

**Public
Key Decision – Yes**

HUNTINGDONSHIRE DISTRICT COUNCIL

Title: Business Rate Pilot

Meeting/Date: Cabinet – 20 September 2018

Executive Portfolio: Executive Councillor for Strategic Resources

Report by: Head of Resources

Ward(s) affected: All

Executive Summary:

The Council, along with all other District Councils, Peterborough City Council, Cambridgeshire County and the Cambridgeshire and Peterborough Combined Authority (CPCA) are considering submitting a joint bid to the Ministry of Housing, Communities and Local Government to participate in a one year business rates retention pilot bid for 2019/20. The bid has to be submitted on the 25th September.

Attached is a report that is being considered by the CPCA next week, this report includes all relevant details as well as the bid application form.

This report allows for a debate on the merits of the scheme and allows Huntingdonshire District Council to consider its position on the proposed bid.

It is worthy to note:

- The CPCA is proposing to 'underwrite' the bid; in that no council participating in the pilot will be worse off as a result of participating.
- The council will receive a per capita share of any NDR growth, current modelling shows that this could be in the region of £1.6m (assuming the growth occurs as modelled). However, it should be noted that the NDR growth receipt that would be received is likely to be less than the £1.6m because:
 - there would be a small reduction to reflect the council's contribution to the collection costs that will be incurred by the lead authority.
 - 'pilot' councils will not receive Revenue Support Grant (RSG). However, members will recall that the current estimate for RSG in 2019/20 for the council is nil; however after adjustments to NDR tariffs and top-ups as a consequence of the pilot it will reduce the £1.6m. At this time the amount of reduction is not known but it is expected that any reduction will not be significant and therefore would not be a reason to not support the pilot bid.

The Chairman of Overview & Scrutiny Panel (Performance and Growth) has been consulted and has agreed that this report can be considered as urgent

Urgent Item Of Business - Section 100B (4)(b) of the Local Government Act 1972

Recommendation:

The Cabinet is

RECOMMENDED

To agree the Council's participation in the 2019/20 Business Rate Pilot for the Peterborough and Cambridgeshire area on the proviso that the Cambridgeshire & Peterborough Combined Authority confirms that it will underwrite 'no detriment' for the Council.

CONTACT OFFICER

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