

# Merthyr Tydfil County Borough Council

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## Information for Business Rates 2019/2020

Statement in support of Council Tax and Non Domestic Rate demand notices 2019/2020

**REVENUE EXPENDITURE** - The County Borough Council plans to spend £120,292,748 in 2019/2020 and has approved the following budget:

	£'000
Total Spending	120,293
Revenue Support Grant	-72,244
National Non Domestic Rates	-19,061
<b>Net Expenditure to be met by Council Tax</b>	<b>28,988</b>

### **COUNCIL TAX LEVY 2019/2020 AT BAND D**

The Council Tax Base - the Number of Band D equivalent property for 2019/2020 is £18,227.63.

Levying Authority	£
The Police and Crime Commissioner for South Wales	1,590.35
South Wales Police Authority	257.52
<b>Band D Council Tax in the Merthyr Tydfil Area</b>	<b>1,847.87</b>

In addition Bedlinog Community Council has issued a precept of £22,750 which is a Band D equivalent charge of £19.45 in the Community Council Area.

Individual amounts of Council Tax are calculated as a multiplier of the Band D charge. The amounts for each valuation band are as follows:

Council Tax Valuation Band	Merthyr Tydfil County Borough Council	The Police & Crime Commissioner for South Wales	Total Merthyr Tydfil Area	Bedlinog Community Council	Total Bedlinog Area
A (6/9)	1,060.23	171.68	<b>1,231.91</b>	12.97	<b>1,244.88</b>
B (7/9)	1,236.94	200.29	<b>1,437.23</b>	15.13	<b>1,452.36</b>
C (8/9)	1,413.64	228.91	<b>1,642.55</b>	17.29	<b>1,659.84</b>
D (9/9)	1,590.35	257.52	<b>1,847.87</b>	19.45	<b>1,867.32</b>
E (11/9)	1,943.76	314.75	<b>2,258.51</b>	23.77	<b>2,282.28</b>
F (13/9)	2,297.17	371.98	<b>2,669.15</b>	28.09	<b>2,697.24</b>
G (15/9)	2,650.58	429.20	<b>3,079.78</b>	32.42	<b>3,112.20</b>
H (18/9)	3,180.70	515.04	<b>3,695.74</b>	38.90	<b>3,734.64</b>
I (21/9)	3,710.82	600.88	<b>4,311.70</b>	45.38	<b>4,357.08</b>

### FINANCIAL RESERVES

The County Borough Council has to maintain financial reserves as a contingency against unforeseen expenditure and to minimise the need to borrow money temporarily during the year. It is estimated that at the 1st April 2019 financial reserves will amount to £4.217 million, with this balance maintained at 31 March 2020.

### COUNTY BOROUGH COUNCIL REVENUE ESTIMATES 2019/2020

General Fund	£000	£000
Estimated Levies to be collected on behalf of other Agencies		
Fire Service	2,903	
Coroners	98	
Glamorgan Record Office	41	
Brecon Beacons National Park	41	3,083

### Expenditure of Council Directorates

People and Performance	81,307
Place and Transformation	24,362
Corporate Costs	17,500
Less: Recharges	-3,697
Less: Reserves	-2,262
<b>Total Spending</b>	<b>120,293</b>

### CAPITAL EXPENDITURE

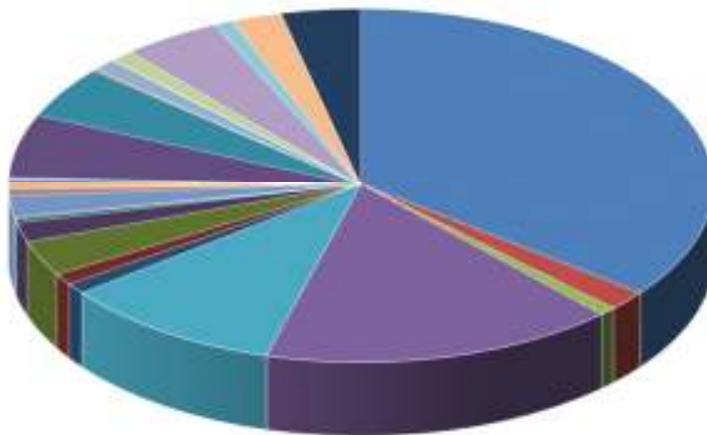
The introduction of the Local Government Act 2003 results in a change in the method by which local authorities calculate the amount of capital expenditure it can support. A set of indicators, known as Prudential Indicators, are used to calculate this amount.

