

Sustainable Communities Act – Levy on large retail outlets

“This Council notes:

(1) that large retail outlets, whilst bringing certain benefits to the local area, can also negatively affect the local economy – for example, whilst 50p of every pound spent at a small retailer remains in the local economy, only 5p of every pound spent at a large supermarket does so;

(2) the Federation of Small Businesses’ estimate that business rates are five times more expensive for small businesses as a proportion of turnover than they are for large ones;

(3) Therefore welcomes the fact that 20 councils of all political colours have jointly submitted a proposal to the government under the Sustainable Communities Act, for Local Authorities to be given the power to raise a levy on the largest retail outlets, to help redress this imbalance, the wording of the proposal being that:

“The government give local authorities the power to introduce a levy of up to 8.5% of the rateable value on supermarkets or large retail outlets in their area with a rateable annual value not less than £500,000 and for the revenue to be retained by local authorities in order to be used to help improve their local communities.”

(4) that the cost to large retailers of the VAT rise in 2011 was thirty-five times higher than this levy would be;

(5) that the proposed terms of the levy would currently raise money from the 5 largest retailers in Epping Forest District to support our local communities, though this Council could choose to set a levy lower than 8.5%, and a qualifying rateable value higher than £500,000;

This Council resolves to:

Supports the above proposal, and resolves to write to the Secretary of State for Communities and Local Government to urge him to do the same.”

Proposed by : Councillor Steven Neville

Seconded by : Councillor Peter Gode