



Ministry of Housing,
Communities &
Local Government

75% Business Rates Pilots 2019/20: Q&A session for prospective pilots

Local Government Finance Reform

3 September 2018



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Communities &
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Welcome and Introduction

Alex Skinner

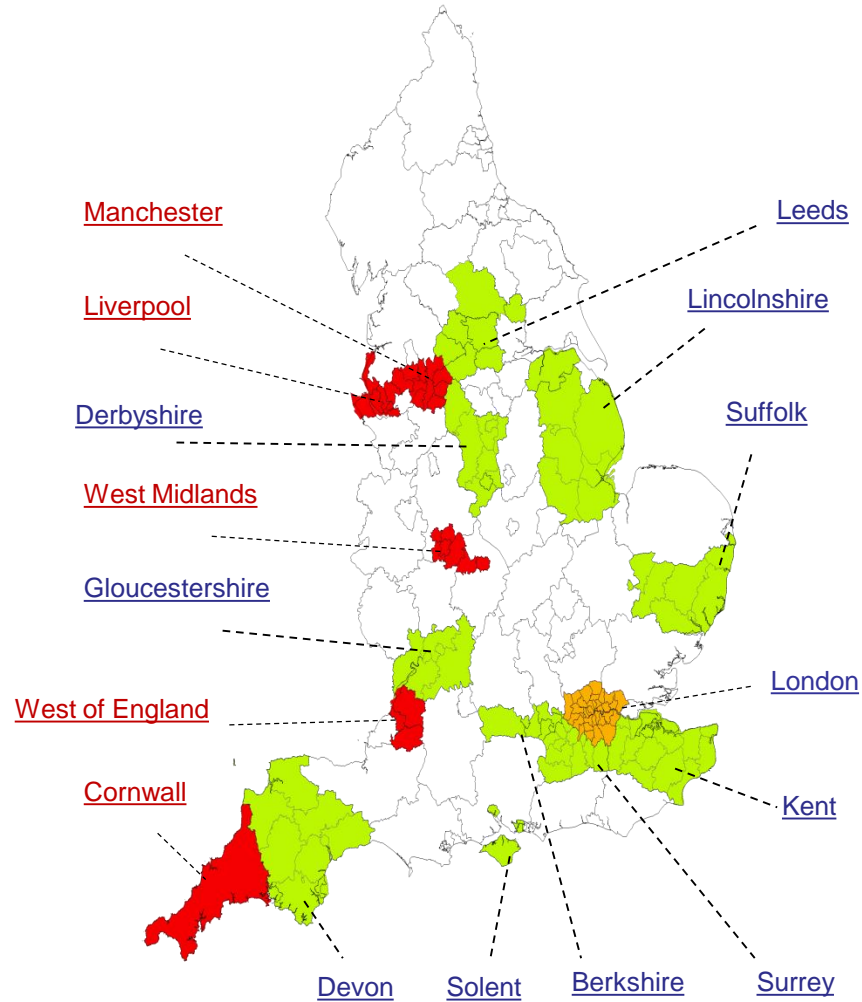
Director of Local Government Finance, MHCLG




Sarah Pickup

Deputy Chief Executive, LGA



Overview of 2018-19 BRR pilots



 Pilots commenced in 2017/18	 2018/19 pilots (announced at provisional 18/19 LGF settlement).	 2018/19 London pilot (announced at 2017 Autumn Budget).
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Timetable for today

14:30	Welcome and Introductions
14:45	Presentation: Business rates reform work programme & Evaluation of pilots Q&A panel
15:30	Presentation: Applying to become a pilot in 2019/20 & Kent & Medway 2018/19 pilot application Q&A panel
16:15	Closing words
16:45	Event closes



