

Performance, Finance and Customer Focus Overview and Scrutiny Committee



Date of meeting:	28 September 2023
Title of Report:	Policy Brief
Lead Member:	Councillor Ian Darcy (Chair of Performance, Finance and Customer Focus Overview and Scrutiny Committee)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Kevin Mckenzie
Contact Email:	kevin.mckenzie@plymouth.gov.uk
Your Reference:	PB/001/23/24
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

Chair has requested an update for members of the committee on certain current Policy developments:

1. [New bill to modernise Business Rates system](#)

A new bill aimed at supporting businesses by modernising the business rates system to incentivise property improvements.

2. [Anti-Social Behaviour Action Plan](#)

The Anti-Social Behaviour Action Plan sets out the Government's new approach to working with local agencies to tackle anti-social behaviour.

Recommendations and Reasons

1. Recommendation in relation to item 1 - Members note the briefing.
 - No requirement for a recommendation to cabinet is anticipated.
 - We are already lobbying government to bring forward the fairer funding review and for a three year financial settlement and whilst not all the specific impacts can be fully anticipated e.g. empty property relief, they are unlikely to be significant. In relation to item 2 - Members note the briefing and may wish to review any proposals brought forward by the administration in due course in this context.
2. In relation to item 2 - Members note the briefing and may wish to review any proposals brought forward by the administration in due course in this context.

Relevance to the Corporate Plan and/or the Plymouth Plan

Item 1 is relevant to our Corporate Plan commitment to spend money wisely.

Item 2 is relevant to our Corporate Plan priority to work with the Police to tackle Crime and Anti Social behaviour.

Implications for the Medium Term Financial Plan and Resource Implications:

Item 1 will have implications for the Medium Term Financial Plan these were identified as risks in the MTFS report agreed by Full Council.

Financial Risks

No decisions are anticipated as a result of this report and therefore there are no financial implications to the scrutiny process, however the report does identify potential fiscal impacts.

In item 1 the impact of the 2023 revaluation cannot yet be fully predicted but the overall implications of the bill should be broadly neutral to our bottom line.

Carbon Footprint (Environmental) Implications:

None anticipated

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

None anticipated

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Policy Brief (appended)							
B	Medium Term Financial Strategy (MTFS)							
C	Anti-Social Behaviour Action Plan							

Background papers:

**Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

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Originating Senior Leadership Team member: [Click here to enter text.](#)

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 18/09/2023

Cabinet Member approval: *[electronic signature (or typed name and statement of 'approved by email/verbally')]*

Date approved: Date.

POLICY BRIEF

Policy and Intelligence

ITEM 1 - NON DOMESTIC RATING BILL

- I.1 Under the business rate retention scheme councils retain 49% of their business rates receipts. There are 'safety net' arrangements in place to protect against very large reductions during times of recession and local authorities are compensated for reductions to business rates arising from changes in Government policy.
- I.2 In July 2016 the Government began a fundamental review of how local authorities are funded, heralded as the biggest change to local Government finance in decades. Two consultation papers were issued on Fair Funding and 100% Business Rates Retention.
- I.3 The purpose of fair funding review was to design a fairer, transparent and less complex methodology for allocating resources to local government, however any re-setting of business rates baselines and any change to the proportion of locally retained rates, have been deferred to beyond the life of this parliament.
- I.4 In March 2020, the government announced a more limited Business Rates Review with the object of reducing the overall burden on business, improving the system and considering more change in the medium to long term.
- I.5 The outcome of the review was to make a number of changes to the business rates system which are being implemented through the Non Domestic Rates Bill which is currently in its report stage in the House of Lords.
- I.6 The key measures anticipated from the Bill include:
 - a) More frequent revaluations and duties to provide information
 3. Shortening the business rates revaluation cycle in England from five years to three years. (the most recent revaluation took place in April 2023)
 4. Introducing new duties to require ratepayers to tell the Valuation Office Agency about relevant changes to their property and imposes penalties for non-compliance.
 - b) Transitional and improvement Relief
 5. Transitional relief which was previously implemented on a 'revenue neutral' basis will be funded by the treasury and there will be no 'downward capping'.
 6. From 1 April 2024 existing businesses who invest in eligible improvements, such as plant and machinery used in onsite renewable energy generation and storage, will receive 100% improvement relief for one year as will eligible low-carbon heat networks that have their own rates bill.
 - c) Other measures; administration, digitalisation and disclosure.
 7. Allow Valuation Officers to disclose to the ratepayer information that relates to the hereditament and which the valuation officer had regard to in ascertaining its rateable value.
 8. Provides for a two-way exchange of digitalised information between HMRC and billing authorities (subject to data protection safeguards).
 9. Clarify that factors arising from legislation, regulations, licensing changes, or guidance are not in scope for material change of circumstances claims.
 10. Removes the restriction on local authorities applying or changing discretionary relief decisions more than six months after the end of the financial year.

- 1.7 In relation to our MTFS the final calculation of resources from Business Rates is determined by the completion of the relevant Government return (NNDRI - National Non Domestic Rates). The timing of this report sits outside of the budget setting timetable, and 2023/24 was particularly difficult to predict due in part to the impact of the three-year business rates revaluation exercise.

