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LEEDS CITY REGION BUSINESS RATES POOL JOINT COMMITTEE

WEDNESDAY, 10TH AUGUST, 2022

PRESENT: Councillors: R Cooper (Harrogate BC)
P Davies (Kirklees MC)
J Lewis (Leeds CC)
M Morley (Wakefield MDC)
J Scullion (Calderdale MBC)
P Widdowson (City of York)
and Mr A Cross (City of Bradford MDC)

In Attendance: A Taylor (WYCA), E Highfield (Kirklees), N Eastwood (LCC), R Colley (LCC), Belinda Eldridge (LCC) and H Gray (LCC)

1 **Election of the Chair**

Nominations were sought for the position of Chair.

Councillor J Lewis was nominated for the position of Chair, the nomination was seconded. Upon being put to the vote it was

RESOLVED – That Councillor J Lewis be elected as Chair for the duration of the meeting.

2 **Appeal against the refusal of inspection of documents**

There were no appeals against the refusal of inspection of documents.

3 **Late items**

No late items of business were added to the agenda.

4 **Exempt information - possible exclusion of press and public**

The agenda contained no exempt information.

5 **Apologies for absence and notification of substitutes**

The following apologies for absence and notifications of substitutes were reported:

Councillor S Pandor (Kirklees MC), T Swift (Calderdale MBC), S Hinchliffe (City of Bradford MDC) and D Jeffery (City of Wakefield MDC)

Councillors: P Davies (Kirklees MC), J Scullion (Calderdale MBC), and M Morley (Wakefield) and Mr A Cross (Bradford) were in attendance as substitutes.

Apologies were also received from R Tuddenham, J Gedman, V Bradshaw, K England, B Still and I Floyd.

6 **Declarations of Interest**

No declarations of interest were made.

7 **Minutes of the Previous Meeting**

RESOLVED – The minutes of the previous meeting held 6th October 2021 were agreed as a correct record.

8 Matters Arising from the Minutes

There were no matters arising from the minutes.

9 Leeds City Region Business Rates Pool Financial Report

The Chief Officer, Financial Services Leeds City Council submitted a report for consideration which set out the following:

- a) The context in which the 2022/23 Leeds City Region Business Rates Pool has been set up;
- b) The governance arrangements and memorandum of understanding for the Leeds City Region Pool;
- c) The current position of the Leeds City Region Pool, including the estimated 2021/22 financial position and the latest income projections for 2022/23;
- d) The proposed allocation of funding for 2021/22 and 2022/23;
- e) The continuation of the Leeds City Region Pool into 2023/24;

Attention was drawn to the proposals within the Memorandum of Understanding for 2022/23 which recognised the re-organisation of Local Government in North Yorkshire. Previously, any surplus would be distributed 50% in proportion to population and 50% in proportion to gains above the baseline. The draft 2022/23 Memorandum proposed changes to the following methodology: -

- 25% in proportion to population, to recognise the most significant driver of need,
- 25% in proportion to growth above the baseline, to continue to incentivise growth in the business rates tax base in the region,
- 25% in proportion to the levy payments made to the pool, to recognise the contribution of the 3 levy-paying authorities to the income of the pool,
- 25% to the 4 top-up authorities in proportion to the top-ups they receive from Government, to recognise that without the participation of top-up authorities levy payments could not be retained within the region.

Additionally, the MoU included changes to provide that the decision to admit new member authorities be taken from the joint committee, instead requiring unanimous agreement of all member authorities, and the addition of a provision to ensure any share of a surplus could be paid to the successor authority of any member authority.

In respect of income 2021/22, the latest view was reported as £4.3m, however now the three levy paying authorities had submitted their NNDR3 returns, a revised calculation of income would be undertaken and the figure provided to Members in due course. For 2022/23, from the NNDR1 returns, there was an expectation of £4.1m.

In response to a comment regarding the future methodology, the Committee noted the intention for discussions to commence in October 2022

RESOLVED –

- a) To note the context and structure of the 2022/23 Leeds City Region Business Rates Pool as described in Paragraphs 1 and 2;
- b) To approve the Memorandum of Understanding and Terms of Reference set out in Paragraph 3 and Appendices A and B;
- c) To note the projected Pool income for 2021/22 and 2022/23 as shown in Paragraph 4 and 5;
- d) To note the risks to retained income and of breaching safety net at Paragraph 6; and
- e) To note the projected and forecast re-distribution of Pool income to member authorities at Paragraph 7.

10 Grant Funding to Screen Yorkshire's Film Office

The Director of City Development, Leeds City Council submitted a report for consideration recommending the Joint Committee provides Screen Yorkshire Limited with £144,000.00 in funding to support their Yorkshire Growth Plan. The funding is associated with operating the Film Office during the 2022/23 programmes period. The report noted the funding will be 100% match funded by the British Film Institute.

Belinda Eldridge, Head of Service, Destination Marketing, Leeds City Council, presented the report and responded to comments from the Committee.

RESOLVED -

- a) To authorise the release of funds for Screen Yorkshire Limited, which totals £144,000 from the 2021/22 Leeds City Region Business Rates Pool surplus. Funding will be used for SY LTD's Growth Plan including their Film Office activities which will be set out in a future grant agreement with Screen Yorkshire should this funding be approved.
- b) Subject to the agreement, Screen Yorkshire LTD will provide the necessary reporting to accurately monitor the use of funding and compliance with Subsidy Control requirements. The BRP further instructs the LCC's Chief Officer Culture and Economy to carry out the duties / responsibilities as specified in the agreement in respect of further monitoring arrangements.

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