

Bolton Council proactively monitor and stop SBRR fraud attempts

Bolton Council is a metropolitan borough council based in the North West of England, in the foothills of the West Pennine moors, and is a member of the Greater Manchester Combined Authority. A former mill town, it is quite a compact area geographically but in recent years has seen significant regeneration. This includes Logistics North, the North West's largest live commercial development, and Middlebrook Retail Park which is said to be the largest integrated and sustainable employment, leisure, sports and retail scheme in the UK. Consequently it is currently responsible for collecting business rates from 10,790 non-domestic hereditaments with a total rateable value of over £250 million.

Many of the historic old mills have been converted either into domestic use or have become centres for multiple small businesses, where a lot of the units are eligible for small business rates relief. It's surrounding towns and villages that make up the borough also contain many properties with rateable values low enough to benefit from small business relief. As a result almost half of Bolton's hereditaments currently receive small business relief.

Bolton Council Business Rates team overview

Robin Gibbons, is the Business Rates Billing, Valuation & Support Manager at Bolton Council and is responsible for managing a team of eight personnel tasked with the administration of business rates, valuation work for both business rates and council tax and general support for business rates and council tax teams. It was back in 2018

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Business Rates Billing, Valuation &
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Bolton Town Hall

that Robin became aware of the HUB small business rates relief fraud solution and identified that it could be a good tool for him and the team in the processing and administering of small business rates relief.

Robin comments *“we have been using HUB for six years now, we initially used it to identify potential fraud where claims were made for small business rates relief by companies operating in multiple locations. Whilst we did carry out our own checks and balances within our own database we had no way to verify whether the declaration made by companies that they were only operating in just one location was factually correct if they were operating outside of Bolton. Following this initial fraud identification process, we now use HUB for active fraud prevention on an ongoing basis, checking applications as they come in by looking at HUB to make sure no matches are shown for a business elsewhere. If they do appear in HUB, they are queried and investigated at the time rather than years down the line.”*

Results - £150,000 worth of relief reclaimed so far

With approximately £14.8 million of small business rates relief awarded in Bolton annually it is the largest relief given in terms of value to Bolton businesses.



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It is therefore imperative that the business rates team keep an accurate account of relief given and keep on top of any potentially fraudulent behaviour. In the first year of using HUB the team were able to reclaim £53,000 of relief followed by £60,000 the following year. In total since using the solution they have reclaimed £150,000 in relief and continue to use it for auditing purposes, verifying SBR relief awards applications as they come in and keeping their business rate database as accurate as possible.



Logistics North, the North West's largest live commercial development

Identification of dissolved companies

HUB has become an integral part of Bolton Councils' SBR relief award verification process but they have also benefitted from the 'company status check' feature. This identifies whether a company has been dissolved or entered into any other forms of insolvency. Often when a company becomes eligible for 100% relief through the SBR scheme the Council will not be notified by the company if they move out or cease trading. The alert from HUB prompts the team to ascertain if there is potentially a new ratepayer occupying a property or if an empty rates charge should be applied to that property.

Prior to the implementation of HUB, fraud checks were carried out but this was very much a paper exercise, a manual process and with the limitations of their own database and no other local authority data to be able to compare it to, there was no intelligence or automation injected into the process.

Fact checking with other Local Authorities

Robin goes onto comment *"the team have found the solution very easy to use, it didn't take them long to get set up on the system, it is easy to look for a ratepayer and any associated addresses that are flagged up."*

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Bolton Council are also using HUB to record the outcomes of any withdrawn relief so they can quite quickly put a value on how much relief has been reclaimed using the solution.

Robin comments *"One of the things we like about Destin Solutions is that they don't just supply a piece of software you have to work around, they operate an open door policy and listen to potential improvements or suggestions we have to make things better for the council and how we use the solution. We have an open line of communication for how things can be improved it is very much a two-way partnership"*.

HUB is viewed within the Authority as a key piece of software for stopping fraudulent small business rate relief awards. The amount of relief being reclaimed is reducing year on year but it means they are stopping the fraud before it has even happened. Robin concludes *"it is a great audit tool going far beyond our own database and software and gives us that confidence that awards made, have been granted properly."*