

## To: Executive Councillor for Customer Services and Resources

### From: 1. Councillor Hipkin to Executive Councillor for Customer Services and Resources

**Question.** 'Would the Executive Councillor for Customer Services and Resources provide an update on how discussions are proceeding between the University and the City Council on the question of allowing council tax exemption for PhD students undertaking a fourth year of study.'

**Response:** After extensive discussions between Cambridge City Council Officers and senior representatives from the University and Colleges the Authority has agreed to extending student status of those Ph.D. students studying into their fourth year, but no further. The only exceptions to this rule would be where the student has experienced exceptional circumstances, such as:

- Having to intermit due to, for example, illness; or
- Science-based students who have experienced critical equipment failure, resulting in an unavoidable extension of their research.

Having discussed this at some considerable length with both the University and College representatives, we, the Authority, believe that this proposal in relation to students carrying out studies beyond three years is fair, equitable and within the spirit of the legislation.

This means that we will treat Ph.D. Students in their fourth year as qualifying students and therefore '**disregarded**' for the purposes of Council Tax.

## **2. Councillor Walker to Executive Councillor for Arts and Recreation**

**What has the City Council achieved to date, and what specific measures have been implemented to progress the commitments made in the allotments resolution of 4th December 2008? How many more people now have allotments? How many people are currently on waiting lists compared to December 2008? And when does she propose to bring a report to the Community Services Committee as agreed in that resolution?**

**What specific measures have been implemented to progress the commitments made in the allotments resolution of 4th December 2008?**

a) Active Communities undertook an audit in December 2008 to establish the accuracy of the waiting lists in relation to the 8 allotment sites managed directly by Cambridge City Council (9 others are managed separately by Allotment Societies under leases issued by the Council).

b) Letters were sent out to everyone on the waiting list, and asked whether they were still interested in remaining on the list. The exercise resulted in the removal of 152 people from the list.

c) New pages highlighting allotment provision have been developed in the Council's website:

<http://www.cambridge.gov.uk/allotments>

This provides an online waiting list that allows people to register and check on their position. The list is regularly updated as new plots are allocated.

Other useful information includes:

- Apply for an allotment form, where new applicants details are sent to a dedicated council inbox for receipt and response.
- An allotments map indicating both council run and allotment society sites.
- An allotments bulletin board for important community announcement.
- An update tenants' details form
- Links to relevant web sites, especially the Cambridge Allotments Network.
- Download of Tenancy Agreement.

d) A starter plot initiative was introduced which has produced 28 new plots with another 14 due to be ready shortly.

- only one site per enquiry allowed, which reduced multiple applications.
- smaller size plots only offered to new plot holders, which could be upgraded to half plot sizes at a later date.
- half plots replaced full 10 pole plots where possible.

**How many more people now have allotments on Council sites?**

161

**More people who have allotments 20 October 2009**

41

**How many people are currently on waiting lists compared to December 2008?**

222 on waiting list now compared to 281 in December 2008

### **3. Councillor Walker to Executive Councillor for Housing**

This has been identified as a major issue to be addressed in Cambridge, along with the need to tackle fuel poverty. The Governments Warm Front programme is also an important opportunity for money to be targeted at people on income or disability-related benefits.

#### **1. How many households in Cambridge could potentially benefit from Warm Front?**

The Council is required to collect data for National Indicator 187 - Tackling Fuel Poverty which provides an indication of the number of households classified as fuel poor. From this data we have estimated that based on figures for 2008/09 the total number of residents who may be entitled to Warm Front assistance ranges between 1060 to 1835 depending on the current condition of their home.

#### **2. How many Cambridge households have received a Warm Front grant since the programme started?**

Warm Front commenced their first phase of work in June 2000 until May 2005 , unfortunately they have not been able to provide information on the amount of assistance provided within Cambridge. However under phase 2 of the Warm Front programme which has run from June 2005 to September 2009, 408 households within the City have received Warm Front Assistance equating to a spend of £361,374.46 on general energy improvements.

#### **3. What has been the take-up of the City Council Home Energy Grant since it was implemented, and what has it been spent on?**

Since April 2007 48 Applications for a Home Energy Grant have been made with 37 applications approved. The work carried out includes 26 cases of Boiler/Central Heating work, 11 lofts insulated, 4 cavity walls insulated and 2 cases of glazing work, equating to a spend of £20,814.08.