For 2019/2020 the Prudential Indicators indicate a total capital expenditure of £14,317 million.

Details of the Police and Crime Commissioner for South Wales expenditure can be accessed at [www.Merthyr.gov.uk](http://www.Merthyr.gov.uk) under the Business Rates – Annual Notification web page. Should you wish to receive a hard copy of this information please contact the Revenues Section on (01685) 725000 or Email: [Revenues@merthyr.gov.uk](mailto:Revenues@merthyr.gov.uk).

#### Council Tax - Spend per £ - 2019 -2020

● Education 30.45p	● School Transport 1.83p	● Social Services - Early Years and Youth 0.76p
● Social Services - Adult Services 16.23p	● Social Services - Children Services 10.13p	● Registrars and Bereavement Services 0.01p
● Grounds Maintenance 0.99p	● Street Cleansing 1.01p	● Waste Management 3.18p
● Highways and Engineering 1.77p	● Community Regeneration 0.34p	● Employability & Worklessness 0.17p
● Leisure and Culture Services 1.96p	● Planning and Building control 0.55p	● Public Transport 0.28p
● Trading Standards 0.15p	● Licensing 0.01p	● Public Health 0.37p
● Housing Services 0.28p	● Community Safety 0.06p	● CCTV and Ufeline 0.11p
● Capital Financing Costs 5.79p	● Council Tax Benefit Payments 4.74p	● Levies 0.14p
● Legal and Democratic Services 1.3p	● Emergency planning 0.08p	● Corporate Property 1.04p
● Support Services 4.54p	● Corporate costs 0.89p	● Fire Service 2.27p
● Police 3.67p		



### **EXPLANATORY INFORMATION ABOUT YOUR RATE DEMAND NOTICES**

The information given below explains some of the terms which may be used on a non-domestic rate demand and in the supporting information.

Further information about liability to non-domestic rates may be obtained from billing authorities.

### **NON-DOMESTIC RATES**

The non-domestic rates collected by billing authorities are paid into a central pool and redistributed to county and county borough councils and police authorities. Your council and police authority use their share of redistributed rate income, together with income from their Council Tax payers, revenue support grant provided by the Welsh Government and certain other sums, to pay for the services they provide.

### **RATEABLE VALUE**

The rateable value of non-domestic property is determined by the Valuation Office Agency. All non-domestic properties have been re-valued from 1st April 2017, the rateable value of a property represents its annual open market rental value as at 1st April 2015.

### **NATIONAL NON-DOMESTIC RATING MULTIPLIER**

This is the Rate in the pound by which the rateable value is multiplied to give the annual rate bill for a property. The multiplier set annually by the Welsh Government, and which is set at **0.526p for 2019/2020**, is the same for the whole of Wales. With the exception of a revaluation year, the multiplier cannot rise by more than the rate of increase in the retail price index.

**For example:**

Rateable Value 20,000 x Multiplier 0.526 = Rate Bill £10,520

You can estimate your business rates using the [Government Website](#)

**CHECK YOUR RATEABLE VALUE**

The council uses the rateable value provided by the Valuation Office Agency (VOA) to work out your Business Rates bill. You can check your rateable value and compare it with others on the VOA website at [www.tax.service.gov.uk/view-my-valuation/search](http://www.tax.service.gov.uk/view-my-valuation/search). You can also get in touch if you need to let them know of any issues.

For composite properties which are partly domestic and partly non-domestic the rateable value relates to the non-domestic part only. The values of all property in respect of which rates are payable to your authority are shown in the local rating list, which can be found on the VOA website at [www.tax.service.gov.uk/view-my-valuation/search](http://www.tax.service.gov.uk/view-my-valuation/search).

**ALTERATION OF RATEABLE VALUE**

The rateable value may alter if the valuation officer believes that the circumstances of the property have changed.

