

**NOTICE OF MOTION**

**GREEN GROUP**

**SUPERMARKET LEVY**

This Committee resolves:

“To endorse the Local Works campaign for a ‘supermarket levy’, and support the Derby City Council-led bid to government requesting relevant powers under the Sustainable Communities Act.”

Proposed by: Councillor J Kitcat      Seconded by: Councillor Sykes

Supported by: Councillors Randall and Shanks

**Supporting Information:**

There has been growing concern about the spread of supermarkets – which is of particular concern given the diverse small businesses that make Brighton & Hove a unique place to live and visit.

Research by the New Economics Foundation suggests that every £1 spent locally is worth almost 400% more than money spent with external suppliers as it circulates in the local economy supporting employment, trade and communities. Meanwhile 95% of the money spent in large retail outlets is siphoned from the local economy.

The Federation of Small Businesses suggests that business rates are five times more expensive for small businesses as a proportion of turnover than they are for large companies. Further, research in London found that small shops pay far higher business rates per square metre than supermarkets do. Arguably an urgent intervention is needed to rebalance historic unfairness in the system which currently favours larger retailers – particularly as the government has postponed revaluation of business rates until 2017.

The largest four supermarkets each post operating profits in excess of half a billion pounds a year. A relatively small levy could ensure that national and international retailers contribute to as well as take from local communities.

The ‘Local Works’ campaign calls on the government to give the local authority the power to place a levy on large retailer outlets such as supermarkets. The revenue could be used to support smaller independent

local businesses and other services such as rate discounts or local bus routes, levelling the playing field.

<http://localworks.org/pages/supermarkets>