

## **LEEDS CITY REGION BUSINESS RATES POOL**

### **PROPOSAL TO PILOT 100% BUSINESS RATES RETENTION IN 2018/19**

#### **1. Introduction**

- 1.1 Leeds City Region is an established pooling arrangement with proven experience of working together to further economic development activities across the region. To date the Pool has worked closely with the Leeds City Region Enterprise Partnership to support and enable regional economic growth through investment in transport, tourism and culture.
- 1.2 Not all functional economic areas align neatly with traditional geographical boundaries. This proposed pilot offers the opportunity to test 100% retention in a region made up of both unitary and two tier authorities, enabling pool members and Government to test how to resolve the issues inherent in such an arrangement.

#### **2. Membership**

- 2.1 City of Bradford Metropolitan District Council, Calderdale Council, Harrogate Borough Council, Kirklees Council, Leeds City Council, Wakefield Council and City of York Council. All authorities are members of the existing Leeds City Region Business Rates Pool.
- 2.2 Leeds City Region is a nationally recognised Functional Economic Area. This economic area represents the UK's largest city region economy outside London. It generates £65 billion of economic output and has a population of 3 million. 93% of Leeds City Region residents in employment both live and work within the City Region. The current Leeds City Region Pool exists to benefit the individual members and to further the aims of the Leeds City Region as a whole as set out in the Region's City Deal "Unlocking our Economic Potential". Since its creation, our Pool has worked closely with the Leeds City Region Enterprise Partnership to support and enable regional economic growth through investment in transport, tourism and culture. For example, Leeds City Region Pool has used retained levy payments to:
  - support the work of the Leeds City Region Enterprise Partnership, who have unlocked over £490m in private sector investment for the region, helping over 4,000 regional businesses to grow, creating 2,000 apprenticeships and over 3,000 jobs;
  - support the work of Welcome to Yorkshire, the regions' destination management organisation (DMO). Since launching in 2009, Welcome to Yorkshire has driven up the value of Yorkshire's tourism economy by over £1.1bn, creating 4,000 new jobs in the tourism industry;
  - support the delivery of the Tour de Yorkshire, an event which has boosted the regional economy by £64m in 2017/18 alone.
- 2.3 The creation of a 100% retention pilot, enabling Leeds City Region and the member authorities to retain and to make the best regional decisions on spending an estimated

£30m of additional regionally generated funds would build on more than a decade of successful economic collaboration and partnership.

- 2.4 The Leeds City Region Pool would be enabled to deliver significant additional investment, with a continued focus on culture and sport, reflecting the economic importance of both these sectors to the direct visitor economy but also in making the region an attractive place for inward investment and improving quality of life. These objectives are very much aligned with the Government's Northern Powerhouse Strategy, which seeks to boost local economies by investing in skills, innovation, transport and culture. Looking forward, the Pool plans to explore new opportunities to support the region's economic life, including support for the Leeds 2023 City of Culture bid, with a successful bid anticipated to deliver a range of regional benefits including significant economic growth, major infrastructure development and growth in tourism.
- 2.5 The additional funds retained regionally will also enable member authorities to invest in financial sustainability, putting valuable local services on a more stable financial footing, building resilience and putting in place longer term strategies to deliver improvement and transformation.
- 2.6 If this application to become a pilot were unsuccessful, all current member authorities of the Leeds City Region Business Rates Pool have indicated that they would like the existing pooling arrangements to continue.
- 2.7 We understand that, subsequent to the original Invitation to Pilot, Government has contacted local government representative bodies on 25<sup>th</sup> October to inform them that "All pilots will now be subject to a no detriment clause". Members of this proposed pilot would certainly welcome such a decision, and would ask Government to ensure that it is applied consistently across all successful pilots. As outlined in paragraph 8 of the appended Governance Agreement, we have established an internal 'no detriment' arrangement to ensure as far as possible that no member would be worse off as a result of participation in this pilot. An additional 'no detriment' clause from Government provides further assurance should the Pool as a whole fail to realise the level of income it would have achieved under the current 50% retention scheme.
- 2.8 The members nominate Leeds City Council as the Lead Authority for the duration of the pilot.
- 2.9 There are three precepting authorities affected by this pilot proposal: North Yorkshire County Council, North Yorkshire Fire and Rescue Service and West Yorkshire Fire and Rescue Service. The proposed position of each of these authorities is explained in detail at paragraph 3 below.