#### **4. What is the City Council doing to encourage take-up of opportunities to increase thermal insulation in the private housing sector?**

The Council has a range of work and projects all focussed on increasing the energy efficiency of the private housing sector. The Home Energy Strategy and the Affordable Warmth Policy, which was approved by Community Services Scrutiny Committee in July 2008, explain our targets and objectives and include an action plan of work. The main areas we are currently working on within private sector housing is described below.

##### **Comfort Zone Project**

This year long project works directly with residents in a specific area of Cambridge. It is a concentrated approach on promotion providing specific advice to suit the requirements of the residents and households in the area. A range of events, mailouts and special offers are held as part of this work. This is the second project of this type we have conducted.

##### **Promotion**

We have a whole range of activities to promote energy efficiency in the home  
Advertising - We advertise in a number of publications each year with the priority on publications aimed at vulnerable groups.

#### Questions. 4. Councillor Herbert to Executive Councillor for Customer Services and Resources

"How many fourth year postgraduate students are asking for a 2009/10 Council tax reduction which the Council is contesting, and what is being done to resolve this issue and end the worry this is causing many students across the city?"

- Of at least **8,200** students that may be exempt/disregarded for Council Tax purposes, approximately **60** postgraduate students have made enquires in relation to their status. Now that we have established a way forward in the way in which we will classify Ph.D. students studying into a fourth year, we intend to write to them confirming their status and making the necessary adjustments to their Council Tax accounts.
- Those students that meet the criteria [see above] will be disregarded for the purposes of Council Tax. We expect that the vast majority of those that have already contacted us to fall within the disregard status.



5. To Executive Councillor for Customer Services and Resources  
How many retail units are currently empty in central Cambridge, and what is  
the Council and Love Cambridge doing to help fill these units and assist  
retailers survive the pressures of the current economic downturn?

**Q. How many retail units are currently empty in central Cambridge?**

- There are approximately 64 retail properties empty within central Cambridge, this figure includes areas in and around the Grafton Centre, including Fitzroy and Burleigh Street. This figure also includes 8 properties in Regent Street. ***See attached list for full details.***

**Q. What is the Council and Love Cambridge doing to help fill these units?**

**Changing Spaces**

- Cambridge City Council & Love Cambridge have been working in partnership with local property agents, artists, arts organisations and community groups to develop a pioneering new approach for making use of vacant retail units across Cambridge city centre. The project entitled 'Changing Spaces,' creatively enhancing our High St', began in June of this year and is ongoing. It seeks to experiment with a number of innovative uses of vacant units to rejuvenate Cambridge's high streets whilst the empty properties await new leases.
- It launched in the old Habitat building on Fitzroy St where the windows were used to display artworks and installations by local artists and a People's Cinema project managed by the Cambridge Film Trust. The space inside this building was occupied by an exciting children's learning project managed by the "Big Wide Talk" company, providing an interactive learning environment for children.
- The project is currently continuing with a series of art installations by Cambridge artists and artist collectives in units ( around 12 currently) across the city centre. One unit in the Grafton is currently being occupied by a social enterprise project run by "City Life." There is a project group that meets regularly which is s currently exploring ongoing funding for the project. The role of Love Cambridge has been pivotal in this project in its ability to bring organisations together who have then agreed a shared vision and developed a collaborative solution.



- The City Council's Local Taxation Manager has provided very valuable rating assistance to this project ***See attached Members Information Bulletin issued on 5<sup>th</sup> June 2009.***

**Q. What is the Council doing to assist retailers survive the pressures of the current economic downturn?**

- The NDR team has fully implemented the Business Rate Deferral scheme that was announced by Government at the end of March with legislation being passed at the end of July. We wrote to all ratepayers in April and again during early August to invite applications. The scheme allows all ratepayers to defer payment of 3% of this year's rate bill. The deferred amount is then payable during 2010/11 and 2011/12.
- Take up of the scheme has generally been quite low with less than 5% of ratepayers opting to defer.  
***see attached notes and fact sheet***
- Where appropriate we offer alternative payment schemes to ratepayers, which can involve spreading instalments into Feb and March (two months where they would not normally make payments), rearranging instalments to match increased business cash-flow e.g. lead up to xmas and changing instalment frequencies e.g. moving from monthly to weekly instalments.

