

Business Rates: Discretionary Rate Relief

This is a request to reinstate the **Business Rates Discretionary Rate Relief** for Prior Shop. A non-profit, net zero social enterprise that has a proven track record for the promotion of arts, culture and sustainable development; improving local economic growth and regeneration in Bristol.

In brief, we challenge the Council's decision on Business Rates Relief, and claim that they have not consulted effectively on this decision. Through merging not-for-profits with large profit-driven retail businesses, groups with protected characteristics will inevitably be discriminated against if not-for-profits are no longer able to operate. We also challenge that the decision directly contradicts the Climate Emergency Action Plan, the Corporate Strategy, The City Centre High Street Recovery Project and the Arts and Culture Policy. We have a live petition that has reached 2,695 signatures.

There are 9 points in this document:

1. Summary

- a. Summary of Prior Shop and the direct benefits this has had on Bristol's wider economy, desires for high street regeneration, and community upskilling and cohesion (pg 2)
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2. Points of Contention

- Lack of communication, consultation and warning from Bristol City Council to remove the Discretionary Rates Relief. Breaking the 12 month notice period for rate rises and a misleading public survey (pg 20)
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- c. The decision contradicts Bristol City Council's policy in relation to the Climate Emergency Action Plan and One City Climate Energy Strategy (pg 23)
- d. The decision appears to contradict Bristol City Council's Corporate Strategy (pg 24)
- e. The decision contradicts Bristol City Council's City Centre High Street Recovery Project and objectives set out in the Vacant Property Grant (pg 25)
- f. The decision contradicts Bristol City Council's **Arts and Culture Policy** (pg 26)

1. a) Summary of Prior Shop

Prior Shop is a non-profit that supports 150 independent makers, promoting sustainable lifestyle and the local creative tradespeople in the UK. We promote community cohesion through our programme of creative workshops and business mentoring, and are a main venue for the presentation of arts and culture in BS1 giving 'voice and visibility to local groups and businesses in a space where they're normally invisible'*.

My name is Beck Prior and I am the founder and director of <u>Prior Shop</u>. We are a non-profit (Limited by Guarantee) retail shop, community workshop space and gallery based in Cabot Circus, Bristol. We're not just your average shop - we're a campaign for **social good and retail transparency**. Our goal is to bring the best handmade, local, and responsibly-made home and lifestyle products to mainstream retail, all while ensuring we do our best to not harm people or the environment. We're here to revolutionise the shopping experience, making it kind, considerate, and transparent.

Over the last 12 months, Prior Shop has supported Bristol's community, economy and the planet with the following:

- We are carbon neutral and are a Net Zero organisation. We produce a very low carbon emission (West Of England Combined Authority) and we offset 3 Tonnes of Carbon a year to Carbon Avoidance Projects through Ecologi.
- 815 people have attended our workshops and we have supported over 72 independent local workshop hosts.
- 800 people have attended a private view of an exhibition (not including the footfall for the exhibition's duration) and Prior has supported 12 local artists/groups.
- Provided creative workshops for a total of 54 vulnerable adults.
- Led business networking events, workshops and events supporting 170 small businesses.
- Hosted work experience for 9 young people (working with 3 different Bristol Schools)
- Led tours and discussions for 3 BA university groups (73 students in total)

- Provided access, income, marketing and advice for 150 independent designers and makers.
 - o 70% live in Bristol.
 - o 90% are women
 - o 18% Identity as a black or a person of colour.
 - 7.5% Identify as having a disability.
- Provided over Living Wage employment for 9 local people.
- Plus the cumulative benefits of using local accountants, window cleaners, printers, fabricators, suppliers etc.

There are myriad ways that we provide real, practical support for the creative community of Bristol - not just in terms of selling the beautiful work of over 150 local sustainable artists and makers. We use 100% of the profits (after paying the Real Living Wage and overheads) to fund charity workshops/social action groups and offer our gallery space and community workshop space for hire at cost price. Prior helps deliver outstanding results for our local makers, our wider Bristol community as a whole, the Bristol economy and the planet. We work with local universities and schools and offer placements and valuable work experience. We offer free business mentoring and social events for local businesses, and run paid courses for more specific support. We are registered as a Sustainable Impact Champion and have completed the Good Employment Charter. We use 100% renewable energy, all of our promotional material is recycled, we create very minimal waste and every single product we stock is carefully researched for its environmental impact. We produce only 2.2 Tonnes of Carbon a year (Carbon Report conducted by the West Of England Combined Authority 2022) and we offset this with global Carbon Avoidance schemes so that we are carbon neutral and Net Zero. Finally, we have won multiple awards for what we do.