### **3. Details of Proposal and Governance arrangements**

#### **3.1 The proposed Governance Agreement**

- 3.1.1 The proposed Governance Agreement for a Leeds City Region 100% Retention Pilot pool is attached at **Appendix 1**.

3.1.2 This Governance Agreement addresses how the Pool proposes to share and use additional business rates income and sets out the position of the affected precepting authorities. Further, it explains how member authorities will work together to manage risk and how any residual benefits or liabilities would be dealt with. The Pool's proposal is also explained in more depth below.

### 3.2 Use of additional business rates income

3.2.1 There are three precepting authorities affected by this proposal: North Yorkshire County Council, North Yorkshire Fire and Rescue Service and West Yorkshire Fire and Rescue Service. Due to the geography of the proposed pool, our boundaries are not coterminous with those of the precepting authorities affected. We do not propose any changes to existing tier splits with Fire Authorities but we do recognise that, should both our Leeds City Region Business Rates Pool and the North Yorkshire and East Riding Business Rates Pool's applications to pilot 100% retention be successful then it would be appropriate to propose a revised tier split between Harrogate Borough Council and North Yorkshire County Council. As such we have had discussions with North Yorkshire County Council and have listened to their representations that the tier split should be higher than it is currently, but we have concluded that their case for receiving a 49% share is not appropriate and that a doubling of the current 9% to 18% is a reasonable and fair compromise.

3.2.2 **Appendix 2** shows the proposed tier splits as follows:

- **Single tier authorities:** 99% share, of which 49% is retained in line with the current BRR scheme and 50% is pooled, with the existing 1% of local share going to the relevant Fire Authority;
- **Two tier authority where North Yorkshire and East Riding does not apply successfully to pilot 100% retention:** 90% share, of which 40% is retained in line with the current BRR scheme and 50% is pooled, with the existing 1% of local share going to the relevant Fire Authority and 9% to the county (**Appendix 2A**)

**OR**

**Two tier authority where both Leeds City Region and North Yorkshire and East Riding apply successfully to pilot 100% retention:** 81% share, of which 40% is retained in line with the current BRR scheme and 41% is pooled, with the existing 1% of local share going to the relevant Fire Authority and 18% to the county, in effect doubling their existing share (**Appendix 2B**).

3.2.3 As set out above and in the appendices, the Pool, led by a joint committee comprising the leaders of the member authorities, will receive 50% of business rates income collected above the 100% business rates baseline income generated by those member authorities, the share which would previously have been paid to Central Government. The estimated additional growth income, based on growth assumptions made by member authorities in their Medium Term Financial Plans, is provided at **Appendix 2**. Expectations have been reduced by a 'risk factor' to take some account of the risks and uncertainties associated with business rates retention.

- 3.2.4 This Pool income will be shared out so that member authorities receive 50% of the additional income generated through 100% business rate retention, 25% in proportion to growth achieved and 25% in proportion to population, with 50% being retained by the Pool. The only exceptions to these shares are set out in Section 8 of the Governance Agreement and discussed at Paragraphs 3.3 and 3.4 below.
- 3.2.5 It is proposed that the member authorities will use the allocated 50% share of additional growth income to improve financial stability within their authorities, by supporting and improving existing service provision, building resilience and enabling investment in sustainable longer term strategies to deliver improvement and transformation. Such use of these regionally retained funds will contribute to the management of business rate risk and of wider financial risk for the member authorities and the region as a whole. Given that this pilot will be for one year only and we are as yet unclear about what will happen in 2019/20, it is assumed that any additional income will be for one year only and spending decisions will reflect this.
- 3.2.6 The Pool itself will continue to build on more than a decade of successful economic collaboration and partnership, using the retained 50% share of additional growth income to continue to support and enable regional economic growth. The additional funding available to the Pool would enable significant additional investment, with a continued focus on culture and sport, reflecting the economic importance of both these sectors to the direct visitor economy but also in making the region an attractive place for inward investment and improving quality of life.
- 3.2.7 Participation in the pilot scheme will have additional benefits for the Region and for the member authorities, including:
- As we move towards greater reliance on locally and regionally generated funding, the opportunity to consider how the related risks might be addressed both as individual authorities and on a wider geography;
  - Greater potential to explore ‘invest to save’ approaches, resourcing investment to promote economic growth and deliver improvements and efficiencies both locally and regionally;
  - Greater opportunities for regional collaboration, including opportunity for greater involvement with the Leeds City Region’s ambitious plans for an inclusive industrial strategy, as set out in the city region’s responses to consultations on industrial strategy, the Shared Prosperity Fund and November’s Budget;
  - Exploration of greater opportunities associated with regional devolution;
  - The opportunity to work with Government to explore options for the reform of local government finance.
- 3.2.8 As stated, this opportunity builds on many years of successful regional collaboration, not least through the existing pool, providing members and partners with the opportunity to further develop existing relationships and processes to help in the move towards powers, resources and decision-making being undertaken at the optimum level to deliver a growing, inclusive economy.

