



Department for
Communities and
Local Government

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Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (5/2013); New Build Empty Property and Additional Information

This is the fifth business rates information letter to be issued by the Department for Communities and Local Government this year. Previous letters are available on the internet at:

<https://www.gov.uk/business-rates-information-letters>,

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

This letter covers:

- **New Build Empty Property**
- **High Court Judgement**
- **Lord Heseltine Report**

New Build Empty Property - Technical consultation

1. The Chancellor announced in his Autumn Statement on 5 December 2012 that, subject to consultation, the Government will exempt all newly built commercial property completed between 1 October 2013 and 30 September

2016 from empty property rates for the first 18 months, up to the state aids limits.

2. The Government have published (12 June 2013) the consultation, entitled 'Business Rates: New Build Empty Property Technical Consultation'. The consultation is focused on the detailed and technical issues concerning the implementation of the policy. We would welcome feedback or suggestions on the detail of the proposals that are set out in the consultation.

3. The consultation document can be found at:

<https://www.gov.uk/government/consultations/business-rates-new-build-empty-property-technical-consultation>

Business Rates – High Court Judgement

4. You may wish to be aware of a recent High Court Judgement, 'Public Safety Charitable Trust v Milton Keynes Council', concerning the test for relief for charities from non-domestic rates. The judgement can be found at:

<http://www.bailii.org/ew/cases/EWHC/Admin/2013/1237.html>

Lord Heseltine Report No Stone Unturned: In Pursuit of Growth

5. Lord Heseltine's report made a series of recommendations aimed at unleashing the potential of local economies and promoting growth.

6. Recommendation 65 of the report stated:

Local authorities should publish the list of all businesses paying non-domestic rates so that chambers and other business representative bodies can identify businesses in their area more reliably, and seek to draw them into the local business support infrastructure.

7. The Government sees the benefits of publishing lists of occupiers and therefore agrees with the intention of Lord Heseltine's recommendation. We also recognise that many councils will already be publishing this information and that decisions on that are best made at a local level, taking into account local circumstances. We therefore urge all authorities to take note of Lord Heseltine's recommendation and to consider the benefits of publication in your area. Attached to this Business Rates Information Letter are further details and some advice to authorities to aid decisions on this matter.

**NO STONE UNTURNED: IN PURSUIT OF GROWTH. LORD HESELTINE
REVIEW
PUBLISHING BUSINESS RATES DATA**

This note is intended to provide advice to authorities to help ease the publication of business rates information – primarily details of occupiers - that may be beneficial to economic growth.

The Heseltine Review

Following a commission from the Prime Minister, Lord Heseltine presented his report *No Stone Unturned* to the Chancellor and Secretary of State for Business, Innovation and Skills on 31 October 2012. Lord Heseltine makes a series of recommendations in all aspects of government policy that affect economic growth. At the heart of the proposals are measures to unleash the potential of local economies and leaders and enable every part of the UK economy to raise its game. The Government will seek to implement as many of the recommendations as possible. The full report can be found at the following link:

<https://www.gov.uk/government/publications/no-stone-untuned-in-pursuit-of-growth>

In his report Lord Heseltine sets out the benefits of Chambers of Commerce and the crucial role that they can play in promoting growth. He recognises that in order to promote membership Chambers will need enhanced tools to enable them to identify businesses in their area and that business rates information can be one such instrument. The full recommendation is set out below.

Recommendation 65: Local authorities should publish the list of all businesses paying non-domestic rates so that chambers and other business representative bodies can identify businesses in their area more reliably, and seek to draw them into the local business support infrastructure. There should be exceptions for businesses where the identification of business premises could give rise to security concerns.

The Government agrees that the publication of lists of occupiers would help promote Chamber of Commerce membership and recognises that many councils will already be doing so. Publication of businesses on the list would also have a general benefit of raising the profile of local businesses and encouraging networking and would complement the new business rates retention scheme. In the spirit of localism, the Government does not believe that it should compel authorities to publish the data they hold. Such decisions are best made at a local level. This guidance therefore is intended to help authorities overcome barriers to providing such information and to provide advice on issues to consider.

Business Rates Information

The Valuation Office Agency is responsible for compiling and maintaining a list of all non-domestic property in England. Authorities are responsible for collecting business rates from occupiers of properties on the list. The information in question here is primarily occupier details that authorities hold in order to collect business rates.

Data Protection

Data protection is often cited as a barrier to publishing data. However, it is important that organisations make best use of the information they hold and do not apply the Data Protection Act in an unnecessarily restrictive way. Running a business is essentially a public rather than a private activity and the way the data protection principles apply to business information reflects this and the data sharing framework recognises that better use and sharing of information can clearly present benefits to business. Decisions about the use of information ultimately lie with the authority in question and we understand that many authorities already work effectively within the legislative framework.

Authorities generally only hold the name of the business for the purposes of collecting business rates. In many cases that will not contain information that would identify an individual. However, in some cases – particularly for sole traders – it may. Generally, where the name of the business is already in the public domain – such as from street signage or advertising - the information is releasable. In other cases authorities may wish to obtain the positive consent of the business individual. To minimise burdens it may be preferable to provide information to businesses through the billing process and to seek consent by way of a return email.

Transparency though is the key. Businesses should be made aware of how the information is being used. Local authorities will no doubt wish to clearly articulate the benefits to the business of sharing the information. Authorities may also wish to seek the views of the local business community about this matter and other ways authorities and businesses can make best use of the information they hold.

Useful information

Business rates data is held for one purpose – the collection of business rates – and it may therefore be the case that some the information held would be of limited use to the business community. This may be true for certain types of property on the list, such as telephone exchanges, or in terms of the information held on the property by the authority, for example where the bill is merely sent to “the occupier”. Authorities may therefore wish to begin by consulting their local Chambers and other business organisations about the information it would be beneficial to publish and whether it would provide value for money to edit the list.

Publication

Authorities will need to consider how best to publish the information. Authorities may wish to provide the list to all business representation organisations in its area and consider the value of providing the information to organisations in neighbouring authorities.

The valuation list is a live list which changes on a daily basis as occupiers move in and out of properties. Potentially the list could be published on a daily basis. However, that would be unlikely to provide good value for money. Similarly, the list could be published on an annual basis. However, that may mean the list becomes too out of date to be useful. We have canvassed opinion and the consensus was that it would probably be most beneficial to publish the list on a quarterly basis. However, local conditions may mean that it would be better to publish the list either more or less frequently.

Additional Information

Authorities may hold additional information which would be beneficial to the business community. That may include such things as, for example, the number of employees of a business or the nature of the business. Authorities may wish to discuss with their local Chambers and business community whether it would also be helpful to publish further information, subject to data protection and other matters such as privacy and competition considerations.