

Motion to: Council

26 September 2023

Subject: Addressing the Issue of 'Box Shifting' for Fair and Effective Business Rates Collection

Proposer: Councillor Stonard

Seconder: Councillor Kendrick

The practice of “box shifting,” a practice where landlords place boxes in vacant commercial properties for a six-week period to trigger a rates-free period, costs councils around £250 million annually (Local Government Association Survey, 2019). This cycle, often repeated, results in local councils losing over two-thirds of their empty rates incomes and that some landlords use basic objects such as a broadband box or an empty fish tank to initiate rates avoidance, which exacerbates the loss of income for councils.

Council **RESOLVES** to:

1) Note that this practice undermines the integrity of our rates system and deprives the local community of funds that could be invested in local services and infrastructure, that current legislation inadvertently facilitates these practices, and reform is needed to ensure that rates accurately reflect property usage and occupancy.

2) Ask the Leader to write to government to:

- a) Ask for the extension of the occupation period for rates exemption from six weeks to six months, following the example of the Welsh and Scottish governments, which have already introduced legislation to tackle this issue; and
- b) Advocate for robust and regular checks on the occupancy status of commercial properties to ensure compliance with any reformed rates system.