### **3.3 Managing Risk**

- 3.3.1 The provisions at Paragraph 8 of the Governance Agreement aim to minimise the direct financial risk to member authorities of participating in this pilot. However, they also represent a shared approach to managing the risk inherent in the business rate retention scheme, risks which will increase for local authorities as they are given more control over, and hence have a greater reliance on, locally raised funds.
- 3.3.2 More indirectly, the additional retention of regionally raised income will enable member authorities to manage internal risk through improved financial stability and greater capacity to invest in improvement and transformation for the longer term.
- 3.3.3 The most significant risk associated with 100% retention and with any pilot remains the impact of successful appeals. Whilst authorities should bear some of this risk and it can be addressed to some extent through pooling mechanisms, we call on Government to push ahead with the early introduction of the necessary legislation to enable “tone of the list” appeals - i.e. where a ratepayer successfully argues for a reduction on the basis that their rateable value was too high at revaluation - to be managed through a central mechanism, as was proposed in Clause 2 of the Local Government Finance Bill 2016-17.

### **3.4 Dealing with residual benefits or liabilities**

- 3.4.1 Once any losses in income arising through safety net losses and ‘no detriment’ arrangements have been addressed, as defined in Paragraph 8 of the Governance Agreement, any residual benefits or liabilities arising in regard to the Pool’s 50% share of additional income will be shared amongst all the members of the Pool in proportion to their 50% share of the additional income received from the Pool. Any residual benefits or liabilities arising in regard to the 50% share of additional income apportioned to local authorities are expected to be resolved by the authorities themselves without any additional support from the Pool.



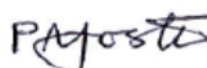


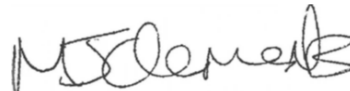

## **4. Brief explanation of business rates in our area**

- 4.1 The individual billing authorities within the proposed pilot have very different business rates tax bases both in terms of the types of business they accommodate and the range and distribution of the rateable values of hereditaments. For example one authority relies for as much as 48% of its rateable value on retail establishments, whereas retail accounts for only 25% of the rateable value of another authority that has a higher proportion of industrial properties in its area. Similarly the proportion of rateable value attracting the higher national multiplier is as high as 77% in one authority’s area but only 29.7% in another.
- 4.2 With the pool’s ability to bring these different authorities together and offer a level of protection against losses of income, the diverse tax base offers a further source of financial resilience in the context of what can be, at the individual authority level, a highly volatile income stream.

## 5. Agreement and sign-off

- 5.1 We the undersigned confirm that each local authority fully supports this application and the proposed pooling arrangements contained therein.

If this application to become a pilot were unsuccessful, we confirm that each authority would like the existing pooling arrangements to continue.

Authority	S151 Officer	Signature
<b>City of Bradford Metropolitan District Council</b>	Stuart McKinnon-Evans Strategic Director – Corporate Services	
<b>The Borough Council of Calderdale</b>	Nigel Broadbent Head of Finance	
<b>Harrogate Borough Council</b>	Paul Foster Financial Services Manager	
<b>Kirklees Council</b>	Debbie Hogg Service Director Finance, IT and Financial Transactions	
<b>Leeds City Council</b>	Doug Meeson Chief Officer – Financial Services	
<b>The Council of the City of Wakefield</b>	Michael Clements Assistant Chief Executive - Resources & Governance	
<b>City of York Council</b>	Ian Floyd Director of Customer and Corporate Services	

**LEEDS CITY REGION BUSINESS RATES POOL  
GOVERNANCE AGREEMENT**

**1 Title**

- 1.1 The Leeds City Region Business Rates Pool.

**2 Membership**

- 2.1 City of Bradford Metropolitan District Council, Calderdale Council, Harrogate Borough Council, Kirklees Council, Leeds City Council, Wakefield Council and City of York Council.

**3. Commencement**

- 3.1 This governance agreement comes into force on 1st April 2018 and will continue until the Pool is dissolved, either by Government or because any one of the members formally leaves the Pool (see “Dissolving the Pool”, below).

