

NOTE

CWM – BUSINESS RATES

1 Introduction

- 1.1 This briefing note sets out the estimated business rates revenue that will be generated by the Canada Water Masterplan (CWM). Business rates are calculated by assessing the rateable value of commercial floorspace and applying the current business rates multiplier to the rateable value. The rateable value varies by use class and location.
- 1.2 Calculations have been undertaken based on the Illustrative Scheme.

2 Business Rates Calculations

- 2.1 Rateable values are based on analysis of values for similar uses within the surrounding area and informed by GL Hearn and CBRE's advice on suitable values. The rateable values applied for each use are as follows:
- Retail (A1-5) - £592/ m² NIA
 - Office (B1) - £323/ m² NIA
 - Community (D2) - £100/ m² NIA
 - Leisure (D1) - £194/ m² NIA
 - Petrol Filling Station - £52,500 (based on value for existing PFS)
- 2.2 This analysis excludes a rateable value for the hotel and the parking. There is a complex methodology for calculating the business rates for hotels which is specific to the type of accommodation, level of trade, etc., which is very susceptible to change. Therefore it is not possible to estimate the level of business rates that would be generated by the hotel within the CWM.
- 2.3 Research into rateable values for parking within the area vary dramatically, therefore we are seeking information from Southwark Council for a suitable rateable value to apply.
- 2.4 The business rate multiplier for 2018/19 is 0.493p in the pound. Applying these assumptions yields an estimated business rate revenue for the illustrative masterplan at £46.2 million per annum. A detailed breakdown of this calculation is set out in Table 1 below.

NOTE continued

Table 1: Business Rates Calculations

Use Class	Net Internal Area (m ²)	Rateable Values		Multiplier	Business Rate
A1-5 Retail	53,824	£	31,863,808	£ 0.493	£ 15,708,857
B1 Office	184,460	£	59,580,580	£ 0.493	£ 29,373,226
C1 Hotel	2,952	Rateable Value TBC			
D1 Community	5,197	£	519,700	£ 0.493	£ 256,212
D2 Leisure	8,753	£	1,698,082	£ 0.493	£ 837,154
Parking and Plant	8,590 (GIA)	Rateable Value TBC			
Energy Centre & Sub Station	2,912 (GIA)	N/A			
Multi Storey Car Park	15,911 (GIA)	Rateable Value TBC			
Petrol Filling Station	2,258 (GIA)	£	52,500	£ 0.493	£ 25,883
Total		£	93,714,670	£ 0.493	£ 46,201,332