Award achievements:

- Finalist of the Community & Social Impact Champion category at the Business Leader South West Awards (2023)
- Winner of the Innovation & Excellence Awards: Homeware Store of the Year (2023)
- Winner of the Good Retail Awards: Community Award (2023)
- Named as one of the UK's most inspirational and dynamic female entrepreneurs by the f:Entrepreneur by Small Business Britain (2023)

- Finalist of the UK's Favourite Local Business (2022)
- Finalist of the Small Awards: High Street Hero (2022)
- Featured in the 50 Best Independent Shops in the UK Sunday Times 2021
- Winner of the Independent Awards (Holly Tucker): Best High Street Shop 2021.
- Finalist of Bristol Life Awards: Retail (2021)

We have a strong reputation within our community, illustrated by the fact we have a <u>petition</u> that is live with Change.org regarding this topic. As of today, it has reached 2,695 signatures and counting.

*quote from the Change.org petition.

1. b) Summary of issue and timeline

Bristol City Councils' Business Rates department has removed the Discretionary Rate Relief (DRR). This results in our rate bill increasing from £0 (2022) to £6,963.20 (2022 - 23), and from February 2024 our rates bill will increase to £34,816.00 per year (2024 - 25).

The Discretionary Rate relief - as still currently listed in their 'live' <u>Business information</u> <u>booklet</u> (pg 8), *was* for non-profit and community organisations to get up to 100% relief.

The removal of the relief will force us to close. This is short-sighted and conflicts with a number of Council policies and other projects the council are funding.

Timeline:

I was invited to take on the property in question in early 2021, but I refused several times because of the cost and business rates. However, it was suggested to me by another business that as a non-profit we would get the rates relief.

2021

July 21 - Before I signed the first Pop Up lease at Cabot Circus I rang the Business Rates department to confirm that registered nonprofits are eligible for 100% rate relief. They confirmed that we would be. We would not have taken on the unit otherwise.

August 21 - I signed the lease with Cabot Circus.

September 21 - (27th) I opened the store.

October 21 - I applied for the Discretionary Rate Relief.

October 21 - January 22 - No reply from the Rate Relief team. I kept emailing, asking for updates. In February 2021 we received a letter that Prior Shop was granted 100% for 2 months and then 95% for April 22 - 23.

2022

January 22 I spoke to another member of the Business Rates team to enquire about the following year 23 - 24, and they said everyone has to fill out the form every 1-2 years, but if my business hadn't changed and I was still eligible, then I would still receive it. I had no reason to think that I wouldn't be awarded with it every year and the annual application form was just a formality.

April 22 After further enquiries to apply for 2023, I received a letter saying the application isn't open yet but to sign up to newsletters so I can be notified when it is open.

July - September 22 I sent multiple emails spanning July 22 - September 22 including stats and facts about our organisation, to enquire about applying again for the next year 23 - 24 as there was no information on the website or newsletters. I needed confirmation. No reply.

2023

February 23 - I finally received an email to say the value rate of the property had reduced but so had our rate relief. They had reduced it to 20% (from 95%). Thankfully the Retail and Hospitality Grant was in place (giving ALL retail spaces including profitable global chains) which took our total relief to 80% (£6963.20) but this was still a lot more than I was expecting to pay as a non-profit who took on the lease originally told us we would pay 0%. **This reduction was not given with the stated 12 months notice period.**

February - June 23 I sent four emails to the Rate Department (and called numerous times) to ask why this had happened, why the relief had stopped and what to do if I couldn't afford it. I received no reply.

June 23 I sent an email to Sean Mctiernan - Business Development Officer at the council to outline my concerns and stress that I haven't heard from the Rate department. I asked for his help to escalate.

June 23 A few days later I received a reply from the Business Rates team. C Warbaton outlined that there is no more available funding for this year and that the Discretionary Rate relief had ended for non-profits but was still in place for charities.

"Bristol City Council is facing many financial challenges and has consulted publicly on a number of proposals to deliver a balanced budget. At its meeting on 21 February 2023 (ModernGov - bristol.gov.uk), the council voted to end discretionary business rate relief from 1 April 2024".

Regrettably, you do not qualify for the Mandatory Charitable Relief, as you are not a community amateur sports club (CASC) nor entered in the Charity Commissions Register. A charity is described in Section 67(10) Local Government Finance Act 1988 as being an "institution or other organisation established for charitable purposes only or any persons administering a trust established for charitable purposes only". The question as to whether an organisation is a charity may be resolved in the majority of cases by reference to the register of charities maintained by the Charity Commissioners under Section 29 Charities Act 2011. Entry in the register is conclusive evidence that an organisation is a charity, and is proof for all purposes except challenge of that registration. Should your status change, we will update our records accordingly."

I read the report and learnt that 61% of a survey of 4000 people voted to end discretionary rate relief. However, I have found the survey via the report and the question about the Discretionary Rate Relief is vague and implies that organisations like ours would STILL be in receipt of the relief.

In their response they did not answer my question about what will happen if I cannot pay it. Instead, they just split my payments over more months (with no reduction).

June 23 cont I submitted a complaint to the council via the website (28th June) and had a reply to say I would hear back on the 19th July 2023.

