

Business Rate Pools: 2013/2014 Governance Agreements Information

Name of Pool	Partnering Authorities	Lead Authority/ Accountable Body	Charges levied for Lead Authority/ Accountable Body – Administrative costs	Allocation of funds for Safety Net contingencies	Distribution of funds	Application of principle of ‘no worse off’: Yes/No
<i>Coventry & Warwickshire</i>	Coventry City Council North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Stratford-on-Avon District Council, Warwick District Council, and Warwickshire County Council	Warwickshire County Council	£30,000 per annum (This allocation will be the first call on the Net Retained Levy before any allocations are made)	25% of the Net Retained Levy will be allocated to the Local Volatility Fund (Fund to provide protection for Pool members from falls in business rate income)	25% of the Net Retained Levy will be allocated to Pool Members in proportion to their share of the gross levy 50% of the Net Retained Levy will be allocated to Pool Members in proportion to their spending baseline	Yes
<i>Devon</i>	Devon County Council, East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, Plymouth City Council, South Hams District Council, Teignbridge District Council, Torbay Council, Torridge District Council, West Devon Borough Council	Plymouth City Council	No defined amount; lead authority will allocate all reasonable and agreed administrative costs to the pool.	Not Specified	Where pooling generates a net gain the additional resources (above and beyond the “no worse off” basis) will be distributed in the following proportions:- i) 50% of the gain will be distributed using each authority’s baseline funding level and ii) 50% of the gain will be distributed using NDR baseline.	Yes
<i>Greater Birmingham & Solihull</i>	Birmingham City Council, Bromsgrove District Council, Cannock Chase District Council, East Staffordshire Borough Council, Lichfield District Council, Redditch	Birmingham City Council	£65,000 per annum	Initially 25% of Pool retained levy payments, to be set up as a contingency fund. (To be reviewed as Pool becomes more established)	Remaining 75% is to be allocated by Executive body (executive body made up of elected leaders of each of the Pool Authorities). Ration to be reviewed in time.	Yes

	Borough Council, Solihull Metropolitan Borough Council, Tamworth Borough Council					
<i>Leeds City</i>	Bradford City Council, Calderdale Council, Harrogate Borough Council, Kirklees Council, Leeds City Council, Wakefield Council, City of York	Leeds City Council	Defined amount not stated. Lead authority to calculate costs of administering the pool, which will be deducted from the rewards of the pool.	In place of a safety net system, the pool will seek to cover any losses to any authority through the income generated from other authorities in the pool who were not required to pay levies in that year. If this income is insufficient, then the loss will be shared amongst all the members of the Pool (including those that would have otherwise qualified for a safety net payment) in proportion to their spending baselines for the year to which the safety net(s) would have applied.	Any excess income arising from reductions in levy payments will, after allowing for agreed expenses, be allocated to the Investment Fund established by the Leeds City Region	Yes
<i>Leicester & Leicestershire</i>	Blaby District Council; Charnwood Borough Council; Harborough District Council; Hinckley and Bosworth Borough Council; Leicester City Council; Leicestershire County Council;	Leicestershire County Council	Not specified	£400,000 regarded as the Optimum Balance of Contingency (Taken from profits Pooled income)	Each Authority shall be due from The Pool a sum equal to the income it would have received had this agreement not existed. Based on annual review, should the Pooled income exceed the sum of income	Yes

	Leicester, Leicestershire and Rutland Combined Fire Authority; Melton Borough Council; North West Leicestershire District Council; Oadby & Wigston Borough Council				that would have been due to each authority if the agreement did not exist by £400,000, then the remainder of the resources shall be managed through the Leicester & Leicestershire Enterprise Partnership (LLEP) based on full engagement from all authorities in the LLEP. Whereby partnering authorities can produce a bid to access the pooled funds, in relation to the LLEP constitution.	
<i>Lincolnshire</i>	Lincolnshire County Council, South Holland District Council, North Kesteven District Council	North Kesteven District Council	No specified amount. In the event that the Lead Authority needs to incur additional expenditure in order to administer the pool, any reasonable costs agreed by pool members should be the first call on the Net Retained Levy.	Not specified.	50% of the Net Retained Levy to be allocated to the Economic Regeneration Fund 50% of the Net Retained Levy to be allocated equally between the Lincolnshire County Council and the District Council that has generated the business rates growth. This allocation method seeks to reward authorities for business growth and also promote future growth.	Yes
<i>Norfolk</i>	Broadland District Council. Norfolk County Council	Norfolk County Council	Not specified	Set aside 5% of Net Retained Levy annually to Local Volatility Fund.	100% of Net Retained Levy is to be shared by parties for joint allocation to economic development projects	Yes
<i>Northamptonshir</i>	Corby Borough Council,	Kettering	No specified amount.	No specified amount.	In the 1 st year, Pooled	Yes

