

The Business Rates Scrutiny Task Group – response from the Executive and the Government to the recommendations made

Recommendations made to the Council:

	Recommendation	Cabinet response	Lead officer and timescale for implementation (if approved)
1	Council officers should meet with the VOA and Westfield as soon as possible to discuss the ways in which the three partners can work together to share information to ensure the valuations of the new retail units in the Westfield extension are as accurate as possible	AGREE Officers to meet with the VOA on a half-yearly basis with a set agenda that includes the Council providing the listings of our current rentals and has Westfield as a specific topic.	Steve Barrett First meeting took place 10 th September 2014
2	The Council should ensure that it shares with the VOA the rent schedules for all properties where it is the landlord	AGREE Officers to meet with the VOA on a half-yearly basis with a set agenda that includes the Council providing the listings of our current rentals and has Westfield as a specific topic.	Maureen McDonald-Khan First meeting took place 10 th September 2014
3	The Council should make it clearer to businesses what it is and has been spending business rate income on and seek suggestions for further activity from businesses	AGREE Information included in business rate demands to be reviewed and businesses to be engaged	Andrew Lord / Steve Barrett / Kim Dero

4	The Council should prioritise the support provided by the Economic Development, Learning and Skills Department to local businesses, particularly small retailers	<p>AGREE EHRA PAC and Procurement Social Value Taskforce identified various workstreams to ensure focus on SMEs and retailers:</p> <ul style="list-style-type: none"> - Two priority areas Bloemfontein Road and North End Road. 1st PAC meeting. - EHRA PAC identified volunteers to work on a NER Action Group to revitalise high street. 17th September 2014 - SMEs consulted on barriers to supplying Council. 18th September 2014 	Kim Dero
5	The Council should adopt a policy of vinyl-wrapping shops that have been vacant for an extended period where the owner cannot be identified, without asking for consent from the owner, and undertake this in accordance with planning legislation	<p>AGREE Funding has been identified to assist with vinyl-wrapping of shops in key areas, as above. Planning working with EDLS to overcome concerns regarding advertising, and vinyl wrapping shops without landlord's permission</p>	Kim Dero
6	The Council should designate an Empty Shops Officer to coordinate the efforts to fill vacant shops	<p>AGREE Funding for a 'high streets' champion has been identified.</p>	<p>Kim Dero</p> <p>Funding to be confirmed but will be available from April 2015.</p>

7	The Council should undertake an exercise to prioritise the borough's 29 shopping areas to ensure resources are utilised as effectively as possible	<p>AGREE Exercise undertaken at Business Strategy Group in early 2014; this led to identification of key priority areas of Bloemfontein Road and North End Road at first EHRA PAC</p>	Kim Dero
8	The Council should adopt a curatorial approach to Bloemfontein Road to attract a suitable mix of tenants to the shopping parade that serve local demand on the White City Estate and other nearby residential areas	<p>AGREE HRD and Mitie focussed on ensuring this parade remains competitive both in its look and tenant-mix. Mitie are preparing a plan for a £100k refurbishment of the parade. All units currently let, or in pre-letting negotiations.</p>	Ernest Gray
9	The Council should adopt a policy that recognises the value of restaurants and the leisure offer in Hammersmith and encourage increased provision, and assess evening safety in the town centres	<p>AGREE TO EXPLORE FURTHER A report considering revised planning policy to be submitted to the Community Safety, Environment & Resident Services PAC.</p> <p>It is considered appropriate through the Council's current planning policies to continue to maintain the right balance of uses within a town centre, where food and drink establishments are encouraged alongside a strong retail offer. The Council's existing</p>	David Gawthorpe January 2015

		<p>and emerging Local Plan policies contain a quota policy which has proven to be a workable management tool that allows flexibility for change of use to non-retail uses whilst retaining a core amount of retail frontage. In the view of officers, the Council's Local Plan Policies dovetail well with the Task Group's recommendation to encourage a balance of restaurant and leisure uses in the borough's town centres whilst maintaining a strong retail draw.</p> <p>It is important that any recommendations made with regard to encouraging restaurant use are also considered against the Council's licensing policy. There are specific policies in place for assessing license applications in both Fulham Broadway and Shepherds Bush as these are areas which already have a large concentration of food and drink establishments. Such uses would also be subject to strict planning controls regarding opening hours.</p>	
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10	<p>The Council should recognise the harmful effect of too many betting shops on the borough's high streets and look at the use of an Article 4 direction to remove permitted development rights and develop planning policy to restrict the concentration of betting and payday loan shops</p>	<p>AGREE TO EXPLORE FURTHER A report considering revised planning policy to be submitted to the Community Safety, Environment & Resident Services PAC.</p> <p>The Council does not currently have a policy in place to address the issue of betting shops and payday loan shops. However, a new policy is currently being drafted to help the Council limit the number and clustering of such uses in the borough and this policy will be taken through in the review of the Local Plan. It is anticipated that the Government will also help the situation further through the review of existing legislation which will see permitted development rights changed to make change of use to betting shops and payday loan shops more difficult. The Government's review has been through a period of consultation and it is anticipated that the new legislation will come in to force in the next 6-12 months. If this legislation is passed, there would not be a need for the Council to use Article 4 Directions to restrict</p>	<p>David Gawthorpe January 2015</p>
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		permitted development rights associated with betting shops and payday loan shops. The PAC Chair is aware of the current policy options.	
11	The Council should consider adopting planning policy that allows retail to residential conversions in the borough's shopping areas only by contracting the areas designated as protected retail frontages from the edges inwards, thus protecting the continuity of high streets and shopping parades. The amount of shrinkage permitted should be determined by the importance of the location to the local economy and should therefore vary by street and parade	<p>AGREE TO EXPLORE FURTHER</p> <p>A report considering revised planning policy to be submitted to the Community Safety, Environment & Resident Services PAC</p> <p>The Council closely monitors the uses within the borough's town centres and local centres in order to establish the health and vitality of the individual centres, looking particularly at land uses and the extent of vacancy. It is considered appropriate to continue to have designated frontages and a retail hierarchy in the borough to promote and consolidate retail and supporting uses within these established areas. This approach seeks to protect the areas that still have a viable commercial presence and allows change of use to residential where this will not result in a demonstrable shortage of retail space in non-</p>	David Gawthorpe January 2015