Business Rates Comparison to Baseline

	2017/18	2018/19*	2019/20	2020/21	2021/22	2022/23	2023/24
Baseline Funding Level £m	54.477	72.436	57.400	58.335	58.335	58.335	60.518
Business Rate Income £m	55.308	59.801	63.011	60.467	63.435	61.839	64.677

* 2018/19 was the 100% Business Rates Pilot year

ITEM 2 – ANTI SOCIAL BEHAVIOUR ACTION PLAN

- 2.1 The Government sees the plan which was published in March and updated in May as a call to arms to ‘stamp out’ anti-social behaviour and restore the right of people to feel safe in, and proud of, their local area.
- 2.2 Under the plan, 16 areas in England and Wales will be funded to support either new ‘hotspot’ police and enforcement patrols in areas with the highest rates of anti-social behaviour, or trial a new ‘Immediate Justice’ scheme to deliver swift and visible punishments. Plymouth was not among the trailblazers but the Government has committed to rolling out both schemes across England and Wales from 2024.
- 2.3 In the foreword, the Prime Minister says that, “it is simply unacceptable that anyone should have to live in fear of intimidation from their neighbours or gangs terrorising their streets; that parks and children’s play areas should be littered with empty nitrous oxide canisters; that women and girls should feel unsafe walking alone at night; or that businesses and shops should close down because town centres are no longer places that people want to be. That is not the kind of community anyone wants, and it is not the kind of country we are”.
- 2.4 Working with the Police to tackle crime and antisocial behaviour is a priority for the Council’s new administration. Our Q2 corporate performance report records that the number of antisocial behaviour incidents reported to the Council fell in both Q1 and Q2 of 2022/23 by comparison with the corresponding period in 2021/22. There have to date been slightly fewer early interventions over the first half of 2022/23 than in the corresponding period in 2021/22.
- 2.5 Our Senior Community Connections Officers have continued to work in close partnership with Devon and Cornwall Police and other partner agencies to resolve anti-social behaviour across the city, including gathering evidence for a number of formal interventions for individuals of concern. In quarter two, 46 ASBI warnings were issued to young people, under the age of 18, involved in ASB. This is a significant increase on quarter one, however, an increase is expected in-line with the school summer holiday period. The majority of these warnings were issued to young people involved in ASB within a group. 30 ASBI warnings were issued to adults over the age of 18, including several for begging-related activity in the city centre and neighbour nuisance in the north of the city.

The Action Plan sets out three priority areas for action

- I. Make sure anti-social behaviour is treated with the urgency it deserves, increasing the use of hotspot policing and enforcement, rolling out a new Immediate Justice service so anti-social behaviour perpetrators swiftly clean up their own mess, and giving communities more of a say over, and more visibility of, reparation:
 - a) A ban on nitrous oxide.
 - b) Dedicated funding will support Police and Crime Commissioners, working with councils and others, to target enforcement in the areas where anti-social behaviour is most prevalent in their communities.

- c) Perpetrators of anti-social behaviour will be made to repair the damage they inflict on victims and communities, with the ambition of reparative work starting within 48 hours of their being given a disposal by the police.
- d) A new digital tool will be launched so members of the public have a simple and clear route to report anti-social behaviour.
2. Change laws and systems to take a zero-tolerance approach to anti-social behaviour, cracking down on the illegal drugs that blight communities and organised and harmful begging:
 - a) The police will be able to drug test suspected criminals in police custody for a wider range of drugs, like ecstasy and methamphetamine, and test offenders linked to crimes like violence against women and girls, serious violence, and anti-social behaviour.
 - b) New laws to replace the Vagrancy Act will prohibit organised begging and enable the police and councils to direct individuals to engage with the support they need.
 - c) Landlords and law-abiding tenants will benefit from stronger laws and systems to ensure those who are persistently disruptive are evicted. We will seek to halve the delay between a private landlord serving notice for anti-social behaviour and eviction and provide a clear expectation that previous anti-social behaviour offenders are deprioritised for social housing.
3. Give the police and other agencies the tools they need to discourage anti-social behaviour, including higher on-the-spot fines, investment in positive activities for young people, filling empty shops and regenerating local parks.
 - a) The upper limits of on-the-spot fines will be increased.
 - b) One million extra hours of youth support will be made available in anti-social behaviour hotspots.
 - c) Councils will have stronger means to revitalise communities, bringing more empty shops on high streets back into use, and restoring and renovating local parks.

4. RECOMMENDATIONS

- 4.1 In relation to item 1 - Members note the briefing.
 - a) No requirement for a recommendation to cabinet is anticipated.
 - b) We are already lobbying government to bring forward the fairer funding review and for a three year financial settlement and whilst not all the specific impacts can be fully anticipated e.g. empty property relief, they are unlikely to be significant.
- 4.2 In relation to item 2 - Members note the briefing and may wish to review any proposals brought forward by the administration in due course in this context.