

## Business Change Mandate (Including Budget Mandates) Proposal Number: B17

**Title:** Business Rates Evaluation.

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to proceed with the proposal.

<b>Mandate Completed by</b>	<i>Ruth Donovan – Assistant Head Of Finance: Revenues, Systems &amp; Exchequer</i>
<b>Date</b>	<i>26<sup>th</sup> August 2015</i>

<b>How much savings will it generate and over what period?</b>
Anticipate one off savings of £140,000 will be generated in 2016/17. With ongoing savings of £40,000 within Service Budgets from 2017/18.
<b>Directorate &amp; Service Area responsible</b>
Chief Executives: Revenues Team
<b>Mandate lead(s)</b>
Joy Robson

<b>Final mandate approved by Cabinet</b>	<b>Date:</b>
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## 1. Vision and Outcomes of the Mandate

Give a business context for the mandate. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

### What is the issue that the proposal is seeking to address?

The Authority pays Business Rates on many of the properties that it owns. We have a contract with Cooke & Arkwright to provide advice and to lodge appeals to the Valuation Office on our behalf. If these appeals are successful, the Authority receives a one off refund of backdated rates paid which is a windfall receipt. Following receipt of any refund the Business Rates chargeable in the next financial year are reduced to reflect the amended Rateable Value. Thereby generating a saving to the Service Department.

### What evidence have you got that this needs to be addressed?

Periodically Rateable Values across Wales are reviewed by the Valuation Office. The last revaluation took place in 2010 with the next expected in 2017. In the interim period Cooke & Arkwright work with this 'list'.

The 'list' was recently reviewed by Officers within the Revenues Team and representatives of Cooke & Arkwright. This identified that there were a number of appeals in the pipeline that could potentially result in a refund to the Authority.

### How will this proposal address this issue

This is an ongoing piece of work, however refunds have not previously been budgeted due to the uncertainty surrounding the outcome of any appeal that is taken.

### What will it look like when you have implemented the proposal

There will be a one year only budget for refunds for 2016/17. Any further estimation of successful rating appeals will have to wait until the new revaluation list is produced by the Valuation Office.

<b>Expected positive impacts</b>
Closer overseeing of Consultants work plan.
<b>Expected negative impacts</b>
Proposal largely follows existing work patterns, however if some of the appeals prove unsuccessful, this will now cause an over spend in the budget.

## 2. Savings proposed

Show how the budget mandate will make savings against the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the mandate.

What savings and efficiencies are expected to be achieved?								
Service area	Current Budget £	Proposed Cash Savings £	Proposed non cash efficiencies – non £	Target year				Total Savings proposed £
				16/17 £	17/18 £	18/19 £	19/20 £	
Corporate – one off saving	0	140,000	0	140,000	0	0	0	140,000
All Directorates – on going saving	0	40,000	0	0	40,000	0	0	40,000

## 3. Options

Prior to the mandate being written, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded. (see options appraisal guide for further information)

Options	Reason why Option was not progressed	Decision Maker
A full review of Business Rates paid by the Authority has been undertaken. This information has been used	It is felt that there is sufficient confidence that the appeals will be successful so that a one off budget for 2016/17 can be created	Ruth Donovan

<p>to identify previous trends and to assess the outcome of previous appeals One option would be to continue current practice and not budget for this windfall income</p>		
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#### 4. Consultation

Have you undertaken any initial consultation on the idea(s)?		
Name	Organisation/ department	Date
Cabinet member for resources Revenues Manager	Finance	July/ August

Has the specific budget mandate been consulted on?		
Function	Date	Details of any changes made?
Department Management Team	Various meetings as budget preparations progress	None
Other Service Contributing to / impacted		
Senior leadership team		
Select Committee	22 <sup>nd</sup> October 2015	
Public or other stakeholders	28 <sup>th</sup> September Staff conference 8 <sup>th</sup> October – 30 <sup>th</sup> November public consultation	
Cabinet (sign off to proceed)	Scheduled meeting 6 <sup>th</sup> January 2016	

Will any further consultation be needed?		
Name	Organisation/ department	Date

None required		
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## 5. Actions to deliver the mandate

Describe the key activities that will be undertaken to deliver the mandates and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
To continue to lodge appeals with the Valuation Office and to monitor and report progress	Cooke & Arkwright	Continuous through 2015/16 and 2016/17
To review and monitor progress against the plan on a quarterly basis	AHOF Revenues/Revenues Manager/ Cooke & Arkwright	Continuous through 2015/16 and 2016/17
To monitor refunds received by the Authority on a monthly basis	AHOF Revenues	Continuous through 2015/16 and 2016/17

## 6. Additional resource/ business needs

Describe any additional finance, resource and capability needed in order to carry out the proposed mandate successfully. For example new funding, expertise e.g. marketing and knowledge etc..

Any additional investment required	Where will the investment come from	Any other resource/ business need (non-financial)
None required		

## 7. Measuring performance on the mandate

How do you intend to measure the impact of the mandate? This could include: speed of service; quality of service; customer satisfaction; unit cost; overall cost. For advice on developing performance measures you can contact Policy and Performance Team, for advice on unit costs speak with your directorate accountant.

Focus-Budget / Process / Staff / Customer	Indicator	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Target 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
Budget	Value of NDR refunds received to the Corporate Budget					140,000	0	0	0
Budget	Reduction in budget for Business Rates (various departments)					0	40,000	0	0

## 8. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the mandate, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these. The risks should be scored in accordance with the [council's policy](#).

