

# 100% Business Rates Retention

## Overview of Steering and Technical Working Groups

To achieve such radical reform, the LGA and DCLG are working closely with other representatives of the local government sector, local councils, businesses, the public and departments across Whitehall.

### Steering Group

- The LGA/DCLG joint Steering Group is considering the mechanisms needed to set up and run the system, as well as the timetable and implementation of the reforms.
- The Steering Group also oversees the work of a set of technical working groups, each looking at particular aspects of the reforms. These are: the design of the retention system including the operation of the multiplier, new service responsibilities, needs and redistribution, and accounting and accountability.

### Technical Working Groups

#### *1. Systems Design*

- The Systems Design Working Group is considering and providing information and advice on the mechanisms needed to set up and run the 100% rates retention system, and the implementation of the reforms. The Systems Design Working Group will look specifically at key aspects of the reforms, including:
  - Local tax flexibilities
  - Managing appeal risk
  - Handling growth gains
  - Tier splits
  - Geographies of business rates retention
  - Redistribution mechanisms
  - Safety net
  - Central List
  - Enterprise Zones
  - Treatment of reliefs

#### *2. Responsibilities*

- The Responsibilities Working Group are developing options for the devolution of responsibilities and funding, providing advice on a package or packages of responsibilities and funding that could be devolved to local government in implementing 100% rates retention.

#### *3. Needs and Distribution*

- The Needs and Redistribution Working Group is considering the technical issues related to creating a new needs assessment for councils under 100% business rates retention. It

will also consider matters relating to how, and how often, this needs assessment should be revisited.

#### *4. Accounting and Accountability*

The Accounting and Accountability workstream is considering:

- Whether changes to the way that the business rates system is designed means that central and local government accounting need to change; and
- How the increased devolution of responsibilities to local government will change the accountability arrangements to local electorates and to Parliament.

#### *5. Business Interest Group*

- In addition, a business interest group has been established to contribute to the policy and technical debate. This will help to ensure that the views of the business community are taken in to account when designing the system.
- Members on the group currently include representatives of:
  - British Property Federation
  - Federation of Small Businesses
  - Confederation of British Industry
  - British Retail Consortium
  - British Chambers of Commerce
  - Association of Convenience Stores
  - British Council of Shopping Centres
  - Institute of Directors
  - British Independent Retailers Association
  - EEF: The Manufacturer's Organisation
  - Energy UK
  - Chief Exec, Cheshire and Warrington LEP