

## **LANCASHIRE BUSINESS RATES POOL**

This Council is part of the Lancashire Business Rates Pool which began on 1 April 2016. In a Business Rate Pool, tariffs, top-ups, levies and safety nets can be combined. This can result in a significantly lower levy rate or even a zero levy rate meaning that more or all of the business rate growth can be retained within the pool area instead of being payable to the Government.

The Lancashire Business Rates Pool, which includes most but not all of the local authorities in Lancashire, has been designated by the Secretary of State for Communities and Local Government, and the retained levy in Lancashire has been distributed as follows:

- Lancashire County Council is paid 10% of the overall retained levy;
- Each district within the pool retains 90% of their levy.

With regard to this council, the total retained levy is £843,563 (£918,171 in 2016/17), hence under pooling we have benefited from extra income of £759,207 (£826,354 in 2016/17). Lancashire County Council has received the remaining 10% of retained levy.

As part of the pool arrangements, one authority must be designated as lead authority, which in the case of the Lancashire Business Rates Pool is Ribble Valley Borough Council. As part of this arrangement a fee of £2,000 is payable by each pool member to Ribble Valley Borough Council in their role as lead.

In the Lancashire Business Rates Pool each council bears its own risk and takes its own reward under the pool agreement, i.e. no sharing of a volatility reserve.

Below is a summary of the Lancashire Business Rates Pool members and relevant transactions.

Lancashire Business Rates Pool Members 2017/18	Authority Type	10% Retained Levy payable to / receivable by LCC			
		Tariffs and Top-ups 2017/18 £	Retained Levy on Growth 2017/18 £	Net Retained Levy 2017/18 £	
Chorley Borough Council	Tariff	6,073,147	(843,563)	84,356	(759,207)
Fylde Borough Council	Tariff	7,565,517	(664,723)	66,472	(598,251)
Hyndburn Borough Council	Tariff	3,706,620	(432,570)	43,257	(389,313)
Pendle Borough Council	Tariff	3,164,521	(518,196)	51,820	(466,376)
Ribble Valley Borough Council	Tariff	4,026,300	(661,344)	66,134	(595,210)
Rossendale Borough Council	Tariff	2,534,068	(518,640)	51,864	(466,776)
South Ribble Borough Council	Tariff	9,644,242	(1,236,560)	123,656	(1,112,904)
West Lancashire Borough Council	Tariff	8,123,116	(669,688)	66,969	(602,719)
Wyre Borough Council	Tariff	6,385,329	(466,171)	46,617	(419,554)
Lancashire County Council (LCC)	Top-up	(147,643,257)	0	(601,145)	(601,145)
<b>Pool Total</b>		(96,420,397)	(6,011,455)	0	(6,011,455)
Central Government		96,420,397	0	0	0
<b>Total</b>		<b>0</b>	<b>(6,011,455)</b>	<b>0</b>	<b>(6,011,455)</b>

The Net Retained Levy for the council is included within Non-Domestic Rates Income and Expenditure in the Taxation and Non-Specific Grant Income and Expenditure section of the Comprehensive Income and Expenditure Statement, along with the council's own share of growth achieved in the year.

(Published as Note 14(a) to the Statement of Accounts 2017/18.)