**WHO MAY MAKE A PROPOSAL**

Effectively this right is limited to the owner or the occupier of, or persons with certain legal interests in, the property concerned at the date the proposal is made. Additionally, former ratepayers of the property who wish to challenge an alteration made to a rating list by the Valuation Officer for a period when they were the ratepayer, and in certain circumstances the billing authority, may also make a proposal.

**PROPOSALS AND APPEALS**

From 1<sup>st</sup> April 2017, important changes have been made to the rules surrounding the making of proposals or appeals against rateable values, and information about the changes is available from the local Valuation Office or [www.gov.uk/business-rate-appeals](http://www.gov.uk/business-rate-appeals).

Further information about appeal arrangements may be obtained from the Chief Valuer Wales & Valuation Officer, Non Domestic Rates Wales, Valuation Office Agency, Tŷ Rhodfa, Tŷ Glas Road, Llanishen, Cardiff CF14 5GR. Telephone Number: 03000 505505.

If you don't agree with the outcome of the discussions you can, in certain circumstances, make an appeal.

**THE APPEALS PROCESS**

There are 3 main stages in the process:

1. Submit an appeal to alter the rating providing evidence about why you think your valuation is wrong.
2. Formal discussions where your evidence to support your view will be reviewed and facts agreed.
3. Present your case to a Valuation Tribunal for Wales if it's not possible to resolve your appeal through discussion with the VOA.

This process is free of charge and can be undertaken by yourself.

You may complete a proposal for most purposes online. This has the advantage of ensuring that your proposal relates to the correct list entry and you can receive virtually immediate email acknowledgement of receipt.

<https://www.gov.uk/government/publications/business-rates-proposal-to-alter-the-2017-rating-list-for-wales>

### **RATES RELIEF FOR EMPTY PROPERTIES.**

Empty business properties are exempt from paying business rates for 3 months after the property becomes vacant. There are additional exemptions for certain types of property or for properties under a set rateable value. These include:

- industrial premises, such as warehouses, which are exempt for a further 3 months
- listed buildings which are exempt until they become occupied again
- buildings with a rateable value under £2,600 which are exempt until they become occupied again
- properties owned by charities, which are exempt if the property's next use is likely to be wholly or mainly for charitable purposes
- community amateur sports club buildings which are exempt if their next use is likely to be wholly or mainly for a sports club
- a business whose owner is a company which is subject to a winding-up order made under the Insolvency Act 1986 or which is being wound up voluntarily under that Act
- a business whose owner is a company in administration within the meaning of paragraph 1 of Schedule B1 to the Insolvency Act 1986 or is subject to an administration order made under the former administration provisions within the meaning of article 3 of the Enterprise Act 2002 (Commencement No. 4 and Transitional Provisions and Savings) Order 2003.
- a business whose owner is entitled to possession only in his or her capacity as the personal representative of a deceased person.

After the exemption period ends, you will be liable for the full business rate bill.

You should notify your local authority when your property becomes vacant and also when it becomes re-occupied.

### **RATE RELIEF FOR PART OCCUPIED PROPERTIES (SECTION 44A)**

Where it appears to the authority that part of a property is unoccupied and will remain so for a short period, then the authority can ask the Valuation Office for an apportionment of the rateable value and therefore charge rates on the occupied part. It should be noted that the unoccupied part may still be liable to an empty rate charge.

### **SMALL BUSINESS RATES RELIEF IN WALES**

A new permanent scheme came into force on 1 April 2018. The Welsh Government provides non-domestic rates relief to eligible small businesses.

- eligible business premises with a rateable value of up to £6,000 will receive 100% relief; and
- those with a rateable value between £6,001 and £12,000 will receive relief on a tapered basis from 100% to zero

The following types of business will continue to get relief as follows:

#### **Registered Childcare Premises**

- Eligible registered childcare premises with a rateable value of up to £100,000 receive 100% relief.

#### **Post Offices**

- Post offices with a rateable value up to £9,000 receive 100% relief
- Post offices with a rateable value between £9,001 and £12,000 receive 50% relief

## **Multiple Occupation Limit**

Where a ratepayer is liable for more than two properties on a single local non-domestic rating list (“local list”), and those properties meet only the rateable value conditions, the ratepayer will only receive relief for a maximum of two such properties.