July 23 I began discussing things with a Charity Law firm, conducting early research of setting Prior up as a Charity. I also had multiple meetings with various CEO's and trustees of other Bristol Charities so I can learn about the process and responsibilities.

Nb. Setting up a charity is very problematic as a retail space. At the moment I don't know yet if it's possible. I am still currently investigating this.

During this time I had also tried to set up an E-petition on Bristol City Council's website (so it could be discussed at a board meeting if we reach 3,500 signatures) however it was rejected because it 'relates to a recent complaint'.

July 23 cont. I emailed my concerns and asked for help from the following (all bar Thangham Debbonaire to no reply):

- Thangham Debbonaire (reply 7/08/23 vague reply saying 'A Labour government will
 reshape our economy in the interests of businesses and working people by scrapping
 business rates and replacing them with a fairer system.'
- Barry Parsons and Jenny Bartle (Green Councillors Easton Ward).

- Ani Stafford (Green Councillor Central Ward).
- Marvin Rees.
- Sean Mctiernan (Bristol Business Development Officer).
- Crover and team (Vacant Property Grant department).
- Arts and Culture team.
- Business rates team (three further emails).
- Complaints team (one further email cc'ing them in with updated).

July 19th I received this letter from Jason Thorne - Service Manager - City Centre and High Streets.

Dear Ms Prior.

Discretionary Business Rates Relief

Further to ongoing correspondence with our business rates team, we can only reiterate that the council's decision to end discretionary rate relief has been made in the light of significant, well documented budgetary pressures. While it was not a decision taken lightly we cannot see any circumstances under which it will be rescinded in the foreseeable future.

In terms of other potential sources of financial support, although not formally confirmed by central government, we anticipate the continuation of the retail hospitality and leisure rate relief scheme you already benefit from.

We are unaware of any further options regarding financial support we as a council are directly responsible for, or currently have access to (the vacant commercial property grant is not viable in this case because it is designed specifically for new or expanding businesses; it cannot fund downsizing or displacement of commercial activity).

One of our business engagement officers has offered support, and we would of course be willing to meet to continue exploring other options, including help in any search for alternative premises (and, if deemed appropriate, assisting in your continued discussions with Hammerson). In the meantime you may wish to explore potential sources of support in this business information booklet and, if you haven't already done so, sign up to the Where's it To? campaign.

July cont: After receiving this letter I sent an escalated complaint on the 20th July and was told I should hear back on the 9th August.

NB: The Business Information Booklet that is mentioned in the letter is out of date because on page 8 it states: *Business rate discounts for charities and non-profit organisations Small charities and local non-profit organisations may be eligible for business rate relief of up to*

100 per cent. Non-profit voluntary and community organisations may also be able to get discretionary relief of up to 100 per cent.

Other things to note:

- I've invested in the building with a total overall of the lighting system to be more environmentally friendly. This has cost me £7,000 (£3,000 from my own personal money).
- The landlords at Cabot Circus are very supportive of independent businesses and although they need to meet the requirements of customers wanting to find large chains in the shopping centre, they also have a variety of pop-up schemes for small businesses to take advantage of. Most small businesses do not take up this great opportunity due to the extortionate cost of business rates.

Business Rates Valuation

Business Rates are charged based on the square metre that a business occupies. From my research on the <u>Value Office Agency</u> website, every business is classed with a special code and therefore charged a different base rate per m². The range is unfairly allocated - for example, warehouses are charged £20 per m² and some physical shops are charged an enormous £780 per m². It is not based on the turnover, profit or values of a business. The business rates are based on assumed use of the building. So for example, Amazon, or a similar huge warehouse-based organisation, will pay considerably less than a local independent business with a physical shop.

In addition, businesses that occupy small/medium sized premises are exempt from Business Rates but businesses who occupy larger spaces are charged. This 'blanket rule' stops the growth of Social Enterprises because if they take on a large premises - ultimately to help more people and increase the investment they have in the local community - they are grouped with large profit-driven companies and charged an extortionate, unachievable rate solely because of the floorplan.

If you are a registered Charity you receive 80% mandatory relief. This is agreed by the Government. Then every local council is given the power to offer the same relief under the title 'Discretionary Rate Relief', to non-profit, social enterprises that they feel are worthy. However, on the 21st February 2023, Bristol council 'voted' to remove this support.

| I have made a check and challenge appeal to review our business rates (as we use half of the building as a gallery space) but the savings will be minimal as I do not think they will change our Base Rate. | | | | |
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1. c) Testimonials

"Dear Bristol Council, please look at this business rates case of Prior Shop with an open strategic and community focussed approach. We are seeing many councils reviewing the current crazy rates system and giving legs up to small businesses that give back to the community. Prior Shop is one of those. These businesses create so much. To lose it, will mean another empty place on your council's high street which leaves more headaches and leads to the disintegration of these important social spaces. Come on bristol. Let's make this work"

Regards

Mary Portas

Brand & Retail Expert, Broadcaster, and Author Founder of Portas and Co-Chair of the Better Business Act.

