DECISION NO.					
DECISION NO:		For Member Se	ervices use only		
Concurrence No:	066430				
Action under d	elegated authority	of Chief Executive			
Action under delegated authority of Director of Finance and Cabinet Member for Finance					
Action taken by Chief Executive in consultation with Cabinet Member(s)					
Subject: 2021/22	Hertfordshire Business	Rates Pool			
Signature and desi	gnation of officer(s) takir	ng action:			
	09/11/2020	<u></u>	09/11/2020		
Chief Executive	Date	Director of Finance	Date		
		Head of Finance	Date		
Name of Cabinet Consulted:	Member(s)	I have been consulted and concur with the proposals set out below:			
		18/11/2020			
Councillor Cllr P Maso					
Cabinet Member for F Services	inance and Business	Signature: Date	e:		
Councillor					
Cabinet Member for		Signature: Date	Э		
	er who has declared a relation to this decision:				

## THIS DOCUMENT WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE

The report overleaf sets out the decision to be taken, the reasons for the decision, and the details of alternative options, if any, considered and rejected.

Officer decisions are available for public inspection, both at the Borough Offices and on the Council's website. Officer decisions are kept for a period of six years at the Borough Offices and for six months on the website after the decision is made. Background papers are available for four years

**RECOMMENDED that:** approval is given for the Director of Finance to sign the memorandum of understanding for the proposed 2021/22 Hertfordshire-wide business rates pool on behalf of Broxbourne Borough Council.

#### **Purpose**

To seek authorisation for the Director of Finance to sign the memorandum of understanding for the proposed 2021/22 Hertfordshire-wide business rates on behalf of Broxbourne Borough Council.

#### **Background**

For a number of years the Ministry for Communities, Housing and Local Government (MHCLG) has offered local authorities the opportunities to form a local business rates pool.

A business rates pool is formed to allow the members to maximise their business rates receipts by reducing the levy they have to pay on any growth achieved. In order to ensure that the benefits of forming a pool are maximised, the membership of the pool is reviewed each year. The review for 2020/21 resulted in Broxbourne not being included.

#### 2021/22 Pool

As in previous years, LG Futures has been engaged to model the potential pool for Hertfordshire for 2021/22 and to recommend the best possible combination of districts to make up the pool membership alongside the County Council. The modelling has included a number of scenarios relating to the potential longer term impact of Covid-19 on business rates receipts.

This work has indicated that the optimum membership of a pool for 2021/22 is Broxbourne, Dacorum, Hertsmere, North Hertfordshire, Three Rivers District and Borough Councils and Hertfordshire County Council.

In order to form a pool, an application is made to the Ministry for Communities, Housing and Local Government (MHCLG) and all member councils must sign a memorandum of understanding.

### Financial, Legal and Risk Management Implications

Based on the work done by LG Futures, it is projected that, by being a member of the pool, Broxbourne will receive additional income of £400k. As this is projected income and can be influenced by various factors, it will not be included in the 2021/22 budget, but once the amount of additional income is confirmed and received (at the end of the 2021/22 financial year), it will be put into a reserve to support on-going regeneration or economic development projects within the Borough.

## **Alternative Options Considered and Rejected**

The Council could chose not to enter the Pool, but this would mean missing out on the opportunity to maximise income from business rates.

# Contribution to the Council's Objectives and Environmental Sustainability Priorities

Maximising business rates income will support the following corporate objectives:

- Pursue the implementation of the housing and infrastructure needed to support a thriving economy (by generating additional income which can be set aside in a reserve to support key projects)
- Maintain a stable financial position

#### Conclusion

Approval is requested for the Director of Finance, as the Section 151 Officer, be given delegated authority to sign the memorandum of understanding on behalf of Broxbourne Borough Council and that Broxbourne be included in the 2021/22 Hertfordshire business rates pool.

Contact Officer:	Rebecca Keene	Ext: 5871	Date	5 November 2020
Action reported t	o the Cabinet on:			