



EXECUTIVE DECISION RECORD

A1 Service Area	Revenues, Benefits & Customer Contacts
A2 Title	Maximise Business Rates Tax Base
A3 Decision Taken By	Deputy Leader/ Chief Officer
A4 Chief Officer	Please print name: Sal Khan Pleas 
A5 Leader / Deputy Leader	Please print name: Cllr P Ackroyd Please si 
A6 Date of Decision	8 th March 2019

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	No
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	Paragraph []

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to?	(Please tick as appropriate) ✓
Scrutiny (Audit & Value for Money Council Services) Committee	✓
Scrutiny (Economic Growth, Communities and Health) Committee	<input type="checkbox"/>


<p>B1 What is the Decision?</p>	<p>To utilise Analyse Local to support the identification of missing or undervalued business rate hereditaments. This will support growth of the underlying business rates base and generate additional business rates income.</p>
<p>B2 What are the reasons for the Decision?</p>	<p>Inform CPI Ltd./IRRV provides a solution called 'Analyse Local' which seeks out missing or undervalued Business Rates hereditaments, enabling the Council to request the Valuation Office Agency (VOA) to correct the local Non Domestic Rating list.</p> <p>Analyse LOCAL uses the latest web based technology that eliminates any burden on the Council's resources, and will monitor building work to ensure that the VOA is alerted at the earliest opportunity to update and amend the local list.</p> <p>There are no other resource demand implications for the Council as the reports provided by Analyse Local include all of the information necessary for the Council to ask the VOA to take the appropriate action.</p> <p>The charge for using the RV Finder is a contingency fee based on increased rateable values. The Council is required to pay a one-off 7.5% fee of the rateable value increase that is identified by Analyse Local and added to the local list by the VOA, however the additional revenue generated will be ongoing.</p> <p>In cases where charitable relief is applicable, Analyse Local will reduce their fee by the same proportion as the percentage of financial burden that falls on the Council. Analyse Local will not report on cases that the Council has already identified or is in the process of reporting to the VOA.</p> <p>The Council will enter into an agreement for the RV Finder service for one year, with a recommendation to renew the agreement on an annual basis. There is no cost to the Council for renewing the agreement annually, but the contingency fee will continue to apply as a one off cost for all new increased rateable values successfully added to the local list.</p>
<p>B3 What are the contributions to Corporate Priorities?</p>	<p>Business Rates is a primary source of revenue to the Council and therefore underpins all Corporate Priorities.</p>

B4 What are the Human Rights considerations?	There are no Human Rights issues arising from this decision.
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Financial Implications

<p>B5 What are the financial implications?</p>	<p>The main financial issues arising from this decision are as follows:</p> <p>After the deduction of fees, there is a net on-going gain to the authority from utilising this approach. This is explained in more detailed below:</p> <p>The charge for using the RV Finder is a contingency fee based on increased rateable values. Analyse Local will charge a flat fee of 7.5% of the additional RV found, although will reduce the fee by 80% where mandatory charitable relief is applied.</p> <p>For explanatory purposes, if a new RV of £100,000 is identified and put into the list by the VOA, Analyse Local would charge £7,500 as their one-off fee for that RV (£100,000 x 7.5%).</p> <p>The rates liability for 2018 would be £100,000 x 49.3p which is £49,300. That is the amount of additional business rates generated each year. Under Business Rates Retention, as the Council is currently in a growth position it would retain 20% of any additional growth generated, this being £9,860.</p> <p>This would result in a net gain of £2,360 in year 1, followed by £9,860 each year thereafter.</p> <p>It is anticipated that the additional RV identified and added to the local list will be in excess of £100,000, although it is not possible to quantify the value likely to be identified. The performance of this facility will be closely monitored and action taken to address any issues that arise.</p>
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Revenue	2018/19	2019/20	2020/21
<p>As set out above there is a net gain to the authority from utilising this approach. However at this point in time it is not possible to quantify the value of missing or undervalued hereditaments that will be identified and generate additional business rates income.</p> <p>It is proposed that the 7.5% fees incurred be met from the business rates retention reserve</p>			

The finance section has been approved by the following member of the Financial Management Unit:	Please print name: Lisa Turner, Chief Accountant Ple: 
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Policy Framework

B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes
B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B6.2 Has it got the appropriate approvals under those provisions?	NA
B7 Is the Decision wholly in accordance with the Council's budget?	Yes
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	NA
B7.2 Has it got the appropriate approvals under those provisions?	NA

Equalities Implications

B8 What are the Equalities implications:
B8.1 Positive (Opportunities/Benefits): NA
B8.2 Negative (Threats): NA
B8.3 The subject of this decision is not a policy, strategy, function or service that is new or being revised. An equality impact assessment is not required.
B8.4 [The equality impact assessment identified the following actions to be carried out:] NA

Risk Assessment

B9 What are the Risk Assessment implications:
B9.1 Positive (Opportunities/Benefits): Maximising the Business Rates tax base is essential to the collection of Business Rates, particularly as we move towards 100% Business Rates Retention.
B9.2 Negative (Threats): If we do not identify amendments or additions to the local list, businesses are not being charged the correct business rates and the Council is not fulfilling its requirements under the Non Domestic Rates legislation. Should the ratepayer successfully appeal against the additional RV, the Council would not be refunded any of the 7.5% contingency fee paid when the local list was originally amended.
B9.3 The risks are either already incorporated into the risk register or do not specifically need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

Legal Considerations

B10 What are the Legal Considerations:
B10.1 The main legal issues arising from this decision are as follows: Local Government Finance Act 1988, Local Government Finance Act 2012, Non-Domestic Rating (Alteration of List and Appeals) Regulations 1993 (as amended).

This section has been approved by the following member of the Legal Team:

Please print name:

ANGELA WAKEFIELD

Please sign name:



Sustainability Implications

B11 What are the Sustainability implications:
B11.1 The proposal [would/would not] result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures). The positive/negative impacts are set out below (please refer to guidance notes). N/A
B11.2 Positive (Opportunities/Benefits): N/A
B11.3 Negative (Threats): N/A

Health & Safety Implications

B12 What are the Health & Safety implications:
B12.1 A Risk Assessment has not been carried out and entered into Harriet for all significant hazards and risks because there are no significant hazards or risks arising from this decision.
B12.2 [The significant hazards and risks have been identified in the Harriett Risk Assessment numbered []. Any financial implications to mitigate against these hazards and risks are considered above.] N/A
B12.3 [Control measures and an action plan have been identified for any significant hazards and risks identified in the risk assessment. The positive/negative impacts are set out below] N/A
B12.3.1 Positive (Benefits) N/A
B12.3.2 Negative (Threats) N/A

Key Decision

B13 Is this a Key Decision?	No
<p>Note: A Key Executive Decision is one where:</p> <ol style="list-style-type: none"> 1. REVENUE – Any contract or proposal with an annual payment or saving of more than £100,000 2. CAPITAL – Any capital project with a value in excess of £150,000 3. A decision which significantly affects communities living or working in an area comprising two or more wards. 	
B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would <u>seriously</u> prejudice the public interest?	NA
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	NA

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk