

MAYOR OF LONDON

Andrew Boff AM

Chair of the London Assembly

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Date: 20 August 2024

Dear Andrew,

London Assembly (Plenary) Meeting 2 November 2023 – Motions

Thank you for your letter about the motions agreed at the London Assembly (Plenary) meeting on 2 November 2023. My reply to motion 3.5 is below, and I am sorry for the delay in responding.

Motion 3.5 – Ban Box Shifting

Ratepayers of business premises are entitled to receive three months of full business rate relief when a property is empty. Under the current legislative arrangements in England, once a period of six weeks has elapsed following the ending of the three-month exemption, ratepayers can be awarded empty property relief for a further three months, a situation that can continue repeatedly and indefinitely. This six-week duration of occupation provides an incentive for the temporary storage of boxes and other items to give the appearance of a rateable occupation when this is not the case. This is the basis on which the 'ban box shifting' campaign originated, as this is a clear avoidance measure that on the LGA's conservative estimates, is costing £150 million a year in lost revenues. The City of London Corporation's most recent estimate is that this lost revenue may be as high as £35 million a year in the Square Mile alone.

I support increasing the required duration of occupation from six weeks to six months before a further award of empty property relief can be granted. This would align England with the reforms that have already been introduced in Wales from April 2022 and Scotland from April 2020.

Therefore, I welcome the Assembly's motion. I am attaching the Greater London Authority's response to the previous Government's [consultation on proposed measures to tackle business rate evasion and avoidance](#), held between July and September last year, for your information.

Yours sincerely,



Sadiq Khan

Mayor of London

Att.