

Note of Business Rates Retention Steering Group meeting

Title: Business Rates Retention Steering Group

Date: Thursday 1 February 2018

Venue: 18 Smith Square, London SW1P 3HZ

Attendance

An attendance list is attached as **Appendix A** to this note.

Item	Decisions and actions
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1	Welcome, Introductions and Apologies
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Alex Skinner welcomed members to the meeting.

2	Minutes of the last meeting
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Due to a technical error the minutes of the meeting were not available and will be circulated at a later date.

3	Membership of the Steering and Working Groups
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Sophie Broadfield, MHCLG, introduced the paper which set out the membership of the Steering and Working Groups.

The Steering Group noted the current set up of; Steering Group, System Design Working Group, Responsibilities Working Group, Accounting and Accountability Working Group and Business Interest Group.

The Steering Group discussed:

- The need for an Implementation Working Group
- The role of the System Design Working Group to set policy and a sub group to then look at the calculations.
- Fire representation across this and other Home Office Groups

Some felt that this structure would move the work away from the Steering Group.

It was noted that the chairs of the working groups attend the Steering Group when papers on their areas came to the Steering Group.

The Steering Group agreed that they needed more information than they received at present and clarified the route of papers to Ministers.

The Steering Group agreed that the Accounting and Accountability Working Group would report directly to the Steering Group and that the Diagram would be updated accordingly.

4 VOA Update

Jonathan Bochenski, Director of Strategy, Policy & Customer at the VOA gave a verbal update.

The VOA are keen to Understand what this group wants from the VOA.

Steering Group Members raised access to appeals information and check challenge appeal (CCA).

Jonathan made clear that the CCA IT system is not where they need it to be and that the number of appeals are comparatively low. They need time for the system to bed in and are aware of the issues with the gateway. Specific issues can be raised with local relationship manager.

The Steering Group discussed:

- The impact if appeals are not resolved and the backlog
- The risk that councils would be responsible for these appeals when councils retain more BR and the higher level of risk
- The need for central provision for appeals
- How the VOA works in the future
- The role of more frequent revaluations

The VOA will launch a consultation in the spring and members asked for conversations ahead of the consultation publication.

5 Business Rates Retention pilots

Anne Stuart introduced the update on Business Rate Retention Pilots. The paper detailed which pilots were chosen and basis of distribution and tier splits, for information

The Steering Group discussed:

- The need to share learning from existing pilots
- If there will be further funding for pilots
- The tight timescales for pilots
- The selection process
- Unsuccessful pilots

There has not yet been a decision on future pilots.

The Steering Group asked that the document be used sensitively due to the detail shared.

Steering Group members commented that:

- There were some errors in the description of the pilot and these would need correcting
- The pilot decision timeline makes financial planning very difficult
- The need for 100% pilots

- The ability of districts to set their own tier splits

MHCLG colleagues welcomed comments on the document.

6 2018/19 LG Finance Settlement

Pete Lilford provided a verbal update on the Local Government Finance Settlement 2018.

The consultation on the draft Settlement is closed and councils were thanked for their responses.

Steering Group members commented that the timing of announcements on Mayoral capacity funding was somewhat late for the setting of CA budgets.

7 The Fair Funding Review Consultation & update

Stuart Hoggan introduced the update on the Fair Funding Review.

The consultation paper is now published. The Steering Group were thanked for their input.

Outreach on the document will continue, including building stronger links with service directors in local authorities.

The LGA and MHCLG are organising regional workshops on the consultation. They will take place in:

Birmingham
Exeter
London
Manchester
Cambridge
Newcastle

From early February. The Group were asked to encourage Service Director attendance.

The Working Group has carried out a capacity building exercise to understand approaches for the review of formula funding.

Members of the Steering Group discussed:

- Cross cutting indicators such as rurality and deprivation and how to prevent double counting
- Evidence that factors drive cost is important
- The benefits of triangulation
- The importance of links with ADASS, ADCS, ADEPT and other groups and the need to ensure that consultation is balanced by region and authority type

8 Media Lines

The Steering Group agreed to review the membership of the Working Groups and improve the preparation of the Steering Group to ensure that the Group is more closely sighted on the work.

The Group noted the VOA update.

The Group noted the paper on pilots and discussed the experience of applicants and plans for 19/20.

The Group noted the date of the LGFS debate.

The Group noted their update on the live FFR consultation and of the Working Group. They discussed the planned regional events and encouraging balanced representation and the need to triangulate statistical modelling with experience of service expertise across the sector.

9 AOB

The Group was made aware of the Public Health call for evidence.

The Group noted the dates of future meetings:

5 March

14 May

23 July

15 October

Sarah Pickup proposed a change of name of the Group to Business Rates and Fair Funding Steering Group which will be discussed outside of the meeting.

Appendix A - Attendance

Nominee	Organisation	Signature
Sheila Little	County Councils' Network (CCN)	Present
Pete Moore	County Councils' Network (CCN)	Present
Graham Soulsby	District Councils' Network (DCN)	Present
Frances Foster	Special Interest Group of Municipal Authorities (SIGOMA)	Present
Paul Martin	Society of Local Authority Chief Executives (SOLACE)	Apologies
Richard Flinton	Society of Local Authority Chief Executives (SOLACE)	Present
Tony Kirkham	North East Combined Authority (Sub)	Present
Mike Curtis		Present
Simone Hines		Present
Richard Paver	GMCA	Present
Martin Mitchell	GLA	Present
Paul Honeybean	London Councils	Present
Duncan Savage		Apologies
Joanna Pitt		Apologies
Jonathan Bokhenski	VOA	Present
David Magor	IRRV	Present
Sarah Pickup	LGA	Present
Nicola Morton	LGA	Present
Bevis Ingram	LGA	Present
Mike Hieser	LGA	Present
Alex Skinner	MHCLG	Present
Anne Stuart	MHCLG	Present
Stuart Hoggan	MHCLG	Present
Sophie Broadfield	MHCLG	Present
Aimee Powell	MHCLG	Present
Leon Clement	MHCLG	Present

Pete Lilford	HMT	Present
Max Soule	HMT	Apologies