**4. Rationale and Objectives**

- 4.1 The LCR Pool exists to benefit the individual members and to further the aims of the Leeds City Region as a whole. The Pool has two key objectives:
- To support regional economic growth by providing support to and working in collaboration with regional partners;
  - To support the financial stability of the member authorities, both at an individual and a regional level.
- 4.2 The Pool will receive 50% of business rates income collected above the 100% business rates baseline income generated by the member authorities, the share which would previously have been paid to Central Government.
- 4.3 This Pool income will be shared out so that member authorities receive 50% of the additional income generated through 100% business rate retention, 25% in proportion to growth achieved and 25% in proportion to population, with 50% of that income being retained by the Pool. The only exceptions to this are set out in **Section 8**, below.
- 4.4 Any variation to the arrangements set out in 4.2 and 4.3, above, will require the formal agreement of the Leeds City Region Business Rates Pool Joint Committee.

## **5. Leadership and Accountability**

- 5.1 The Pool will be led by a joint committee. The joint committee will comprise of the leaders of the councils making up the Pool. The joint committee shall be responsible for:
- Allocating any excess income arising from the 50% Pool share as set out in 4.3 above;
  - any changes to the purposes for which the income received by the pool should be used, but the principle that no authority should receive less than they would if treated individually, shall be maintained;
  - agreeing the expenses to be deducted by the lead authority administering the Pool;
  - considering any applications for other councils to join the Pool;
  - any variations to the membership of the joint committee; and
  - any other matters relating to the administration and governance of the Pool including replacement of the lead authority.
- 5.2 The members of the joint committee will elect a chairperson.
- 5.3 The joint committee will meet as and when required but no less than twice each year.
- 5.4 The quorum for the meetings will be no less than 5 members. Leaders will be able to nominate substitutes.
- 5.5 Members will have equal voting rights and voting will be by simple majority. In the event of a tie, the chair of the meeting will have a casting vote.
- 5.6 The joint committee will be supported by officers drawn from the lead authority.
- 5.7 The joint committee may establish any sub-groups or any officer forums that they believe to be appropriate.
- 5.8 Minutes of joint committee meetings will be published as required by law.

## **6. Lead Authority**

- 6.1 The initial lead authority responsible for the administration of the Pool shall be Leeds City Council.
- 6.2 The lead authority will normally act as such for a full year and may only be replaced at the year end. A lead authority wishing to relinquish the role at the year end must give a minimum of four months' notice.



6.3 Each member of the Pool will be jointly and severally liable for any payments required to the Department for Communities and Local Government but, notwithstanding that, the lead authority will take responsibility for all matters in relation to the administration of the Pool including (but not limited to):

- all liaison with DCLG and other government departments including the completion of all forms and returns associated with the Pool;
- administration of payments to and from the Pool and all calculations relating to the collection fund for the Pool;
- producing an annual report showing how income has been distributed and preparing periodic monitoring reports for Pool members;
- calculation of the costs of administering the Pool which are to be deducted from the rewards of the Pool. If the excess income generated by the Pool was insufficient to cover the administrative costs of the Pool in any year, then the shortfall would be shared between the Pool members in proportion to their spending baselines;
- The lead authority will ensure that the pooling arrangements, annual reports and other financial information is published and is freely available on the lead authority's website or elsewhere as appropriate.

## **7. Dissolving the Pool**

7.1 This Pool may be revoked by Government after one year.

7.2 If any member decides to leave the Pool the regulations require that the Pool will be dissolved.

7.3 Any authority seeking to leave the Pool should inform DCLG and all other members of the Pool as soon as possible. Once the Pool has been established, this must be by 30th September in any year, to allow the remaining members time to seek designation of new pool for the following year (see 7.4, below).

7.4 The lead authority will make the necessary calculations and submit the required returns associated with the dissolving of the Pool.

7.5 The remaining members of the Pool may choose to form a new Pool and, if they wish, include new members for the following year (subject to new designation by DCLG).

## **8. Treatment of Potential Losses in Income and Residual Benefits or Liabilities**

8.1 The Pool will have a single safety net threshold set at 97% of its baseline funding level. Authorities not participating in pooling arrangements who suffer reductions in business rates income exceeding the safety net threshold would be entitled to safety net payments. If an authority is a member of a business rates pool, the

safety net payment to that individual authority could be lost because the loss across the pool may not be as much as the 3% required to reach the safety net threshold.

