

Wyre Forest District Council

Record of a Council Decision delegated to be made by an Officer

This includes a record of an Executive Decision made by an officer under Regulation 13, Part 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Item decided:	
Business Rate Pooling arrangements for 2021-22: the decision has been taken to join a Pan-Worcestershire Business Rate Pool (WBRP) for 2021-22 that includes Hereford and Worcester Fire Authority.	
Officer who has taken the decision	Corporate Director: Resources
Date of the decision	14 th January 2021
Reason for the decision/alternatives considered	<p>An application to join the revised WBRP for 2021-22 was made to MHCLG by the October 2020 deadline. This was accepted was MHCLG and confirmed to Worcestershire County Council as the lead authority on the 16th December 2020.</p> <p>Local authorities in the pool had 28 days beginning with the date on which the draft Local Government Finance Provisional Settlement was published on the 17th December 2020 to consider if they wish to continue to be designated as a pool. Provided that no authority within the pool asks the Secretary of State to make a revocation during that period, the pool will come into effect on 1 April 2021, meaning that all local authorities covered by the designation will remain in the pool for the full financial year. No revocations were made so the new Pool membership is now confirmed.</p> <p>The most significant factor in the decision regarding Pool membership from 1 April 2021 is our view on the probability of further significant business rate losses in Wyre Forest,</p>

exacerbated by the impact of COVID-19 and the uncertainty around the continuation of the significant reliefs provided by Central Government in 2020-21. Based on current forecasts we are not predicting such losses.

LG Futures were commissioned to undertake detailed financial modelling of the potential Pooling proposals for 2021-22. Given the prevailing uncertainty around the economy this was not without its challenges. However, extensive sensitivity and risk analysis has been undertaken as part of the work. This showed that it is unlikely that continuation of the current Pool would not be beneficial.

The benefits of being in a Pool in terms of levy being retained locally remain and are currently forecast to continue despite the impact of the ongoing pandemic. Due to the economic volatility this will be kept under close review.

Based on the forecasting information available the opportunity to enter into a further Pooling arrangement for 2021-22 should be of financial benefit to this Council.

The revised Pool is designed to continue to protect member authorities from the small ups and downs that are likely to arise in Business Rate income in the future. These will have a direct impact on the amount of funding for the Council. By remaining in a pool more business rates income is retained within the wider Worcestershire area. Also, it is hoped that the Council can better protect against these smaller variations and thus provide some protection to its base funding. It is acknowledged that there is increased uncertainty and resultant risk due to

	the ongoing COVID-19 pandemic this year.
Date and source of Delegated Decision (if appropriate)	Initial delegated decision on 23 rd October 2020
Council/Cabinet member consulted – if applicable	Cabinet Member for Strategy and Finance
Any interest declared by the Consultee or officer	None