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BRR Reform: Work Programme

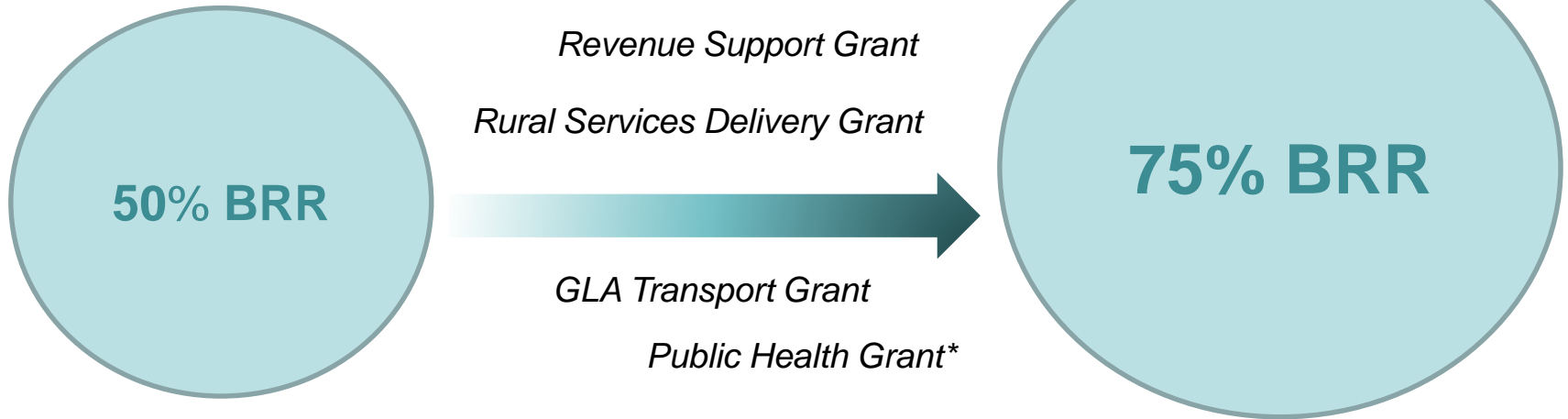
Aimee Powell, MHCLG



Business Rates Reform

Now

2020/21



**Subject to developing measures with DH and PHE to ensure smooth transition of PH funding*



System design workstreams

The following elements are being considered for reform:

System Element

Central and local ratings lists

Tier-splits, gearing, safety net and levy

Appeals and Loss Payments

Resets and pooling

Simplification of BRR system

Proposed Overall Short Term Package and Future Reform Using Primary Legislation

Consultation on the overall reform package



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Evaluation of Pilots

Anne Charlton, MHCLG



Why are we evaluating?

- **Pilots are a chance to see how the system would work in practice – evaluation allows us to draw out the lessons learnt from the pilots in a systematic way**
- **We can share best practice with pilot authorities as well as using this to inform any future system design**
- **We can monitor any unintended impacts of implementation before legislation or wider roll out**



What are we evaluating?

- **Although we are interested in the long-term impacts of greater Business Rates Retention on authorities, this is hard to measure over the course of a pilot**
- **This is a process evaluation, focusing on the process of implementation of the pilots and looking specifically at differences between pilots**
- **That means we care about your experiences as a pilot**



What are we evaluating?

Testing
increased
BRR

Pooling
arrangements

Aims and
expectations
for the pilot
process

Governance

Transition

Collaboration

Administration,
technical
planning and
system
maintenance

Balance of risk
and reward



How are we going to do it?

- **The 2018/19 evaluations is being conducted by our independent research contractors, Kantar**
- **This means interviews will be confidential and anything pilots say will only be attributed to their authority with permission to do so**
- **Most importantly – nothing said in the interviews will influence applications to be a 2019/20 pilot**
- **For this reason, the majority of interviews with 2018/19 pilots will take place after the prospectus deadline**



How are we going to do it?

- **Kantar will speak to a sample of pilots from the 2017/18 wave, the 2018/19 wave and from London**
- **Interviews are qualitative – semi-guided discussions with the interviewer lasting around an hour**
- **There is a chance to feed back on anything else you think is important**
- **We'd like pilots who take part to be as honest as possible about what works and what doesn't to make sure legislation and implementation result in a system that works for everyone**



What has happened so far?

- **We conducted a smaller scale in-house lessons learnt project with 2017/18 pilots last year**
- **A short interim report from the first wave of interviews has been published as part of the Steering Group minutes**
- **Recruitment for interviews this year has just begun, with 2017/18 pilots and London authorities having been contacted so far**
- **A final evaluation report will be prepared around Spring 2019**