- 8.2 Authority(s) that would otherwise have qualified for safety net(s) will have their share of pool proceeds calculated so as to include what they would have received as a safety net payment.
- 8.3 There is also a risk that authority(s) participating in the Pool will be worse off as a result of their participation when compared with what their financial position would have been under the 50% Business Rate Retention Scheme, including receipt of Revenue Support Grant and Rural Services Grant.
- 8.4 Authority(s) that would have been better off under the 50% retention scheme will have their share of pool proceeds calculated so as to include what they would have received in a 'no detriment' arrangement, i.e. under the 50% retention scheme.
- 8.5 Loss in income to Pool members in the circumstances set out above will be met proportionately from the Pool's 50% share of the additional income generated by the authorities within the Pool and the member authorities' 50% share of that income. If that income is insufficient then the net loss will be shared amongst all members of the Pool in proportion to their spending baselines for the year to which the safety net(s) would have applied.
- 8.6 Should losses incurred by the pool as a whole be sufficient to bring the Government's 'no detriment' guarantee into effect, any funds received from Government will be distributed to the member authorities in proportion to the extent of each authority's losses when compared with what their financial position would have been under the 50% Business Rate Retention Scheme.
- 8.7 Once such losses in income are resolved, any residual benefits or liabilities arising in regard to the Pool's 50% share of additional income will be shared amongst all the members of the Pool in proportion to their 50% share of the additional income received from the Pool. Any residual benefits or liabilities arising in regard to the 50% share of additional income apportioned to local authorities must be dealt with by the authorities themselves.

## Appendix 2A: Additional Growth for LCR Pool from 100% Business Rates Retention

(with North Yorkshire County Council receiving 9% of Harrogate Borough Council's business rates income)

	Bradford	Calderdale	Harrogate	Kirklees	Leeds	Wakefield	York	Total
	£	£	£	£	£	£	£	£
<b>Under 50% retention</b>								
Forecast 2018-19 Non-Domestic Rating Income	132,137,000	53,673,000	62,720,000	98,984,000	368,949,000	125,716,000	100,380,000	942,559,000
Authority share (%)	49%	49%	40%	49%	49%	49%	49%	
Authority share (£)	64,747,000	26,300,000	25,088,000	48,502,000	180,785,000	61,601,000	49,186,000	456,209,000
Adjustments								
s.31 relief funding	5,532,000	2,375,000	1,530,000	4,246,000	6,577,000	2,811,000	1,238,000	24,309,000
<b>TOTAL income under 50% scheme</b>	<b>70,279,000</b>	<b>28,675,000</b>	<b>26,618,000</b>	<b>52,748,000</b>	<b>187,362,000</b>	<b>64,412,000</b>	<b>50,424,000</b>	480,518,000
less Business Rates Baseline	67,645,000	27,432,000	24,691,000	52,160,000	166,537,000	56,069,000	46,631,000	441,165,000
Growth	2,634,000	1,243,000	1,927,000	588,000	20,825,000	8,343,000	3,793,000	39,353,000
multiplied by 'risk factor'	75%	75%	75%	75%	75%	75%	75%	
<b>Adjusted Growth</b>	<b>1,976,000</b>	<b>932,000</b>	<b>1,445,000</b>	<b>441,000</b>	<b>15,619,000</b>	<b>6,257,000</b>	<b>2,845,000</b>	<b>29,515,000</b>
less estimated levies paid to the Pool	0	0	-722,000	0	-1,296,000	0	-1,283,000	-3,301,000
<b>Total growth retained by Authorities</b>	<b>1,976,000</b>	<b>932,000</b>	<b>723,000</b>	<b>441,000</b>	<b>14,323,000</b>	<b>6,257,000</b>	<b>1,562,000</b>	<b>26,214,000</b>
<b>Under 100% retention</b>								
Forecast 2018-19 Non-Domestic Rating Income	132,137,000	53,673,000	62,720,000	98,984,000	368,949,000	125,716,000	100,380,000	
Authority share (%)	99%	99%	90%	99%	99%	99%	99%	
Authority share (£)	130,816,000	53,136,000	56,448,000	97,994,000	365,260,000	124,459,000	99,376,000	927,489,000
Adjustments								
s.31 relief funding	11,177,000	4,798,000	3,443,000	8,579,000	13,288,000	5,679,000	2,501,000	49,465,000
<b>TOTAL income under 100% scheme</b>	<b>141,993,000</b>	<b>57,934,000</b>	<b>59,891,000</b>	<b>106,573,000</b>	<b>378,548,000</b>	<b>130,138,000</b>	<b>101,877,000</b>	976,954,000
less "100% Business Rates Baseline"	136,671,000	55,424,000	55,555,000	105,384,000	336,473,000	113,282,000	94,214,000	897,003,000
Growth	5,322,000	2,510,000	4,336,000	1,189,000	42,075,000	16,856,000	7,663,000	79,951,000
multiplied by 'risk factor'	75%	75%	75%	75%	75%	75%	75%	
<b>Adjusted Growth</b>	<b>3,992,000</b>	<b>1,883,000</b>	<b>3,252,000</b>	<b>892,000</b>	<b>31,556,000</b>	<b>12,642,000</b>	<b>5,747,000</b>	<b>59,964,000</b>
<b>Additional Growth generated by the Pool</b>	<b>2,016,000</b>	<b>951,000</b>	<b>1,807,000</b>	<b>451,000</b>	<b>15,937,000</b>	<b>6,385,000</b>	<b>2,902,000</b>	<b>30,449,000</b>
<b>Growth retained by the Authorities</b>	<b>1,976,000</b>	<b>932,000</b>	<b>1,445,000</b>	<b>441,000</b>	<b>15,619,000</b>	<b>6,257,000</b>	<b>2,845,000</b>	<b>29,515,000</b>