"What Prior Shop is doing is truly and utterly brilliant. It is a delight to visit" Mark Constantine OBE - Founder and CEO of Lush

Beck has created a beautiful, inclusive and inviting hire space at Prior Shop, Cabot Circus. She welcomed Beyond the Mix (a safe space for mixed heritage women to connect and share), and allowed us to talk about what we do within the community. Beck is encouraging diversity within the space which is so needed in Bristol. We really look forward to using the space again for future events.

Leanne

Founder of Beyond the Mix
A space for **mixed** heritage women to connect and share

It seems there is a conflict within the council that could perhaps be resolved by better internal communication and alignment of strategy. There are teams working on high street recovery pouring funding into town centre activation to improve footfall by offering creative and cultural experiences and there are others who presume all retail units are the same. Independent creative businesses such as Prior offer a range of beneficial experiences, including health and wellbeing benefits, and business support services, in addition to sustainable retail. It is a false economy for one department to increase rates and drive independent non-profit

businesses off the high street while another tries to prevent more units becoming empty. Please get away from your desks, visit the sites in question, and talk to each other! These independent businesses are your greatest assets.

Anna Farthing

Chief Executive Officer, New Theatre Royal/ Director of Civic and Cultural Engagement

"it's important local councils have a cohesive plan, and don't leave gap-toothed high streets that are no longer a customer destination and risk becoming invisible".

Helen Dickinson, BRC Chief - British Retail Consortium

I just want to say a HUGE thanks for all the amazing work Prior has done for me over the last few years. I'd really like to write a massive gushing email about what a difference Prior shop has made to my life personally, but I don't think anyone will have time to read such an essay. Short and sweet - thank you Beck for having confidence in my products. As a maker yourself you know how huge that is and the difference that has made to my ability to feel able to continue making, and to all of you for helping to sell my things so I can actually feed my family. Basic needs but really it's that simple. I'm sure all of your makers feel the same. Thank you on behalf of everyone

Beth Fairchild Fern Designs

I have been stocking my work at Prior for nearly 4 years and I can honestly say that Prior shop is one of my best stockists to date! Beck goes over and above what is expected of her and is a real champion for every brand in the shop, tirelessly promoting everyone's work via posts, stories and with interviews on the shop website. Beck often sends emails to the press showcasing the shop and the brands in store and I have been lucky enough to have my work featured in magazines as a result, which has been great exposure! My work is displayed beautifully in the store, and the shop itself always looks organised, interesting and very well visually merchandised. My sales are consistent and I am never disappointed, and this is a credit to Becks' hard work in how she runs the shop. I am paid very promptly every month without fail and her communication is excellent. I am proud to stock my work with Prior shop, a wonderful, diverse small independent with strong ethics and ethos

around sustainability, which mirrors my own as a brand. Thank You for all your hard work Beck!

Rhi Hart

Lima Lima Jewellery

Being part of Prior shop is a real honour for me, Becks has collated such beautiful and unique makers and pieces. I feel like there's something for everyone, whilst still seamlessly all still coming together. Being in the shop and browsing the brilliant artists she's brought together is a real inspiration. She has also created a brilliant community, she keeps us updated, motivates us and basically mothers a whole host of makers and creatives. She makes you feel supported and even though she already has so many things going on, is always ready to give advice and help. Without her I think I'd be lost at sea.

Rosanna Morris Print Maker

The proposed changes may generate revenue in the short term but ultimately the costs are likely to outweigh the benefits when businesses are forced to close because they can't afford the rates. This will not only be an economic loss for the city but a loss to our culture and what makes Bristol such an attractive thriving place to live and work.

Jennifer Fawcett-Thorne (Bristol customer)

These organisations bring so much to the city and, not being profit focused, cannot afford a massive hike in their costs.

Gail Leeder (Bristol customer)

I've learnt more about selling my work from Beck in the 2 1/2 years she's stocked my stuff, than in the rest of the 15+ years I've been a professional illustrator. I've received invaluable advice on admin, organisation and pricing, and also just a general feeling of support through knowing she's there, working hard in the background for all of us. Prior is community-driven, not just in the many local artists and makers whose work they stock, but in the way they use their profits - always giving more than taking. Staff are paid a proper living wage, artists and

makers are given invaluable business support, vulnerable groups are offered free workshops. Prior is a local business supporting other local businesses and community groups, in a space that is overwhelmingly made up of huge multinational businesses that offer little to our local community, their profits just adding to their own wealth. Prior gives voice and visibility to local groups and businesses in a space where they're normally invisible. In a city so proud of its independent spirit, artistic community and liberal, alternative thinking, it's shocking that Bristol Council would vote to stop the social enterprise business rates relief, particularly at a time when social enterprises are most needed, and most at need. These are the people and groups who give most back to our community. Removing the rate relief will force businesses like Prior to close, possibly for good. That will mean less support for vulnerable people and communities, and less support and income for other local businesses

| Becca Thorne (maker) | | |
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One of the great things about Bristol is its independent shops and its community and creative initiatives, giving the city masses of character and interest. Raising the business rates will put many out of business leaving spaces either empty or filled with tedious high street chains, Starbucks etc. No thanks! It's essential that the discretionary rate relief is retained to maintain and encourage the city's character.

