13th December 2012

Brighton & Hove City Council

WRITTEN QUESTIONS FROM COUNCILLORS

The following questions listed on pages 55-56 of the agenda have been received from Councillors and will be taken as read along with the written answers listed below:

(a) Councillor G. Theobald

"In view of the welcome changes to local government finance which mean that councils such as Brighton & Hove will retain half of any increase in business rate income from 1st April 2013, does the Leader of the Council agree with me that it is vitally important for council tax payers that the Council does all it can to ensure that all businesses in the city are paying their full business rates as assessed by the Valuation Office?

Would the Leader of the Council also please advise me what was the rateable value, and consequently business rate paid by the Co-op on their London Road store (a) for the last full financial year of operation prior to closure in 2007; and (b) during each of the financial years since 2007 that the property has been left vacant."

Reply from Councillor J. Kitcat, Leader of the Council.

We have an excellent foundation for Business Rates collection. Last year the collection rate was 98.56% and we are on target to increase collection further this year. Also, the Business Rates team is conducting a full review of processes, which will bring improvements both in customer service and collection.

Profiling the Business Rates taxbase itself is a core piece of work and is proving to be very complex. We do have concerns about the impact of ongoing appeals against Rateable Values. The government's Valuation Office Agency deals with these directly, but they do not provide us with full information. We therefore have limited knowledge of the quantity and identity of appellants, when they will be answered, or whether individual cases are likely to go up or down. I hope Cllr Theobald will join me in lobbying government to demand improvements in the performance and openness of the Valuation Office Agency in these regards.

Meanwhile, we have engaged the consultants Wilks Head and Eve to help us with our profiling in this area. They will also be advising us more generally about accurately maximising the properties that are listed for Business Rates.

Regarding the Co-Op, payment was made in full while the property was occupied. The Rateable Value was £220,000, translating to a £100,398.76 charge in 2005/6 and £85,081.53 for a partial 2006/7 year. After that, changes were made to the Rateable Value due to splitting of the property, and there is

currently a legally prescribed exemption in place due to Health and Safety issues. Our Revenues team continues to monitor the situation. More generally, we are looking at ways of encouraging empty properties back into use and have provisionally set funding aside in the budget for Business Rate incentives in this area.