

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 6th January 2015
Report of: Chief Operating Officer
Subject/Title: Business Rates Retention – Delegation of Pooling with Greater Manchester for 2015/16
Portfolio Holder: Councillor Peter Raynes, Finance

1.0 Report Summary

1.1 To request the necessary delegations in relation to the budget setting process following the Local Government Resource Review.

2.0 Recommendation

2.1 To recommend to Cabinet that authority be delegated to the Chief Operating Officer, in consultation with the Portfolio Holder for Finance, to discharge the following function for the Council:

- The determination of whether the Council should be part of a business rates pooling arrangement with Manchester City Council and the other Greater Manchester authorities.

3.0 Reason for Recommendation

3.1 To grant the Chief Operating Officer authority to enter into a pooling arrangement for the purposes of business rates retention.

4.0 Wards Affected

4.1 Not applicable.

5.0 Local Ward Members

5.1 Not applicable.

6.0 Policy Implications

6.1 The report outlines proposals that may affect the medium term policies of the Council.

7.0 Implications for Rural Communities

7.1 None

8.0 Financial Implications

8.1 This report is concerned with the delegation of decisions required to be made as part of the budget setting process.

9.0 Legal Implications

9.1 Membership of the pool is a commitment for 2015/16 only and will be reviewed each year.

10.0 Risk Management

10.1 Authority for the delegation is required within the 28 day period following the release of the provisional Local Government Finance Settlement for 2015/16.

11.0 Background and Options

11.1 The Local Government Resource Review has resulted in amendments being required to the delegations in relation to the budget setting process.

11.2 An application has been submitted on behalf of the Greater Manchester Councils and Cheshire East Council to the Department of Communities and Local Government on the pooling of business rates under the Business Rates Retention Scheme.

11.3 Discussions on this proposal remain ongoing between the authorities. Each authority will need to make a decision on whether it wishes to be part of the pool within 28 days of the provisional Local Government Finance Settlement expected to be announced in the week beginning 15th December. The purpose of pooling rates across the individual authorities is not intended to alter individual authorities income levels but to retain any levy that might be payable by certain members of the pool to Central Government. Any sum gained would be retained by the pool for investment within the Greater Manchester and Cheshire East area.

11.4 It is anticipated that Manchester City Council will administer the pool.

11.5 If any of the authorities which have expressed an interest so far decides it needs to withdraw then the proposed pool will fall away for the financial year.

12.0 Access to Information

12.1 The background papers relating to this report can be inspected by contacting the report writer:

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