| Ian Boyd (Bristol customer) | | | |
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Prior is not just a shop / stockist it is so much more than that. To me, it is a supportive, informative and inspiring community. Having worked some shifts in the store I have first handedly seen the joy this shop brings to not only local people but also tourists. It is a destination store; people come to Cabot to visit and shop in Prior. It is bringing people into the city centre that wouldn't usually shop there. This is a non-profit organisation that is contributing to the Bristol community / economy in so many ways and deserves all the support it can get.

| Otophanic Briver (maker) | | |
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Stenhanie Driver (maker)

It's so short sighted. Increasing business rates for non-profits will drive them into bankruptcy. Prior provides an outlet for many many makers, so if they fold, the knock on effect will be

High Street is dying. Don't you care? Alison Fraser (Bristol customer) We need towns and cities with more than just global brands - not for profits and independents need affordable rates. Stop stifling creativity! Sarah Simmonds (Bristol customer) The support of Bristol city council through the provision of rates relief has been the make or break of running our business of 13 years in the city. Through our business we have helped spur many artists on to set up their own profitable businesses, all possible through this provision which has contributed to the economy of the city, people's livelihoods and well being. Removing this crucial and very well placed support will be a massive blow to small businesses which are a gateway for so many aspiring and successful business owners and publicly accessible facilities and services. I implore Bristol City Council to maintain and continue this all important resource. Jeremiah Allman Director of Maze Studios CIC Because lots of small not-for-profits and especially arts organisations are going to be badly hit by this with outgoings doubling or even tripling. Most are still struggling to get back on their feet after COVID so this is another nail in the coffin of Bristol's beloved art scene! Sally Reay (Bristol customer) Voluntary organisations, small charities and CICs are the lifeblood of our towns and cities.

extensive. You don't need to pay a "High Street guru" like Mary Portas to tell you why the

They do so much for those most in need. This is the last thing they need, and if it goes through it could be the end for them, which would only harm the whole of Bristol and put more pressure on the Council with the gaps they would leave. Increasing their rates makes

neither financial nor moral sense.

| Kanada Gorla (Bristol customer) |
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| These rates are critical to support local businesses which the community counts on. |
| Emilia Alvarez (Bristol customer) |
| In the words of Spock this is not logical! Bristol's high streets are degrading big-time. Broadmead is becoming a shadow of its former self. Why not support this oasis to help maintain some vibrancy in the desert. Forcing Prior Shop to close will just add further to the number of empty units and is of no benefit to anyone! |
| Lorraine Carpenter (Bristol customer) |
| Discretionary rates should be applied to non profit places - communities need these establishments. |
| Debbie Sims (Bristol customer) |
| I have loved Prior since I discovered it in Old Market and was surprised and delighted when it moved to the city centre. Prior makes me happy as it is a beautiful independent shop supporting local makers and making me curious and proud about my local people and places: it is an oasis and beacon in the arid corporate desert of big global high street behemoths. I dread to think what these rates are doing to other small businesses in Bristol - I hope our beautiful quirky vibrant communities won't be robbed of independent shops, they are a lifeblood. |
| Emily Pyckett (Bristol customer) |
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Social enterprises are there to support communities, not pay their shareholders. They should receive business rate relief so that they can continue the great work they do, and give us

| and the planet rather than just profit. |
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| Ella Wiggins (Bristol customer) |
| Prior gave me the encouragement to start my own photography documentary project. Without this space, I wouldn't be as engaged in LGBT matters. Public gallery spaces and shops that actively support sustainable approaches are part of Bristol's fabric, it is incredibly important. |
| Mike French (local Bristol photographer) |
| Shops like Prior support fledgling artists and the creative sector. In addition discretionary rate relief enables valuable charity and community interest groups to provide essential services. Barbara Harris (Bristol customer) |
| Bristol needs Prior and diverse options for makers and shoppers so the discretionary rate is crucial to offer choice for those of us who have no interest in large chains and endless empty premises. Where is the nuance enabling choice? |
| Brigid Calderhead (Bristol customer) |
| Independent, small makers create the creative buzz of Bristol. Surely BCC doesn't want Bristol to just have the bland multi-branch look of most dreary high streets? Amanda Love (Bristol customer) |
| We need to have diversity in business. If high street big chains are failing, the council have |

consumers genuine choice on the high street, to support businesses that care about people

no revenue at all. No businesses, no business rates. Shops like Prior Shop in Bristol who

