

Annex B

Example 1 – Small Business Rate Relief (SBR)

Small Office: From 1 April 2026 the rateable value (RV) has increased to £13,500 (it was previously below £12,000 and therefore received 100% relief)

Relief applied at 1% for every £30 of RV above £12,000 (in this example $1,500/30 = 50$ and so 50%)

Calculation:

Gross rates: $RV (13,500) \times \text{Multiplier } (0.432 + 1p \text{ supplement}) = £5,967$

$£5,967 - 50\% \text{ relief} = £2,983.50$ (charge for 2026/27)

Example 2 – Supporting Small Business Relief

Café: From 1 April 2026 the RV has increased to £18,500 (it was previously below £12,000 and therefore received 100% relief)

Calculation:

Gross rates: $RV (18,500) \times \text{Multiplier } (0.382) = £7,067$

The Government caps the increase and for 2026 the bill will only increase by a maximum of £800 (or higher depending on the specific cap, which in this example would be 5%)

5% of £7,067 = £353.35, so for this example the £800 cap (being the higher) will be applied.

Charge for 2026/27 = £800

Example 3

A café with an RV of £8600 and full SBR has taken on a Kiosk to sell additional coffee from 30 November 2025. The Kiosk had an RV of £2800 (below the threshold to prevent the removal of SBR on the first property) but the RV has risen to £3000 from 1 April 2026.

The old regulations would have required the Café to surrender the SBR on the main café a year after taking on the second property and to continue paying on Kiosk.

Because the owner has taken on the Kiosk after the autumn statement, he can keep SBR on the first property for 3 years until 30 November 2028 and will only need to continue paying on the Kiosk, which would be $\text{£}2,800 \times 0.432 + 1\text{p supplement}$) = $\text{£}1,237.60$