**What is Love Cambridge doing to assist retailers survive the pressures of the current economic downturn?**

- **The new Love Cambridge Shopping Guide** - A new shopping guide to the city has been produced as part of a new "Family of Guides" which includes a section dedicated to Cambridge's hidden gems. Over 50 independent businesses have been given the opportunity to profile their business absolutely free. This guide will be distributed through the city centre, Park and Rides sites and hotels and B & Bs across the city and replenished regularly.
- **Christmas Marketing** - Love Cambridge is producing a Christmas publication, which will be distributed free with the Cambridge News both in the city and throughout the necklace villages. This includes comprehensive coverage on all the shopping areas of the city centre with particular emphasis on our rich and diverse range of independent retailers.
- **Capital Grants** - through the City Council's capital grants scheme Love Cambridge has facilitated and supported 4 new Christmas Lights Schemes for 2009 ( Mill Road, Rose Crescent, the bottom end of Sidney Stand The Market Square) plus a small environmental improvement scheme in Sussex St.



## Business Rates Deferral Scheme

The latest BRIL (No9) has given us more information about the scheme and has addressed some of the issues that arose after the announcement on the 31<sup>st</sup> March.

### Key Points

- Ratepayers will have an option to defer 60% of the increase in their rate bills (compared to what they paid last year)
- Ratepayers who received Transitional Relief in 08/09 will be able to defer an additional amount. This will be 60% of the TR the property received in 08/09 (but reduced in proportion to other reliefs they receive in this year)
- Scheme will be available to all 09/10 ratepayers including new ratepayers becoming liable during the year.
- Those who have lost the right to pay by instalments will not be eligible.
- The scheme will use a simple calculation of 3% of the total bill.

### In Year Adjustments

The scheme intends to accommodate various changes of circumstances during the year:

#### 1. Occupiers vacating Property

We will have power to demand the whole balance including any deferred amount.

#### 2. New Occupiers

They will have the same option to defer payment.

#### 3. Rateable Value changes

Any deferred amount will be recalculated (up or down) at the time of re-billing - no requirement to get agreement from ratepayer.

#### 4. Part Occupied in year (s44a)

Same as RV changes - deferred amount re-calc and reflected in new bill.

#### 5. New Property / Splits and Mergers

All will be entitled to defer - we will be expected to send scheme flyer and application form with new bills

#### Timetable

- Regs due to be laid by end of June
- Government to publish guidance
- Working towards implementation by end of July (possible change to instalments from 1<sup>st</sup> Sept?)

#### Application Process

- We will be required to send a flyer and application form to all ratepayers around the end of July, and send to all new ratepayers during remainder of the year.
- Will require an application form signed by the ratepayer.
- We should make provision for single ratepayers of multiple hereditaments.
- Aim to re-calc and re-bill within 14days of receiving the application.

#### Changes to Bills

- Will require software changes
- Bills will need to show revised amounts due and instalments and information about deferred amounts.
- Discussions are ongoing with Northgate and others regarding software changes.



## Empty Retail Property - Central Cambridge Areas - as at 20th October 2009

5 Benet	Street				
4 Bridge	Street				
16 Burleigh	Street				
41 Burleigh	Street				
44 Burleigh	Street				
45 Burleigh	Street				
50 Burleigh	Street				
61 Burleigh	Street				
40a Burleigh	Street				
44-45 Burleigh	Street				
17 Emmanuel	Road				
5 Fitzroy	Street				
6 Fitzroy	Street				
8 Fitzroy	Street				
15 Fitzroy	Street				
17 Fitzroy	Street				
29 Fitzroy	Street				
32 Fitzroy	Street				
35-37 Fitzroy	Street				
39 Fitzroy	Street				
27 Grafton	Centre				
28a Grafton	Centre				
30 Grafton	Centre				
35 Grafton	Centre				
55 Grafton	Centre				
58 Grafton	Centre				
59 Grafton	Centre				
60 Grafton	Centre				
61 Grafton	Centre				
62 Grafton	Centre				
64 Grafton	Centre				
71 Grafton	Centre				
40 Green	Street				
19 Jesus	Lane				
20 Jesus	Lane				
8a Kings	Parade				
12b Kings	Parade				
12c Kings	Parade				
21 Kings	Parade				
27 King	Street				
60 King	Street				
62-64 King	Street				
16 Magdalene	Street				
20 Magdalene	Street				
14 Market	Hill				
18 Market	Hill				
19 Market	Hill				
32 Market	Hill				
3 Peas	Hill				
7 Peas	Hill				
22 Regent	Street				
52 Regent	Street				
70 Regent	Street				
75 Regent	Street				
79 Regent	Street				
82 Regent	Street				
116 Regent	Street				
72a Regent	Street				
3 Rose	Crescent				
4 St	Marys	Passage			
13 St	John's	Street			
17 St	Johns	Street			
52 St	Andrews	Street			
10 Sussex	Street				