e	Daventry District Council, East Northamptonshire Council, Kettering Borough Council, Northampton Borough Council, Northamptonshire County Council, South Northamptonshire county council, Borough Council of Wellingborough	Borough Council	Pool administration costs to be estimated and once agreed upon, will be top sliced from pool dividend. *	Safety Net Payments, first call on any pool dividend (top sliced). *	Dividend will be allocated in correlation to growth, and shared 80:20 between the district and county council. Possible creation of 'Strategic fund' in later years	
Nottinghamshire	Nottinghamshire County Council, Ashfield District Council, Mansfield District Council, Gedling Borough Council, Bassetlaw District Council, Broxtowe Borough Council, Newark & Sherwood District Council and Rushcliffe Borough Council.	Nottinghamshire County Council	£10,000 is allocated for additional administrative costs expected to be incurred by the lead authority. First call for the Net Retained Levy.	2% of the Net Retained Levy will be allocated to the Local Volatility Fund. The Pool will operate with a local safety net of -2%.	Each individual authority, where resources allow, will receive the same level of funding they would have received without the Pool. Remaining amount will be Net Retained Levy 48% of the Net Retained Levy will be allocated to Pool Members in proportion to their share of the gross levy. 50% of the Net Retained Levy will be allocated to Pool Members in proportion to their spending baseline	Yes
Stoke-on-Trent & Staffordshire	Stoke-on-Trent City Council, Staffordshire County Council, Stoke-on-Trent and Staffordshire Fire and Rescue Authority, Stafford Borough Council, South Staffordshire District Council, Staffordshire Moorlands	Staffordshire County Council	Not specified	20% of the Levy Saving will be pooled into a "Contingency fund" to enable the Pool to offer a protection mechanism to authorities who would have otherwise received a safety net	Each Member will retain the income they would have received if they were not a member of the Pool and the remaining balance of the business rates will then be paid into the Pool on a net cash flow basis	Yes

	District Council, Newcastle-under-Lyme Borough Council			payment from central government	40% of the Levy Saving for each Member as determined by DCLG is retained by that Member to maintain an incentive to participate in the Pool “ Local Incentive Fund” 40% of the Levy Saving will be pooled directly for use in delivering key projects which will regenerate the local economy constituting the “Central Investment Fund”	
<i>Suffolk</i>	Suffolk County Council, Mid Suffolk District, Forrest Heath District Council, Ipswich Borough Council, St Edmundsbury Borough Council, Babergh District Council, Waveney District Council, Suffolk Coastal District Council	Suffolk County Council	Not specified	£1 million is retained in the 1st year from Pooled Income.	Next £1 million will be split between Borough/District Councils 50% and 50% to Suffolk Public Sector Leaders. Any benefit beyond the allocation for safety net and the above for Councils and leaders, will be split 40% to Suffolk Public Sector Leaders, 40% to Borough/District Councils and 20% to Suffolk County Council.	Yes
<i>Worcestershire</i>	County Council, Malvern Hills District Council, Worcester City Council, Wychavon District Council, Wyre Forest District Council	Worcester City Council	£10,000 per annum (Estimate for first year) The costs of administering the pool for the year will be deducted	50% of this will be added to the risk reserve up to a level advised by the Pool Section 151 Officers, for the purpose of this agreement set at £2m.	From the amount remaining following this deduction for pool administration and risk reserve, 25% of the remaining retained levy will be allocated to the County Council. The other 25% of	Yes

					the remaining retained levy will be allocated to the district councils in proportion to the amount of levy that they generated in that financial year.	
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* The Memorandum of understanding for Northamptonshire specifies 2 'top slices' being the administrative costs for the running of the pool and Safety Net Payments, so not clear which one will take priority if there is a shortage of funds to cover both financial commitments.