Illustration of approximate percentage of tapered relief			
Rateable Value (£)	% Relief	Rateable Value (£)	% Relief
0 – 6,000	100	9,000	50
7,000	83.4	10,000	33.3
8,000	66.6	11,000	16.6

Businesses that currently receive a higher rate of relief will receive the rate or relief that is more beneficial. No applications are required, and qualifying businesses will receive this award automatically, with reductions shown on the 2018/2019 Business Rates demands issued in March 2018.

Further information can be found on the Welsh Government Website at: <https://businesswales.gov.wales/business-rates-relief-in-wales>

## **TRANSITIONAL RELIEF**

Following the 2017 non-domestic rates revaluation by the Valuation Office Agency, transitional relief was implemented to support ratepayers whose eligibility for Small Business Rate Relief (SBRR) will be affected as a result of the revaluation.

The transitional relief scheme was introduced to assist ratepayers in receipt of SBRR on 31 March 2017, experiencing a reduction in the percentage of SBRR they are entitled to on 1 April 2017, due to increases in their rateable value following the revaluation.

SBRR will be applied prior to transitional relief. The transitional relief will work by phasing in any resultant increases in liability over a 3 year period: 25% of increased liability in year 1, 50% in year 2 and 75% in year 3.

Eligible ratepayers are those:

- moving from full SBRR to partial SBRR
- moving from full SBRR to no SBRR
- moving from partial SBRR to no SBRR
- staying within partial SBRR but seeing an increase in rateable value

## **HIGH STREET AND RETAIL RATES RELIEF**

The £23.6 million High Street Rate Relief Scheme is aimed at all retailers in Wales, for example shops, pubs, restaurants and cafes. The enhanced scheme will provide support to all retailers in Wales with a rateable value of up to £50,000.

Eligible ratepayers will be retailers whose property has a rateable value between £6,001 and £50,000 on 1 April 2019. (Retailers with a rateable value of £6,000 and below will receive full Small Business Rate Relief (SBRR)), however it is left to the discretion of authorities to determine upon application if there are properties not in receipt of SBRR that should be eligible for relief up to £2,500.

Download information on [High Street and Retail Rates Relief Scheme](#), this guidance includes further detail on the eligibility criteria.

### **CHARITABLE AND DISCRETIONARY RELIEF**

Charities are entitled to relief from rates on any non-domestic property, which is wholly or mainly used for charitable purposes. Relief is given at 80% of the rate bill, and billing authorities have discretion to remit all or part of the remaining 20% of a charity's bill on such property.

In addition to this and with effect from 1st April 2004, a mandatory rate relief of 80% will be granted to community amateur sports clubs (CASC), provided that clubs are defined and registered as such with the Inland Revenue. CASC information can be found via the Inland Revenue website at [www.hmrc.gov.uk/index.htm](http://www.hmrc.gov.uk/index.htm)

### **BUSINESS RATES HARDSHIP RELIEF**

Section 49 of the Local Government Finance Act 1988 gives billing authorities (the Council) the discretion to reduce or remit the payment of rates for any ratepayer. The Council can do so where it is satisfied that the ratepayer would sustain hardship if it did not do so, and it is reasonable to do so, having regard to the interests of its Council Tax payers.

The Council approved a Business Rates Hardship Relief policy on 7 November 2012. The policy outlines the qualification criteria, and should businesses wish to apply. The policy and application form can be provided upon request to the Revenues Section on 01685 725000.

### **SELF CATERING PROPERTIES**

If your property is in Wales and is commercially available to let as a self-catering property, provided certain criteria are met it will be rated and valued for non-domestic rates. The Valuation Office Agency (VOA) works out the rateable value based on the property type, size and location.

From 1 April 2010 in Wales, self-catering property is non-domestic and therefore liable for non-domestic rates, if the VOA is satisfied that:

- it will be available for letting commercially as self-catering accommodation for short periods totalling 140 days or more in the following 12 month period
- the ratepayer's interest in the property enables them to let it for such periods
- in the 12 months prior to assessment it has been available for letting commercially as self-catering accommodation for short periods totalling 140 days or more
- the short periods it has actually been commercially let for amounted to at least 70 days during that period

From 1 April 2016 in Wales, the criteria above will continue to apply but there is also a new provision so that:

- Businesses consisting of several self-catering properties at the same location or within very close proximity have the option to average the number of lettings days of the properties to meet the 70 day criterion where they are let by the same or connected businesses.