## **BUSINESS RATES DEFERRAL SCHEME 2009-10: FACT SHEET**

The Government announced today (Tuesday, 31 March) that it will bring forward regulations to enable businesses to defer payment of 60% of the increase in their 2009-10 business rate bills until 2010-11 and 2011-12

- Businesses must keep paying their legally established liability as set out on their current bills.
- Once the regulations are in place – which we expect to be by the end of July - local authorities will write to rate payers, offering them the option of deferring part of the increase. This is likely to be in the summer. No need for businesses to contact anyone at this stage.
- The new bills will give the benefit of deferral based on the total increase in the 09/10 bill.
- For 2010/11 and 2011/12 bills, local authorities will add the deferred amounts.
- The effect is to provide a smoother profile of business rates payments over the next three years. RPI is widely forecast to be negative later this year, which would have a downward pressure on 2010/11 bills. This scheme offers businesses the chance to pay a lower increase in 2009/10, and make up the payments in the following two years.

Any new costs for local government associated with this change will be funded by the Government. The change will not affect local authority formula grant allocations and local authorities will be able to reflect the new arrangements in their contributions to the pool.



## **Q & A for RATE PAYERS**

### **What is being announced?**

- We are allowing business rate payers to defer payment of 60% of the increase in their 2009-10 rates bills until 2010-11 and 2011-12. This is to give them the flexibility to help them manage their rates bills in the current economic climate

### **What do I need to do now, to defer the increase in my rates bill?**

- Nothing, at this stage. Billing authorities will write to all businesses offering them the option to defer payments once the necessary regulations have been made. We expect the regulations will be in place before the end of July. In the meantime, you must keep paying your business rates as normal.

### **Most of the increase in my bill is due to the end of transitional relief rather than RPI inflation. Can I defer 60% of that increase too?**

- Yes.

### **Can I start paying the reduced amount now?**

- No. Billing authorities will write to all businesses offering them the option to defer payments once the necessary regulations have been made. We expect the regulations will be in place by the end of July..
- Until that time, businesses should continue to pay the scheduled amount.

### **How will I know when I can claim this help?**

- Billing authorities will write to all businesses offering them the option to defer payments, once the necessary regulations have been made. We expect that to be by the end of July.

### **How do I claim this help?**

- You just need to let your billing authority know that you would like to defer, when they write to you, offering you the option.

### **Do local authorities have to allow me to defer payment?**

- Yes. Deferral will be available on request from the rate payer

### **Will I have to defer payment?**

- No. We are giving businesses the option of deferral to help them manage their bills – they will be able to choose whether to take up that option.

**When will this take effect?**

- We will bring the regulations necessary into effect as soon as possible, and expect that they will be in place by the end of July.

**How long can I defer for?**

- The deferred liability will be repaid over two years. You will pay 50% of the deferred amount in 2010-11 and the other 50% in 2011-12.

**How much will the average business benefit?**

- A business paying a rates bill on a fairly typical property seeing a £600 rise in its 2009/10 rates liability, would be able to defer £360 of that increase to future years.

**Will businesses be allowed to defer in future years?**

- We have no plans to allow businesses to defer their 2010/11 liability. However, as with all taxes, the position will be kept under review.

**Why can I only defer a part of the increase?**

- We need to ensure that help is appropriately targeted. This will allow businesses to spread the 2009-10 increase over three years.

**I have already paid my annual business rates. Can I have a refund?**

- Deferral is only available in respect of rates that have not already been paid.