Barrier or Risk	Strategic/Operational	Reason why identified (evidence)	Risk Assessment			Mitigating Actions	Post mitigation risk level
			Likelihood	Impact	Overall Level		
Time it takes the Valuation Office (VO) to review the appeals that are lodged	Operational	The VO's focus is currently on the 2017 Revaluation exercise. As a consequence, resources to handle appeals have been reduced by three quarters	Possible	Minor	Low risk	None available, it is only the VO who can make decisions in this area. We will continue to meet with Cooke and Arkwright to press for progress on the appeals that have been lodged	Low risk
Appeals are rejected by the VO	Operational	Not every appeal is successful and may be disputed	Possible	Minor	Low risk	Cooke & Arkwright are experienced in this field and are realistic in the recommendations that they make	Low risk
Increases in Rateable Values	Operational	Valuations can go up as well as down	Possible	Minor	Low risk	Cooke & Arkwright are experienced in this field. Analysis since 2010 indicate that this is a relatively rare occurrence	Low risk

Timing of appeal decisions	Operational	The timing of when decisions are made determines the financial year that the refund is receipted against	Possible	Minor	Low risk	None available, this is out of our hands. However we will continue to meet with Cooke and Arkwright to press for progress on the appeals that have been lodged	Low risk
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## 9. Assumptions

Describe any assumptions made that underpin the justification for the option.

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Assume that the Authority will continue to receive refunds for any appeals that are lodged with the Valuation Office	A review of MCC Business Rates since the 2010 list was produced indicates that the Authority has received refunds in each financial year. The amounts vary year on year. However analysis of the list of appeals pending does indicate that the proposed saving can be achieved.	Ruth Donovan

## 10. Monitoring the budget mandate

The budget mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the budget mandate, including the savings being achieved and the level of impact.

## 11. Evaluation

It is important to evaluate the impact of the mandate once it has been fully delivered to know whether it has successfully achieved what it set out to do and to ensure that findings can be used to inform future work.

Planned Evaluation Date	Who will complete the evaluation?
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DRAFT





<p><b>Name of the Officer</b> completing the evaluation Ruth Donovan</p> <p><b>Phone no:</b> 01633 644592 <b>E-mail:</b> ruthdonovan@monmouthshire.gov.uk</p>	<p><b>Please give a brief description of the aims of the proposal</b></p> <p><b>Mandate B17</b></p> <p>Budget for refunds received, following appeals to the Valuation Office, for Business Rates paid by the Authority in respect to the properties that it owns.</p>
<p><b>Name of Service</b></p> <p>Revenues, Systems &amp; Exchequer</p>	<p><b>Date Future Generations Evaluation form completed</b></p> <p>26<sup>th</sup> August 2015</p>






**1. Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

<b>Well Being Goal</b>	<b>How does the proposal contribute to this goal? (positive and negative)</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<p><b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Positive – ensuring resources are used efficiently</p>	<p>n/a</p>
<p><b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>n/a</p>	<p>n/a</p>

<b>Well Being Goal</b>	<b>How does the proposal contribute to this goal? (positive and negative)</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood	n/a	n/a
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	n/a	n/a
<b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	n/a	n/a
<b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	n/a	n/a
<b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances	n/a	n/a

**2. How has your proposal embedded and prioritised the sustainable governance principles in its development?**

<b>Sustainable Development Principle</b>	<b>How does your proposal demonstrate you have met this principle?</b>	<b>What has been done to better to meet this principle?</b>

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Long-term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>Adds to the financial resilience of the Authority</p>	<p>n/a</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>n/a</p>	<p>n/a</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>n/a</p>	<p>n/a</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>n/a</p>	<p>n/a</p>
 <p>Integration</p> <p>Positively impacting on people, economy and environment and trying to benefit all three</p>	<p>n/a</p>	<p>n/a</p>

**3. Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
Age	n/a	n/a	n/a
Disability	n/a	n/a	n/a
Gender reassignment	n/a	n/a	n/a
Marriage or civil partnership	n/a	n/a	n/a
Race	n/a	n/a	n/a
Religion or Belief	n/a	n/a	n/a
Sex	n/a	n/a	n/a
Sexual Orientation	n/a	n/a	n/a
Welsh Language	n/a	n/a	n/a

**4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities?** For more information please see the guidance note <http://hub/corporatedocs/Democratic%20Services/Equality%20impact%20assessment%20and%20safeguarding.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	<b>Describe any positive impacts your proposal has on safeguarding and corporate parenting</b>	<b>Describe any negative impacts your proposal has on safeguarding and corporate parenting</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
Safeguarding	n/a	n/a	n/a
Corporate Parenting	n/a	n/a	n/a

**5. What evidence and data has informed the development of your proposal?**

- Review of Business Rates paid by the Authority since 2010
- Review of outcome of appeals to the Valuation Office since 2010
- Refunds received since 2010
- Schedule of appeals utilised by Cooke & Arkwright

**6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

None identified

**7. Actions. As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.**

<b>What are you going to do</b>	<b>When are you going to do it?</b>	<b>Who is responsible</b>	<b>Progress</b>
Regular monitoring of progress against plan	Quarterly	AHOF – Revenues, Systems & Exchequer	

**8. Monitoring: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.**

**The impacts of this proposal will be evaluated on:**

A quarterly basis