

NOTICE OF MOTION**CONSERVATIVE GROUP****AUTOMATIC RATE RELIEF FOR SMALL BUSINESSES**

“This Council notes that:

1. Business rates are the third largest cost to small firms, after salaries and rent. Yet, many small businesses are unaware of, or do not apply for, the rate relief to which they are entitled.
2. In England more than half of small businesses miss out on claiming back up to £1,200 off their business rates.
3. Every year, around £400 million – calculated and ear-marked by the Treasury for eligible businesses – goes unclaimed, even though this money poses no extra cost to the Government or tax payer.
4. Automatic rate relief is currently available to small firms in Wales but not in England.

In January 2009, it was estimated that there were over a 1,000 small businesses in Brighton & Hove that could be eligible for rate relief but were not claiming. This meant that local small firms could be losing up to one million pounds in revenue to the Government.

This Council welcomes the current Administration’s recognition of the low uptake of rate relief by local small firms and the action it has taken to promote awareness and increase uptake.

However, this Council considers that all qualifying small businesses should be entitled to **automatic** rate relief. This would provide them with much needed additional financial resources during the recession. Furthermore, it would save both small firms and local billing authorities time and money applying and operating the current complex application system.

Therefore this Council:

1. Supports the automatic rate relief campaign started by the Federation of Small Businesses.
2. Welcomes the ‘Small Business Rate Relief (Automatic Payment) Bill’ tabled by Peter Luff MP and hope to see it made law.

This Council instructs the Chief Executive to:

1. Write to Lord Mandelson, the Secretary of State for Business, Enterprise and Regulatory Reform requesting that he introduce automatic rate relief for small businesses.
2. Write to Brighton & Hove's three MPs calling upon them to sign the current Early Day Motion supporting the Automatic Rate Relief campaign.
3. Make a letter of support for the Automatic Rate Relief campaign available to download on the Council's website.

Proposed by: Cllr Ayas Fallon-Khan

Seconded by: Cllr Ted Kemble

Supported by: