory notes, ratepayers can also obtain further information about these measures from the billing authority.

8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union

8.1 This instrument does not relate to withdrawal from the European Union.

9. Consolidation

9.1 The Department does not intend to consolidate the 2003 Regulations. However, this instrument consolidates the text of the explanatory notes in Schedule 2 to the 2003 Regulations.

10. Consultation outcome

10.1 There has been no consultation on these changes to the 2003 Regulations. The need to update the content of rates bills arises from a need to ensure that demand notices reflect changes announced by Government in the 2018 Autumn Budget.

11. Guidance

11.1 No guidance is required on these Regulations. The provision of information alongside rates bills is a well understood part of the non-domestic rates system.

12. Impact

12.1 There is no, or no significant, impact on business, charities or voluntary bodies.

12.2 The impact on the public sector is that billing authorities must amend the information they provide to ratepayers in non-domestic rating demand notices. This is a usual aspect of the rating system.

12.3 An Impact Assessment has not been prepared for this instrument because it amends an existing local tax regime. Publication of a full impact assessment is not necessary for such legislation.

13. Regulating small business

13.1 The legislation does not apply to activities that are undertaken by small businesses although it does relate to the information that small businesses will receive with their rates bills.

14. Monitoring & review

14.1 The information provided for ratepayers will be reviewed in line with any future changes in policy that impact on liability for, or the collection of, business rates.

15. Contact

15.1 Edward Stanislas at the Ministry of Housing, Communities and Local Government Telephone: 0303 44 1759 or email: edward.stanislas@communities.gov.uk can be contacted with any queries regarding the instrument.

15.2 Chris Megainey, Deputy Director for Local Government Taxation, at the Ministry of Housing, Communities and Local Government can confirm that this Explanatory Memorandum meets the required standard.

15.3 Rishi Sunak at the Ministry of Housing, Communities and Local Government can confirm that this Explanatory Memorandum meets the required standard.