| give so much back to the community will have to close. Stupid and mindless decision Bristol Council. |
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| Jaine Simm (Bristol customer) |
| We must value small businesses; they are precious to our communities. We shouldn't have to work for big corporations! There should be diversity! Lots of small businesses are ethical and sustainable and people focused rather than profits focused. Massive corporations got massive usually because they're exploiting people. This isn't good! Our council should be supporting good and kind businesses! |
| Karen Sillence (Bristol customer) |
| Bristol independent businesses will not survive and our city will be poorer for it. Broadmead is already a wasteland and Cabot will be the only huge brands that can afford the new rates. Diane Godwin (Bristol customer) |
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| I want to support not for profit businesses and independent shops which bring big economic and cultural benefits to our city. The increase in business rates would force them to close. We desperately need diversity in our city centres for them to flourish. |
| Lee Franklin (Bristol customer) |
| Independent shops like Prior bring our town centres to life, and an outlet for hundreds of small local businesses. We should be supporting them, not taxing them out of existence. SAVE PRIOR SHOP! |
| Helen Chapman (Bristol customer) |
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I've visited and bought online from Prior, it's a wonderful place championing independent makers and giving so much back to Bristol - I would love a place like this in my home town, Newport. Bristol Council should treasure and support Prior, please take a good hard look at what it does for Bristol in balancing the big corporate chains with support for local independents and your community.

| Megan Pinnell (Visiting customer) | | |
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The cost of business rates is crippling organisations already suffering in the current economic climate. More shops and community centres will close in the city, and the centre will become even more run down with more empty premises, we need to support independent and not for profit businesses as they are what makes our city vibrant and buzzing, Bristol centre should be a destination, not somewhere people go just when they have to, this will just drive the area down further.

Cat Audiss (Bristol customer)

Non profit and arts organisations are the lifeblood of Bristol. Where would Bristol be without them?

Kevin Hughes (Bristol customer)

2. Points of Contention

a) Lack of communication, consultation and warning from Bristol City Council to remove the Discretionary Rates Relief, and misleading questions in the public consultation.

PRIOR (and I presume other not-for-profits) were not consulted about the decisions in advance and therefore couldn't explain the consequences for protected groups if they cease trading. Furthermore, each business needs a 12 month notice period of any changes and the public consultation is misleading.

I was told in the response to my complaint that the decision to end discretionary rate relief was "made in the light of significant, well documented budgetary pressures". However, businesses that are currently in receipt of the discretionary rate relief were not consulted nor told about the review, or prepared for the outcome. The majority of businesses who have this relief are in binding leases of their units, that tie them into set durations and it is unfair for said businesses not to be consulted about the survey that was carried out.

It was outlined that there was a public consultation (<u>Bristol Budget Survey</u>) but to not invite submissions from affected businesses to defend themselves is immoral.

The Bristol Budget's survey that informed this vote has a misleading question. The question asks: Suspend the council's discretionary rate relief scheme and the discretion to 'top-up' relief to 100% of the Business Rates due, following the required 12 months' notice period. Eligible registered charities and other voluntary and community organisations will be restricted to mandatory relief of 80%. This implies that community organisations and non-profits like Prior will be included in the mandatory relief of 80%. On the easy-to-read survey the question says: The council helps some organisations pay less Business Rates. Business Rates are taxes that businesses pay to the council. Idea 13: Change the rules so that most businesses pay the full Business Rates. Charities and other local community organisations would pay more than they do now, but less than the full Business Rates. Yet again, this leads the public to think that there are businesses who 'dodging' business rates. It does not mention that the businesses the relief 'helps' are registered non-profits.

Question R29 on the survey refers to a 'required 12 month notice period' for rate rises. I was told in February 2023 about the rate rises starting that month, so that is a 0 month notice period. I have clear evidence that I tried to speak to the rates department over 7 months and did not get a reply.

The councils rate relief booklet itself (Business Information Booklet) groups 'charities and not for profits' in the same category, as opposed to small business relief etc. I presume the changes mean some 'for profit' businesses will be losing rate relief too and we have been illogically grouped in with them.

b) Lack of Equality Impact Assessment (EQIA). We argue that Bristol City Council has not considered its public sector equality duty as Not For Profits and Social Enterprises mainly work with people from a protected characteristic.

On the 21st February there was a full council meeting for the 2023 Budget report. Page 3 of the Equality Impact Assessment says "we must make sure that any proposals that are likely to affect future services are informed by sufficient consultation and proper analysis, this is how we pay due regard to any decisions made. This is so that decision makers can have due regard to any likely disproportionate or negative impact for citizens, service users or employees on the basis of their protected and other relevant characteristics"

From page 505 of this document, it has the equality assessment for the Discretionary Rate Relief removal. We argue that Bristol City Council has not fully considered its public sector equality duty and the assessment was not thorough enough. The assessment states that 34 businesses are in receipt of this relief and the information used for the report was from these businesses' DDR application form. The last available application form that we were able to complete was in 2021 and our organisation has grown and changed vastly since then. The assessment also makes the assumption that the businesses who are in receipt of the DDR are small organisations with a low turnover. The assessment admits on question 2.3 that there are gaps in the evidence base and there was not equalities monitoring completed for the organisations involved or their service users. In section 4.2 under the action plan (to fill the gaps mentioned in 2.3), there is no evidence to show that the Council made plans to improve the data for this assessment.