Appendix 2

Canada Water masterplan site

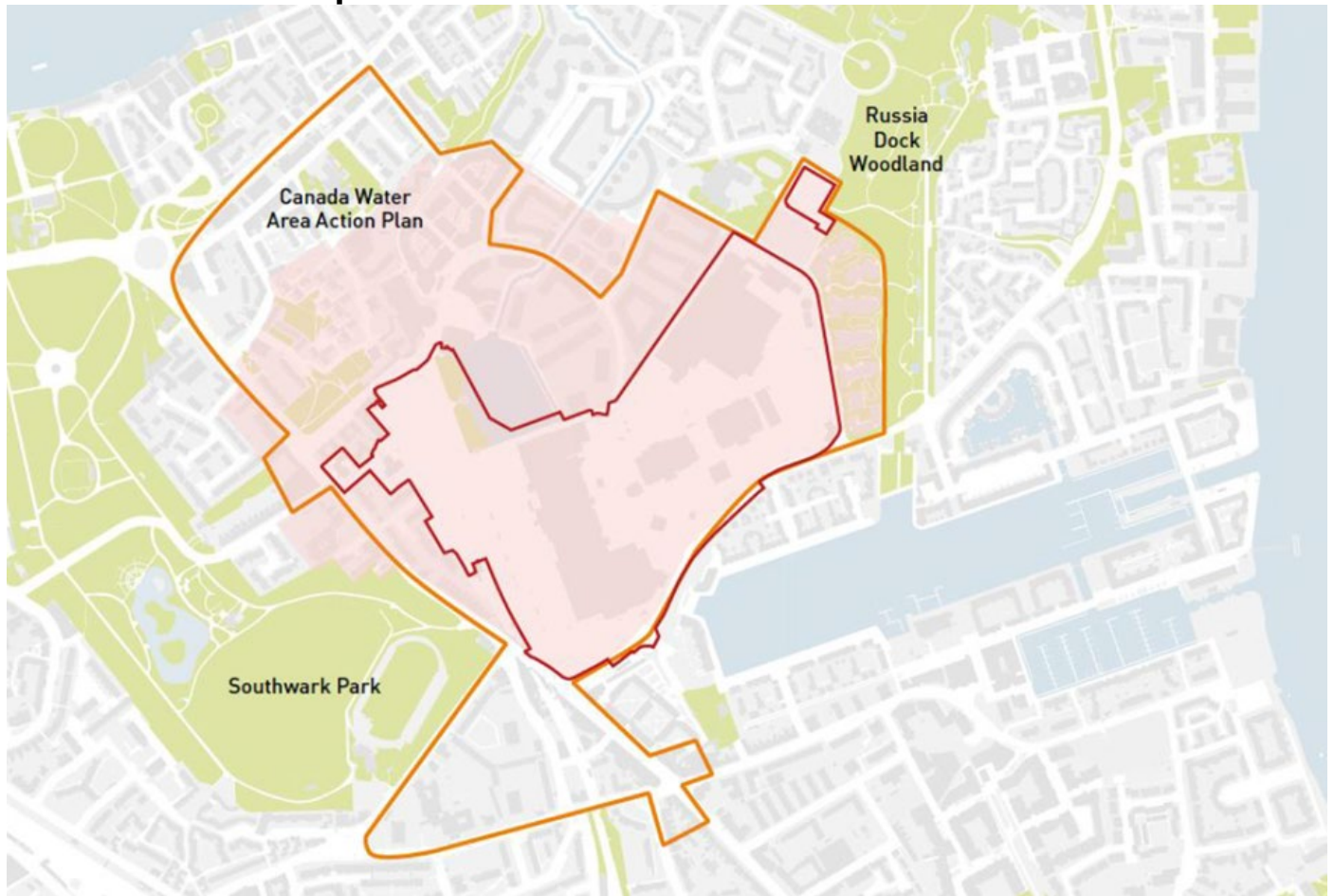


Figure 1: Canada Water masterplan site, shown in context with the Opportunity Area and Area Action Plan boundaries.

Key

- Planning Application Boundary
- Canada Water Area Action Plan
- Opportunity Area

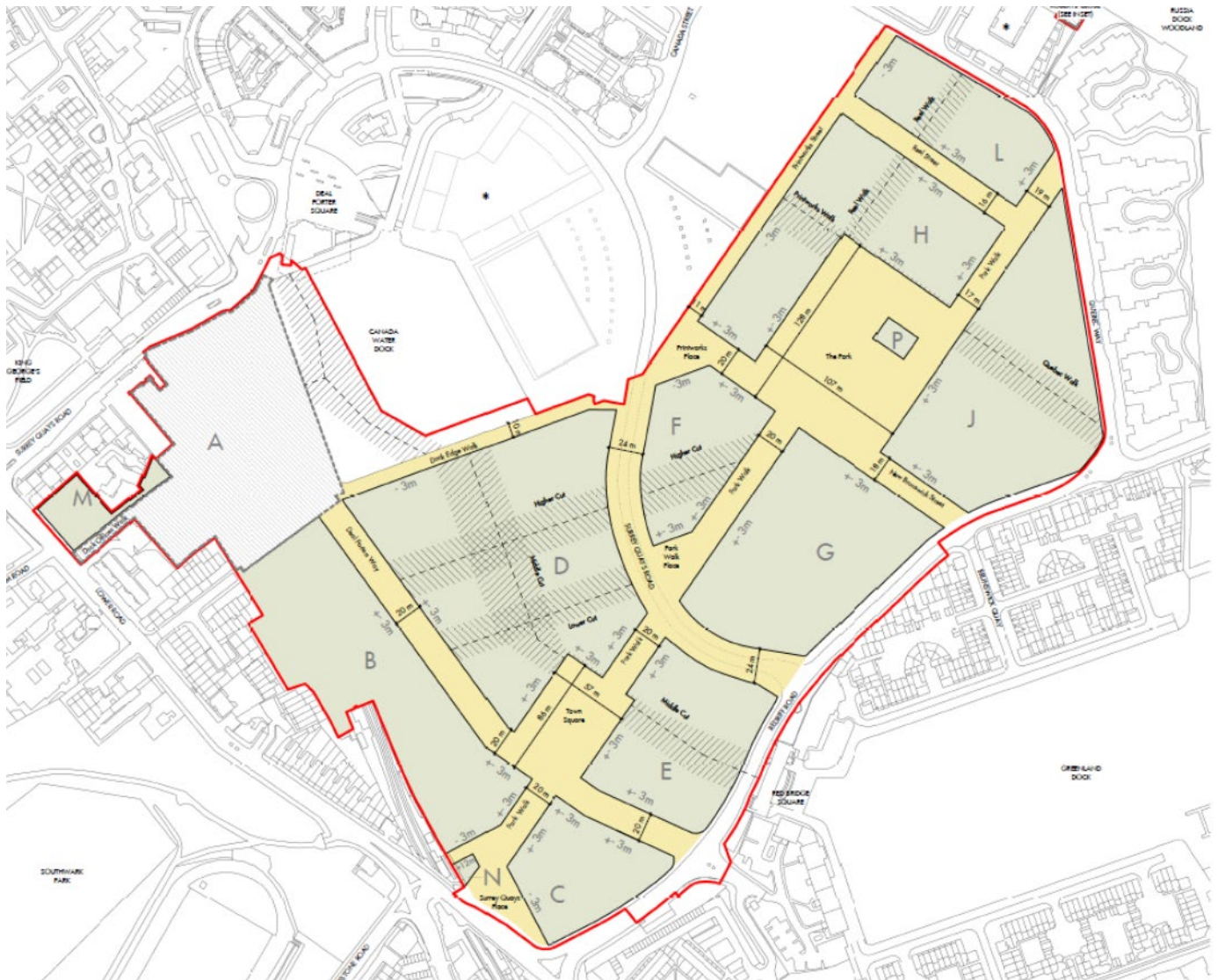






Figure 2: Proposed site boundary and development plots.

- Planning Application Boundary
-  Boundary of Detailed Proposal sites in respect of which detailed approval is sought
-  Development Zone Boundary
-  Development Zone Reference
- \pm m Limit of deviation of the Development Zone Boundary.
- Minimum extent of Public Realm
- Indicative location of public route
-  Limit of deviation for public route