

Gloucester City Council

Meeting:	Audit & Governance	Date:	September 2018
Subject:	Business Rates Pooling Report 2017-18		
Report Of:	Cabinet Member for Performance and Resources		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Jon Topping, Head of Policy & Resources		
	Email: jon.topping@gloucester.gov.uk	Tel: 396242	
Appendices:	None		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The Gloucestershire Business Rates Pool was set up to maximise the business rate income retained within the County and to support economic growth within the area of the Local Enterprise Partnership.
- 1.2 2017/18 was the fifth year of operation of the Pool and this report sets out the outturn position for the year.

2.0 Recommendations

- 2.1 Audit & Governance is asked to **RESOLVE** that the 2017/18 outturn position and performance of the Gloucestershire Business Rates Pool be noted.

3.0 Background and Key Issues

- 3.1 The Business Rates Retention Scheme was introduced on 1st April 2013. Under the Scheme, the Council retains some of the business rates raised locally.
- 3.2 The Gloucestershire Business Rates Pool governance arrangements determine how surpluses and deficits are distributed or recovered.
- 3.3 Gloucester City Council has been a member of the Gloucestershire Business Rates Pool since the inception of the retained Business Rates scheme in April 2013. Pool governance arrangements were put in place and the scheme commenced in the 2013/14 financial year.
- 3.4 The outturn for 2017/18 was positive, with £3.992m of additional business rates income retained in Gloucestershire. This was allocated in accordance with the Pool Governance arrangements, with 20% of the surplus being set aside for the Strategic Economic Development Fund that supports the work of the Gloucestershire Economic Growth Joint Committee, being £0.798m. The cumulative amount of funding generated by the pool for the committee since 2013/14 is £1.134m.

3.5 A distribution of £0.639m was made to Gloucestershire County Council (20% of the remaining balance), with £2.555m being distributed to the 5 Districts within the Pool (80% of the remaining balance). The surplus returned to Gloucester City Council was £650k and was included as part of the sums being transferred to/from the Business rates reserve as part of the Councils outturn for 2017-18.

3.6 Look forward for 2018/19 Gloucestershire was successful with its application to be a 100% Business Rates Pilot for 2018/19. The pilot will include all 7 Gloucestershire Councils, and will result in member authorities forgoing Revenue Support Grant and Rural Services Delivery Grant in return for a greater proportion of business rates income being retained. The Pilot is formally in place for 2018/19 only.

4.0 Asset Based Community Development (ABCD) Considerations

4.1 There are no ABCD implications as a result of this report.

5.0 Alternative Options Considered

5.1 There are no alternative options

6.0 Reasons for Recommendations

6.1 To review the performance of the Gloucestershire Business Rates Pool in 2017/18.

7.0 Financial Implications

7.1 Contained in the body of the report.

8.0 Legal Implications

8.1 There are no legal implications from this report

9.0 Risk & Opportunity Management Implications

9.1 Contained in the body of the report

10.0 People Impact Assessment (PIA):

10.1 The PIA Screening Stage was completed a full PIA was not required.

11.0 Other Corporate Implications Community Safety

11.1 Nil

Sustainability

11.2 Nil

Staffing & Trade Union

11.3 Nil

Background Documents: None