

	<p align="center"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p align="center"><b>CABINET</b></p> <p align="center"><b>1 DECEMBER 2014</b></p>
<p><b>EXECUTIVE RESPONSE TO THE RECOMMENDATIONS MADE BY THE BUSINESS RATES SCRUTINY TASK GROUP</b></p>	
<p><b>Report of the Cabinet Member for Economic Development &amp; Regeneration</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification</b> - For Decision</p> <p><b>Key Decision:</b> No</p>	
<p><b>Wards Affected:</b> All</p>	
<p><b>Accountable Executive Director:</b> Jane West, Executive Director for Finance &amp; Corporate Services</p>	
<p><b>Report Author:</b> Craig Bowdery, Scrutiny Manager</p>	<p><b>Contact Details:</b>  Tel: 020 8753 2278  E-mail: <a href="mailto:craig.bowdery@lbhf.gov.uk">craig.bowdery@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1 At its meeting on 8th April 2014, the Overview & Scrutiny Board considered and approved the Final Report of the Business Rates Scrutiny Task Group. The Task Group made eleven recommendations to the Council, six to Government and two to the Valuation Office Agency. At its meeting on 28th April 2014, Cabinet received the report and agreed to provide an Executive Response to the recommendations. The proposed response is presented in Appendix A.

## 2. RECOMMENDATIONS

- 2.1 That approval be given to the proposed Executive Response to the recommendations made to the Council.
- 2.2 That a report including the full cost implications for recommendations that would change existing Council policy be submitted to the Economic Regeneration, Housing & the Arts Policy and Advisory Committee.

- 2.3 That the Economic Regeneration, Housing & the Arts Policy and Advisory Committee be responsible for monitoring the implementation of the Task Group's recommendations.

### **3. REASONS FOR DECISION**

- 3.1 The Council's Constitution outlines the power of Overview and Scrutiny Committees to make recommendations to the Cabinet, the Council or to external partner agencies. Reports from scrutiny are usually responded to within eight weeks of them being submitted.

### **4. INTRODUCTION AND BACKGROUND**

- 4.1 The Business Rates Scrutiny Task Group was commissioned by the Overview & Scrutiny Board on 15<sup>th</sup> July 2013 to explore the impacts of reforms to the business rates system that took effect in April that year. The reforms were intended to give local authorities a direct financial incentive to help promote local economic development, so the Task Group also investigated how the Council could help foster healthy and successful high streets in Hammersmith & Fulham. With a large number of outstanding appeals in the borough, the performance of the Valuation Office Agency was also included in the Task Group's remit.
- 4.2 During the 2013/14 municipal year, the Task Group conducted its investigations by reviewing witness testimonies, documentary evidence and examples of best practise elsewhere. In April 2014 it presented its findings and conclusions, and made a number of recommendations to the Council, Government and the Valuation Office Agency.

### **5. PROPOSAL AND ISSUES**

- 5.1 Since Cabinet received the findings of the Task Group, the Council has considered the recommendations made and the proposed Executive Response is presented in Appendix A.
- 5.2 Six recommendations were made to Government. Shortly after the conclusion of the Task Group's investigations the Government commenced a review of the business rates system, to which the task group's final report was submitted as part of the Council's response. The Council has received a response from the Department of Communities & Local Government on those recommendations outside of the scope of the Government's review. This response is also presented in Appendix A.

## **6. OPTIONS AND ANALYSIS OF OPTIONS**

- 6.1 Cabinet can choose to either endorse the recommendations made by scrutiny, reject them or amend them. If Cabinet decides to reject the recommendations then an explanation of why the findings of the Task Group were rejected might be requested by the relevant Policy & Accountability Committee.

## **7. EQUALITY IMPLICATIONS**

- 7.1 There are no equality implications to this report.
- 7.2 Implications verified/completed by: Craig Bowdery, Scrutiny Manager, ext.2278.

## **8. LEGAL IMPLICATIONS**

- 8.1 Paragraph 13 of the Overview and Scrutiny Procedure Rules in Part 4 of the Council's Constitution outlines the power of Overview and Scrutiny Committees to make recommendations to the Cabinet, the Council or to external partner agencies. Reports from scrutiny are usually responded to within eight weeks of them being submitted.
- 8.1 Implications verified/completed by: Craig Bowdery, Scrutiny Manager, ext.2278.

## **9. FINANCIAL AND RESOURCES IMPLICATIONS**

- 9.1 Many of the Task Group's recommendations either do not have a significant financial or resource implication and so can be implemented using existing allocations. For those recommendations that will have a more significant impact (recommendations 9, 10 and 11), a full report including all cost and policy implications will be considered by the appropriate Policy & Accountability Committee.
- 9.1 Implications verified/completed by: Craig Bowdery, Scrutiny Manager, ext.2278.

### **LOCAL GOVERNMENT ACT 2000**

#### **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	None		

**LIST OF APPENDICES:** Appendix A: Response from the Executive and the Government to the recommendations made