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PRIME MINISTER 10 April 1987

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10/4.

UNIFORM BUSINESS RATE

You may be interested to see what effect the Uniform Business Rate would have had on business rates, had it been introduced in 1986/87 at a level designed to raise the same revenue from businesses as rates do at present. I attach a table showing the effect in selected areas. Broadly, rates would have been reduced quite substantially in the larger cities in the Midlands and the North and in Inner London and increased in the South. Where rates increased they would have done so by less than 25% in all but the 12 local authorities listed.

It is clear that the UBR will improve the climate for business in some of the worst inner city areas. It is an inevitable consequence, unless there is a reduction in the overall burden of business rates, that those areas (such as Wandsworth) that have managed their affairs best under the present system will experience rate increases.

There will have to be limitations on the amount of increase/decrease in any one year.

Peter Stredder

PETER STREDDER

ANNEX

Metropolitan Districts	
Birmingham	-6%
Leeds	-11%
Liverpool	-31%
Manchester	-28%
Newcastle	-40%
Salford	-18%
Sheffield	-38%
Wolverhampton	+½%

Inner London	
Brent	-11.9
Camden	-6.5
Hackney	-15.2
Islington	+5.1
Lambeth	-9.5
Lewisham	-15.2
Newham	-27.3
Southwark	-7.6
Tower Hamlets	-0.8
Wandsworth	+56.7
Westminster	+30.9

Shire District Cities	
Bristol	-19%
Derby	-17%
Hull	-13%
Leicester	-9%
Middlesbrough	-25%
Northampton	+7%
Nottingham	-17%
Portsmouth	+8%
Plymouth	+10%
Southampton	+10%
Stoke	-1%

Areas facing rate increases of more than 25%	
Bromley	+39%
City	+32%
Croydon	+40%
Ealing	+33%
Gillingham	+31%
Hammersmith	+29%
Kensington & Chelsea	+82%
Kingston	+32%
Merton	+33%
Redbridge	+36%
Sutton	+26%
Wandsworth	+57%
Westminster	+31%

LOCAL GOVT

RATES

PTC