



National Association of Local Councils

Devolution and business rates – NALC submission to APPG session on devolution and localising council tax support – March 2016

Overview

NALC's contention is that the shape of local government is set to change radically over the next few years. And for the better.

We have the opportunity to establish strong upper tier councils and strategic partnerships that will make the UK more efficient and competitive and release local energy.

Greg Clark's devolution crusade is to be welcomed and we can expect tomorrow's budget to confirm a number of devo deals across the country.

Tomorrow's budget is also set to continue the trend of significant reductions in funding for local government leading to a focus on statutory services such as adult care and education and continued pressure on discretionary services: play areas, parks, youth services, public conveniences for example.

The combination of these two developments means that the focus of local government on local issues and the provision of local community services is likely to shift. The emphasis will be on strategic economic development, housing strategies and adult care and health.

Many of the things that make a difference to local communities and businesses which build community wellbeing and resilience will disappear unless they are provided by communities themselves. NALC believes the parish and town councils are best placed to fill this vacuum and address the democratic deficit that otherwise might be created at the very local level.

And many local councils are already seizing this opportunity. They are working with their upper tier colleagues in Kent, Hampshire, Buckinghamshire, Cornwall, Gloucestershire and the Isle of Wight on maximising the potential of devolution.

Many, especially larger ones are stepping up to the plate and paying for a range of services from toilets to flower beds. Community transport to youth services. Community facilities to tourist information.

Parish Role in economic development

Many of these activities contribute to the local economy. In a recent NALC survey we asked about activity in this area and some specific examples of activity in this area are attached.



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We also asked about business rates and the costs of public conveniences. The results included:

- Larger councils pay for a range of town centre services and assets in their areas ranging from public toilets to flower beds
- 37.5% of larger councils pay for a town centre manager in their town
- Half of all larger councils who said they paid towards a town centre manager in their town centre stated that they paid 100% of these costs
- 75% of respondents said their larger council would benefit from a share of the locally generated business rate from within their parish boundaries – reasons varied from investment in parish councils by principal councils being limited to town facilities needing modernising as reasons
- 83% of respondents said they paid business rates on public conveniences they owned and ran
- 89% of councils who said they paid NNDR on public conveniences they owned or ran paid at least £1200 per annum on business rates on these conveniences
- Larger councils said if they did not have to pay NNDR on public conveniences they owned or ran they could re-invest such monies into modernising the buildings such facilities were based in
- 75% of respondent councils said that having to pay NNDR on public conveniences they own or manage prevents them from taking on other services or assets from their Billing Authority.

What these councils and respondents are unanimous about was that if they had a share of business rates they could significantly improve their local economic development activity and in a way that was distinctive from and more local than the strategic economic development work of upper tier councils.

NALC believes

1. Many local councils especially our larger towns already do some great local economic development activity, but this is underrecognised.
2. Much of this activity supplements and complements the strategic activity of upper tier authorities and this will be increasingly the case as discretionary services come under pressure and the focus shifts to the “strategic”
3. Our largest councils could do more with extra funding and we would like to work with government and upper tier councils to develop some pilots to
 - Map out what parishes could do distinctive from what others do
 - Identify how some of the gaps in local provision could be addressed



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- How they would address the local priorities of local businesses
- Measure their contribution to the growth of local business rates and how their activity would attract additional resources/support for local economic development.



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Local economic development, growth and skills

Examples of initiatives by parish and town councils to support and drive local economic development, local growth and develop skills and employment

Sevenoaks Town Council, Kent

- corporate priority to support all sectors of community including businesses and take more responsibility for economic development;
- taking on the Stag Community Arts Centre which comprises 450 seat theatre, two screen cinema and function suite;
- STAG operates as a charity using over 200 volunteers, attracts over 300,000 visitors and major factor in economic development of town;
- initiated a job club;
- started a business show in 2010 in partnership with the Chamber of Commerce;
- created employment opportunities for 26 young people through Future Jobs Fund and now supports Modern Apprenticeship Programme;
- introduction of Business Awards;
- Christmas lights and events increasing visitors from 300 to 7000;
- Installation of info pods in place of Tourist Information Centre to provide information on local businesses;
- taken on running of two markets;
- created the Sevenoaks Town Partnership which is one of DCLG's Town Teams.

Shrewsbury Town Council, Shropshire

- part-funded a Business Development Manager post to support the establishment of a BID and provides officer support to the development of a BID;
- facilitates a Tourism Partnership with the Business Chamber and Retail Forum;
- provides officer support of the Business Chamber;
- new Mayor's priority for 2013/14 to promote business, initially hosting a Business Breakfast Meeting;
- part-funded a three year marketing campaign to promote the town centre;
- invests £40k and £100k a year respectively for Christmas Lighting on floral features in the town centre;
- Mayor's Business Awards to promote local businesses.

Stone Parish Council, Kent

- providing training for job seekers in association with local businesses and other partners;



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- developing a new parish council website featuring free advertising for local businesses;
- free money advice workshops for local residents.

Newbury Town Council, Berkshire

- supports Town Centre Partnership and helped turn into Community Interest Company;
- supporting Business Improvement District;
- provides Christmas lights and associated events;
- Invests in public toilets;
- Supports and provides venue for weekly job club;
- buying local policy to support local businesses;
- running local markets and events and supporting the Town Centre Partnership and Retail Association.

Ventnor Town Council, Isle of Wight

- employing an Economic Development Worker to develop an Economic Strategy for the town to increase employment opportunities and support existing businesses.

Amesbury Town Council, Wiltshire

- key partners in the Economic Regeneration Group - including the local Chamber of Commerce – focussed on improving tourism schemes within the town.

Midsomer Norton Town Council, Avon

- revitalising the town centre including redevelopment of existing shop space and management of community buildings.

Oswestry Town Council, Shropshire

- council-owned 37 acres Smithfield site leased to auctioneers and facilitated £58m development including supermarket, retail, cinema, commercial lets and food outlets;
- retains ownership of land to generate capital receipt and property rents;
- set up regeneration forum with Shropshire Council;
- leading £75k scheme to promote B&Bs to increase provision;
- working with Shropshire Council on Oswestry app – what's on, jobs, council news offers etc.;
- leading development of neighbourhood plan;



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- empty shops scheme installing art from local artists.

Bodmin Town Council, Cornwall

- buying and redeveloping grade 2 listed Shire Hall into Tourist Information Centre and heritage centre
- over 200,000 enquiries in last 3 years, value of direct accommodation bookings in 2009/2010 at £50k;
- working with traders on fortnightly local produce market in town centre;
- Heritage Day, St. Piran's Day and other events bringing people into town;
- improved links with Chamber of Commerce and Industry and also Bodmin Economic Forum.

Dunstable Town Council, Bedfordshire

- corporate priority to help regenerate the town;
- large scale events programme and Shop Dunstable initiative;
- working with Central Bedfordshire Council on new £3m football complex;
- taking over management of market, with revitalisation plans and investment;
- taking on public toilets at cost of £35k;
- role in development of town Masterplan and delivery;
- leading campaign for A5-M1 link road awaiting Government decision.

Ivybridge Town Council, Devon

- developed a business centre which includes 14 business units, a conference centre, library, IT suite, café, multi-purpose space and meeting rooms.

Hatfield Town Council, Hertfordshire

- match funds £15k per year towards Town Centre Co-ordinator post and local events.

Maldon Town Council, Essex

- Set up the Maldon Business Association to support economic vitality of the town.



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