

Business Rates Reform

Scrutiny Co-ordination Committee 7th September 2016

Business Rates Currently

- **Councils pay 50% of BR collected to Govt**
- **Needs based calculation redistributes this back to Councils**
- **Coventry a net gainer but size of gain is reducing**

Headline Change

- **Govt Business Rates (BR) consultation**
- **Councils to retain 100% of BR – c£120m for Cov vs £60m currently**
- **Govt view that resources will replace RSG and specific grants (Public Health?)**
- **Impact depends on how implemented**
- **Will not solve budget pressure**
- **Welcome localisation but risk transfer also**

Consultation Response

- **Encourage economic growth**
- **Allocate resources based on need**
- **Use resource for best fit services not demand led functions**
- **Value of new BR must match cost of new burdens**
- **Review of most appropriate geographic basis for sharing (e.g.) appeals risk**

Seeking to agree across Combined Authority