Furthermore, under the question 2.4 *How have you involved communities and groups that could be affected?* The report says that a public survey was launched, but this didn't include consulting the communities, groups and businesses that are affected with the removal of this relief.

Prior Shop provides workshops for vulnerable adults and collaborates with black owned businesses to use our space to empower minority-led businesses.

- Prior Shop is female founded, female lead and has an all female staff team.
- 40% of our staff team identify as neurodiverse.
- We provide workshops for vulnerable adults, working with charities In Hope and Active Recovery.

- We collaborate with black owned businesses to use our space to empower minority-led businesses. Beyond the Mix, Everyday Racism, Black South West Network
- 90% of the makers we stock are women.
- 18% identity as black or a person of colour.
- 7% identify as having a disability.

The quantities of individuals within these groups are mentioned above on page 2.

One of the things public authorities must do under their duty is to think about the need to advance equality of opportunity between people of different groups. We suggest that this decision didn't evaluate the needs of women in business or the representation of ethnic groups and disability in high-street shops. It is also worth noting that although the consultation was aware that social enterprises/not for profits are likely to serve protected or under-represented groups or causes, the decision to end the rate relief is likely to be broadly discriminatory in effect.

c) The decision contradicts Bristol City Council's policy in relation to the Climate Emergency Action Plan and the One City Climate Energy Strategy.

In Bristol City Council's policy in relation to the Climate Emergency (<u>Climate Energy Action Plan 2022 - 2025</u>), there is a <u>One City Climate Energy Strategy</u>. In this strategy the council outlines the intention to become Carbon Neutral and Climate Resistant by 2030.

Prior is already Carbon Neutral and at Net Zero. The unfair removal of our business rates relief - and therefore our closure - is not in support of a net zero business and the result will be a global chain taking on the unit who will not meet the Climate Emergency Strategy.

- We use certified 100% recycled energy and have recently overhauled the entire building so that all light fittings (including emergency lights) are LED.
 We have sensors for lights in the stairwells and timers for the windows.
- All of our staff are local. 90% of the staff team cycle or walk to work. 10% use public transport.
- We use low storage data (data storage requires energy which creates carbon), use local suppliers and all paper goods are made from recycled content.
- Prior is supplied by local makers, whose products are often made using recycled and low impact materials, creating little waste and with low transportation miles. The maker's work is checked for sustainability certification and reviewed regularly.
- A carbon report of Prior -conducted by the West Of England Combined Authority 2022 - recorded that we emit 2 tonnes of carbon per year (very low for a business) and we offset this in through Carbon Avoidance Projects: World Community Projects providing clean water and renewable energy projects, efficient cookstoves and forest management. Via Ecologi.
- Cabot Circus has a thorough waste management scheme and the toilets are flushed with collected rainwater.

d) The decision appears to contradict Bristol City Council's Corporate Strategy.

The Council wishes to promote job opportunities to a wider, more diverse city workforce with good growth and access to employment. A decision that closes an established social enterprise in the city centre isn't supporting a diverse economy and is directly conflicting the <u>Council's Corporate strategy</u>.

Below are a few sections from the Corporate Strategy:

"We will lead city partners in attracting eco-innovative businesses, supporting their transition and adaptation to become more sustainable businesses and providing access to green economy jobs to a diverse group of citizens, indirectly addressing issues around innovation, inclusivity and inequality. Cleaner low waste city"

'Alongside this we'll work together and with other partners to help foster and grow strong, diverse employment sectors and opportunities in the city, not only focusing on graduate-level jobs but on the way that the research, innovation and entrepreneurial expertise of educational institutions can support the inclusive, sustainable growth of an economy which offers jobs and opportunities for all.'

'We will also work to support and invest appropriately in organisations and enterprises led by under-represented groups, helping to cultivate more diversity in our supply chain.'

Supporting Prior with the Discretionary Rate Relief enables a diverse business to stay in the City Centre. Prior Shop is a Real Living Wage employer, is registered as a Sustainable Impact Champion (launched by YTKO West of England and Metro Mayor Dan Norris) and has completed the Good Employment Charter.

We paid out £87,264.03 in local, Real Living wages during 22-23 and paid out £160,117.56 to independent artists and designers.

We are exactly the type of business that Bristol City Council aims to support. We are an eco-innovative business; we support green economy jobs to diverse groups; we reduce waste; we have expertise in education; and we support under-represented groups.

e) The decision contradicts Bristol City Council's City Centre High Street Recovery Project and objectives in the Vacant Property Grant

There is a support package to improve the highstreet: <u>City Centre High Street Recovery</u>

Project and the <u>Vacant Property Grant</u>

The Council advertise they have "secured £4.725 million of funding to help the city centre and high streets recover from the impact of the COVID-19 pandemic and help get more people visiting and using these places. The programme will link up with other initiatives to maximise the funding and support available."