		<p>designated shopping parades and clusters throughout the borough. The non-designated retail areas, of which there are many in the borough, could under the new permitted development rights change to residential and this would enable non designated shopping parades in the borough such as Dawes Road to be released for housing. If, in the future, our monitoring indicates that a change in policy applying to the established protected shopping frontages is necessary, then this could be considered through a review of the Local Plan.</p>	
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Recommendations made to the Government:

	Recommendation	Government response
12	<p>Government should revisit the rate collection estimate that was made for 2013/14 that led to a £4million loss for Hammersmith & Fulham to ensure collection assumptions more closely reflect actual collection rates</p>	<p>In setting-up the rates retention scheme, the Government recognised that, in establishing an authority's <i>business rates baseline</i>, it would need to estimate each billing authority's 2013-14 rates income based on the best information available to it at the time. It further recognised that changes to an authority's rates base, that post-dated the information used in the calculation of business rate baselines, would necessarily, lead to discrepancies between the baseline figures used in setting-up the scheme and actual collection rates. The implications of different methodologies were discussed extensively with local authority representatives on the Working</p>

		<p>Group set up to implement the scheme. They were also the subject of consultation with local authorities more generally. Overall, we believe that the methodology adopted represented the best that was available, notwithstanding that there would, inevitably, be some variation between business rates baselines and actual collection rates, as happened in the case of Hammersmith and Fulham. The Government has no plans revisit the <i>business rates baselines</i> used in the rates retention scheme.</p>
13	<p>The DCLG should explore whether to introduce a system of financial penalties to compensate ratepayers and local authorities in instances when the VOA and the Valuation Tribunal fail to meet their target timescales for resolving appeals</p>	<p>the Government is committed to ensuring that all appeals against business rate valuations are dealt with fairly, and as quickly as possible. In the period from March 2011 to March 2014, the number of appeals outstanding has reduced from about 320,000 to about 131,500. In addition, the Chancellor announced, at last year's Autumn Statement, the Government's commitment to resolve, by June 2015, at least 95% of the appeals outstanding at the end of September 2013. We are working closely with the Valuation Office Agency and the Valuation Tribunal Service to ensure that this target is met. The Government has also consulted on making improvements to the operation of the business rates appeals process. Many respondents to the consultation this year argued that reform should be considered in the broader context of the review of business rates administration. The Government has therefore decided to fold the consideration of reform of the business rates appeals process in to the broader review of business rates administration.</p>
14	<p>The Government should amend legislation to enable the VOA to share all relevant information with local authorities</p>	<p>No response to this recommendation received</p>

15	Present valuation methods are capricious and breach the principles of fair taxation, therefore the Government's business rates administration review should expand its terms of reference to consider the basis of the business rates system rather than just its administration	No response to this recommendation received
16	Government should explore with the British Retail Consortium the feasibility of adopting a business rates system based on a local banding system with a view to removing current anomalies that harm small businesses	No response to this recommendation received
17	The Government should revise the necessary legislation to make betting shops and payday loan shops a separate and distinct Use Class and remove permitted development rights to that Use Class	No response to this recommendation received

Recommendations made to the Valuation Office Agency:

	Recommendation	VOA response
18	The VOA should commit resources and work with the Valuation Tribunal to reduce the time appeals take to resolve in order to give greater clarity to local authorities and ratepayers	No response to this recommendation received
1	Council officers should meet with the VOA and Westfield as soon as possible to discuss the ways in which the three partners can work together to share information to ensure the valuations of the new retail units in the Westfield extension are as accurate as possible	Council officers to meet with the VOA on a half-yearly basis with a set agenda that includes the Council providing the listings of our current rentals and has Westfield as a specific topic. First meeting took place 10 th September 2014