**How will this be administered?**

- Local billing authorities are responsible for billing and collection and will therefore be responsible for administering any deferral.

**What legislation is being drafted?**

- We will bring forward regulations under the Local Government Finance Act 1988.

**Will this mean that LAs receive less grant?**

- No. We will ensure that grant allocations remain unaffected by this help.

**Will this just place extra costs on local authorities?**

- No. Any new costs for local authorities will be considered a new burden and will be funded by central Government, using the same mechanism as for the recent mailshot to business rate payers about the 2010 revaluation.

**Will this apply in the devolved administrations?**

- That is a matter for the relevant devolved administration.



**Deferring payment – will not LA's have to fund the difference by funding the rates pool or reduced Central Govt funding of Local Government?**

- No. The new regulations will ease the burden on business in the current economic climate and ensure that Billing Authorities' contributions to the pool can reflect any deferred payment of rates liability.

**How can I find out more?**

- Government will make further announcements when the regulations are in place.



**Revenue & Benefit Services  
Members Information Bulletin  
5 June 2009**

**Vacant Shop Unit Project Group  
Use of City Centre Vacant Shops**

On 14 April 2009, the Government announced an initiative to encourage and support organisations to make creative and positive use of empty shops within town and city centres.

The intention behind the initiative is to help ensure that high streets remain vibrant and prevent empty shops from becoming eyesores or crime magnets.

We attended a meeting arranged by the City Centre Management Team/Love Cambridge at the Grand Arcade on 24 April 2009. Representatives from property agents, including Savills and Bidwells (who deal with a large number of University/College property), together with the Grafton Centre Director and Cambridge City Council staff members from Planning, Urban Design etc.

At the moment, it appears that the Cambridge Film Trust are planning to launch 'The People's Cinema' project. This will involve students putting together short films into a 20-25 minute magazine format of programmes. The idea will be to project these programmes onto screens either on the shop fronts or possibly within the shop space. The public would have no access to the shop and all viewing would take place from outside.

So far, they have identified 2 potential sites for a pilot in June, followed by a wider programme in September.

In a similar vein, several student and art groups have expressed an interest in using empty shops to display works in the windows and/or possibly using the space as a form of workshop.

The question of Business Rates may be an issue. In our view, a display immediately in the shop front/window should not necessarily create rateable occupation, in which case we would continue to treat these as unoccupied and collect empty rates from the owner/landlord.

If the 'occupation' consisted of anything more, and if it involved public access, we would probably have to take the view that the shop is occupied and, unless the owner agrees to pay occupied rates, then the art groups(s)/charities may become liable for rates.



Other Issues:

- **Temporary nature of occupation** - may be as short as a few days or a week or two. In this case, we could decide that the permanence element of rateable occupation is not present and so the question of whether to charge or not will not arise.
- **View taken by Landlords** - it is possible that a landlord may grant a lease or licence for 6+ weeks and ask us to treat the property as occupied, as this would enable them to benefit from a further 3 month exemption period when the property becomes unoccupied. This is not in itself a problem but would lead to the occupier becoming liable for full rates during those 6 weeks.

From what we have heard so far, and from the positive view taken by Grafton Centre Management (whose shops we believe will be involved in the pilot), we do not think there will be a problem. The 'use' will be too transient and/or restricted to a window display, which we do not believe will constitute rateable occupation.

Our Business Rates Manager thinks the way ahead would be for any group that wants to make use of the shop windows does so in such a limited way that they are **not** treated as occupied in the rating sense.

We have since consulted with Michael Wiseman (Grafton Centre Management) and they are very likely to allow the Cambridge Film Trust to display 'films' in the windows of the ex-Habitat building at 17 Fitzroy Street for a short pilot programme during July. In this instance, we do not believe this constitutes 'rateable occupation' and will continue to treat the property as unoccupied and charge accordingly.

A follow up meeting was held on 1 June 2009 in the Management Suite at the Grand Arcade.

This does seem to be a topic that is gaining momentum around the country and the aim of this information document is to give you an overview of what's happening in Cambridge in case someone raises the issue.

Please do not hesitate to contact our Business Rates Manager, **Kevin Jay** [01223 - 457704 / [kevin.jay@cambridge.gov.uk](mailto:kevin.jay@cambridge.gov.uk)] should you require any further information on how this initiative is progressing.

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