You can find full guidance and advice on the rating at: [self catering properties in Wales](#).

## **HYDROPOWER PROJECTS**

We are providing grants to help eligible hydropower projects with their business rates. Hydropower projects extract energy from water courses to generate electricity. Hydropower projects with a rateable value up to £50,000 can apply for support for 2017-18 (retrospectively) and for 2018-19.

For further information and to apply please see [Non-domestic \(business\) rates support for hydropower](#).

## **BUSINESS RATES – INFORMATION FOR CUSTOMERS**

### **BUSINESS RATES ONLINE**

You can now create a secure account to:

- View your up to date account information (Account Balance, Instalments and Payments) for all properties that you are responsible for
- View previous notifications that may have been issued to you (Bills, Reminders, Final notices and Summonses)
- Update your contact details (telephone and email)
- Electronic billing - switch to e-billing and opt out of paper notifications and view them on-line.
- Communicate directly with us about your account

### Set up a Direct Debit

This is a quick and easy way to pay your council tax. If you choose to pay by direct debit you will be offered three dates on which to make your payment (the 1st, 10th or 20th of the month) and also have the option to pay over 10 or 12 months. You will need your council tax account number together with your bank details.

To register for this service you will need your:

- Account reference number
- Property postcode
- A valid email address and
- Contact telephone number

## **HOW TO PAY**

### **Payments may be made:**

- a. In Full on or before the 1<sup>st</sup> April
- b. In Two instalments on the 1<sup>st</sup> April and 1<sup>st</sup> October
- c. By Ten or Twelve monthly instalments from 1<sup>st</sup> April.

## **Payment Methods**

### **Direct Debit**



You can pay your Business Rates by Direct Debit on the 1st, 10th or 20th of the month, and from April 2009, you can pay by 10 or 12 instalments. To pay through this method simply contact the Revenues Department on 01685 725000 and we will take your details and set up the mandate for you.



## Civic Centre



The Council has now introduced Cash & Card payment kiosks within the reception area of the Civic Centre, these have replaced the current cashing service.

As an alternative to paying at the Civic Centre you can also make payments through the following methods:

### BACS Payments

Barclays Bank Plc, 47 High Street, Merthyr Tydfil CF47 8DL  
A/c No: 63519732 Sort Code: 20-56-64  
\*Please quote Business Rates A/c Ref

### Telephone



Pay over the telephone by calling the Automated Payment Line, which is available on (01685) 725115, 24 hours a day, 7 days a week. You will need to give your card details, your account number, and the amount you wish to pay.

Payment of Invoices and Council Tax can also be made through this system.

### Post Office / Paypoint



You can use your bar coded documentation to pay your Council Tax at any Post Office or Paypoint outlets.

### E-Payments



Pay your Business Rates online, by following the instructions in "Pay For It" on the home page of [www.merthyr.gov.uk](http://www.merthyr.gov.uk)  
In addition you can also pay your Invoices, Council Tax, BIDS and Housing Benefit Overpayments through this system.

### Customer Contact



E-Billing will allow you to access your bill and recovery notices over the web, through the new secure Citizen Access digital platform using your mobile phone, tablet and computer. This new technology will be introduced shortly.

#### SMS – Messaging

If you wish to sign up to be communicated through SMS messaging for payment reminders then please send an email to [Revenues@Merthyr.gov.uk](mailto:Revenues@Merthyr.gov.uk) with the subject heading "SMS". Please note: you will be required to provide an up to date mobile telephone number for this service.

The Contact Centre within the Civic Centre is available for customers to call in and see a member of staff during normal opening hours (see opening hours below) and discuss matters relating Business Rates or Business Rates Improvement District (BIDS).

#### Opening Hours

Monday:	8:30 – 13:00	14:00 – 17:00
Tuesday:	8:30 – 13:00	14:00 – 17:00
Wednesday:	8:30 – 13:00	14:00 – 17:00
Thursday:	8:30 – 13:00	14:00 – 17:00
Friday:	8:30 – 13:00	14:00 – 16:30