Stopping our Business Rate Relief will mean the closure of Prior Shop and will negatively impact the high street. The high streets in the UK have already lost 6,000 retail shops over the last 5 years. The majority has been in this year alone - 1,900 retailers went under in 2022-23 and vacant properties stand at an all time high of 14%. Businesses claim this is due to the crippling cost of business rates and ongoing economic pressures.

The **Vacant Property Grant** team of the council are offering £10k for businesses "to bring a vacant commercial property back into permanent use to improve our high streets", when the Business Rates department is reducing the rate relief so that businesses already occupying spaces have to close.

I was told by Jason Thorne in the email dated 19th July 2023 that 'the vacant commercial property grant is not viable [for Prior] because it is designed specifically for new or expanding businesses; it cannot fund downsizing or displacement of commercial activity'.

However, in an email dated 30th August 2022, I was told by the Vacant Property Grant team "If you can evidence to me at such a time, that the costs attributed to the Cabot unit are not financially viable we would be able to find you eligible on the grounds of preventing redundancies and protecting local jobs"

We are exactly the type of business that Bristol City Council states to support to regenerate the local high street. The project is to encourage "arts and culture groups who will bring something different to our city, employ local people, and make Bristol a better place to live for our residents" - we provide all of these and request to have the same support to continue.

f) The decision contradicts Bristol City Council's Arts and Culture Policy.

We are an established business and venue that has been supporting the performance and presentation of local arts and culture Bristol for nearly 5 years. The Council's vision outlined in the <u>Arts and Culture Policy</u> 'is to make arts and culture accessible for all citizens.'

Through the <u>City Centre and High Streets Economic Recovery Culture and Events</u>

<u>Programme</u>, the council states to be 'investing in the culture and events sector to support

Bristol's city centre and high streets, help the recovery of the culture and events sector and

to re-establish the city's reputation for creativity and imagination following the impacts of

<u>COVID-19</u>'.

Prior has been both ambitious and successful regarding the direct support and promotion of Arts and Culture in the City Centre. We are a leading venue for exhibitions and events, hosting at least two exhibitions and ten workshops a month. We promote the creation of art and design, showcasing leading sustainable talent from Bristol and the UK. We paid £160,117.56 during our financial year 22 - 23 to independent artists and designers for the sale of their goods, this amount far surpasses any other independent shop in Bristol.

We are successfully meeting the objectives of the Arts and Culture Policy and to not support us with business rate relief would also negatively impact how accessible arts and culture is for Bristol Citizens and the financial support that is needed for local artisans.

REQUESTS

We understand that budgets have been cut and decisions need to be made during this challenging time, however we find the decision of the council to be short-sighted. The impact of this decision will directly impact Bristol organisations that are uplifting and enriching the local community.

Local, independent businesses who do not make a profit: whose sole purpose is to support the community, should not have to pay the same Business Rates as profit-driven organisations that do very little for Bristol's economy and import mass made products (with VAT relief). We really need Bristol City Council to reinstate the Discretionary Rate Relief for non-profits and Community Interest Companies so we can continue to do good.

1. Current bill of £6963.20 to be void

Based on not being given 12 months notice, the lack of communication that the Discretionary Rate Relief was ending and the other points mentioned in this document - I request that we are not liable for Business Rates for the financial year 2023 - 2024.

2. Future annual bill of £34,816.00 to be given 80% rate relief aligned with Charities.

It is alluded in both the public survey that informed your vote, the current Business Information and other information supplied by the Council, that Non-Profit organisations are grouped with Charities. However, for business rates we are unfairly grouped with large profit driven organisations.

In addition to the above, the contradictions with Bristol City Council's Policies mentioned in this document and in available public information, and the lack of evaluation and consultation for a business supporting protected characteristics, we should still be in receipt of the Discretionary Rate Relief that Registered Charities are in receipt of.

Mems and Articles of Prior Shop

- 1.1 Provide Not-For-Profit services and activities which benefit the community and in particular (without limitation) to:
- 1.2 Provide an independent exhibition, retail and workshop space that supports local artists/designers and facilitators to grow their businesses.
- 1.3 Provide a community hub for local artists/designers to learn, share and develop business brand opportunities.
- 1.4 Promote environmental practices and lifestyle through our products, newsletters and marketing.
- 1.5 Promote economic growth in the area with customers from other parts of the city, surrounding areas and tourists visiting other businesses such as cafes, restaurants and other independent retail shops.
- 1.6 Using the profits from the retail sales and additional funding/grants, the company will reinvest into the business to assist with actives that benefit the community, social inclusion and equality such as: access to community workshops for those that cannot the participation fee, fund community public art pieces and youth workshops.