

## NOTICE OF DELEGATED DECISION

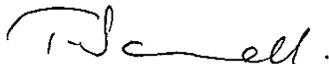
Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1<sup>st</sup> December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated by the Strong Leader report of the 13<sup>th</sup> October 2015, the following decision has been made:

Subject	Decision	Reason for decision	Date for Decision to be taken
<b>Business rates – pooling 2016/17</b>	To enter into the Revised Worcestershire Business Rates Pool for 2016/17	The Council needs to formally agree to enter the Worcestershire Business Rates Pool for 2016/17 so an application can be made to the DCLG by the 31 <sup>st</sup> October assumed deadline.	By 31 <sup>st</sup> October 2015.

**The appropriate Officer/Cabinet Member consultation has taken place with regard to this decision.**

**Dated:** 28<sup>th</sup> October 2015

**Signed:** 

**Tracey Southall, Chief Financial Officer**

**Dated:** 28<sup>th</sup> October 2015

**Signed:** 

**Councillor Nathan Desmond, Cabinet Member for Resources**

**Notice of Decision to enter into the Revised Worcestershire Business Rates Pool for 2016/17**

The Cabinet in the Strong Leader Report issued on the 13<sup>th</sup> October 2015 delegated the final decision to enter into a revised Worcestershire Business Rates Pool (WBRP) to the Chief Financial Officer in consultation with the Cabinet Member for Resources.

The decision has been taken to enter into the revised Worcestershire Business Rates Pool (WBRP) following the decision by Malvern Hills District Council to leave the current WBRP. An application will be made to the Department of Communities and Local Government (DCLG) who will consider our proposals together with the Local Government Settlement for 2016/17. Notification of the final DCLG decision is not expected until late November/ December 2015.

This paper sets out the position comparing the Council's position of being a part of the pool against the Council's position of not being in the pool.

**WFDC - Forecast position for 2016/17 if it is not in the revised WBRP:**

No Pool		Central Share	District Council Share	County Share	Total	Risk Pot
£1,020,372	Increase in Business Rates	£510,186	£408,149	£102,037		
	Levy		£204,074			
	District Retained Amount		£204,074			
	<b>Locally Retained</b>		<b>£204,074</b>	<b>£102,037</b>	<b>£306,112</b>	<b>0</b>

The position shown above is based on the estimated amount of business rate expected to be collected during 2016/17 over our baseline position. This identifies that the Council is in a tariff position and is expecting to take a share of increased rates collection against the baseline position. With no Pool 50% of the District Share would be payable to the DCLG as a levy.

**WFDC - Forecast Position if a member of the Revised WBRP:**

Pool		Central Share	District Council Share	County Share	Total	Risk Pot
£1,020,372	Increase in Business Rates	£510,186				
	Levy Payment (Approx WFDC Proportion)				-	
	Admin Fee (Approx WFDC Proportion)				2,500	
	<b>Locally Retained</b>				<b>£507,686</b>	
	Additional Retained Levy				£201,574	
			£60,472	£40,315		£100,787
	<b>Locally Retained</b>		<b>£264,547</b>	<b>£142,352</b>		<b>£100,787</b>
	<b>Benefit</b>		<b>£60,472</b>	<b>£40,315</b>		<b>£100,787</b>

The position shown above is based on the estimated amount of business rates expected to be collected during 2016/17 over our baseline position. This identifies that the Council is in a tariff position and is expecting to take a share of increased rates collection against the baseline position. This also identifies that the Council is expecting to receive an additional circa £60k from membership of the revised WBRP. The Pooling option forecast shows that no levy would be payable by the revised Pool, hence more is retained locally.

### **The Estimated Overall Revised WBRP position for 2016/17**

The estimated overall position of the WBRP for 2016/17 based on the analysis is as follows:

	<b>£m</b>
Gained by Pooling	0.844
Admin	0.010
<b>Total for distribution</b>	<b>0.834</b>
Risk Reserve 50%	0.417
County Council 20%	0.167
Remaining 30% to Districts	
Worcester	0.079
Wychavon	0.111
Wyre Forest	0.060
<b>Total for distribution</b>	<b>0.834</b>

Current projections show that the overall forecast benefit of the revised WBRP in 2016/17 is £0.834m (after expenses) in terms of retained levy that would have been paid by member Councils with no Pooling arrangement. There is anticipated to be a risk reserve of £0.417m created during the year.

### **Conclusion**

An analysis of the two positions identifies that the Council is estimated to receive an additional circa £60k by being part of the WBRP as opposed to not being in the pool. In addition there will be a risk pot established which is estimated to be around £417k to help the members if they fall below the baseline, thus mitigating risk.

At this stage these figures are based on estimates and the position will change during the year. The position will be monitored throughout the year.

### **Decision**

That WFDC enters into the revised WBRP for 2016/17 and that this position is reconsidered on an annual basis.