Proposed shares of additional growth								
Population numbers	534,279	209,770	156,312	437,047	781,743	336,834	208,367	2,664,352
<b>Total Growth retained by the Pool (50%)</b>	<b>1,008,000</b>	<b>475,000</b>	<b>903,500</b>	<b>226,000</b>	<b>7,969,000</b>	<b>3,192,000</b>	<b>1,451,000</b>	<b>15,224,500</b>
Net Gain to the Pool	1,008,000	475,000	181,500	226,000	6,673,000	3,192,000	168,000	11,923,500
Growth shared with Authorities in proportion to contributions (25%)	504,000	237,750	451,750	112,750	3,984,250	1,596,250	725,500	7,612,250
Growth shared with Authorities in proportion to population (25%)	1,526,474	599,328	446,595	1,248,675	2,233,497	962,360	595,320	7,612,250
<b>Total Growth retained by Authorities</b>	<b>2,030,474</b>	<b>837,078</b>	<b>898,345</b>	<b>1,361,425</b>	<b>6,217,747</b>	<b>2,558,610</b>	<b>1,320,820</b>	<b>15,224,500</b>
Net Gain to Authorities	2,030,474	837,078	1,620,345	1,361,425	7,513,747	2,558,610	2,603,820	18,525,500

## Appendix 2B: Additional Growth for LCR Pool from 100% Business Rates Retention

(with North Yorkshire County Council receiving 18% of Harrogate Borough Council's business rates income)

	Bradford	Calderdale	Harrogate	Kirklees	Leeds	Wakefield	York	Total
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Adjustments								
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less Business Rates Baseline	67,645,000	27,432,000	24,691,000	52,160,000	166,537,000	56,069,000	46,631,000	441,165,000
Growth	2,634,000	1,243,000	1,927,000	588,000	20,825,000	8,343,000	3,793,000	39,353,000
multiplied by 'risk factor'	75%	75%	75%	75%	75%	75%	75%	
<b>Adjusted Growth</b>	<b>1,976,000</b>	<b>932,000</b>	<b>1,445,000</b>	<b>441,000</b>	<b>15,619,000</b>	<b>6,257,000</b>	<b>2,845,000</b>	<b>29,515,000</b>
less estimated levies paid to the Pool	0	0	-722,000	0	-1,296,000	0	-1,283,000	-3,301,000
<b>Total growth retained by Authorities</b>	<b>1,976,000</b>	<b>932,000</b>	<b>723,000</b>	<b>441,000</b>	<b>14,323,000</b>	<b>6,257,000</b>	<b>1,562,000</b>	<b>26,214,000</b>
<b>Under 100% retention</b>								
Forecast 2018-19 Non-Domestic Rating Income	132,137,000	53,673,000	62,720,000	98,984,000	368,949,000	125,716,000	100,380,000	
Authority share (%)	99%	99%	81%	99%	99%	99%	99%	
Authority share (£)	130,816,000	53,136,000	50,803,200	97,994,000	365,260,000	124,459,000	99,376,000	921,844,200
Adjustments								
s.31 relief funding	11,177,000	4,798,000	3,098,000	8,579,000	13,288,000	5,679,000	2,501,000	49,120,000
<b>TOTAL income under 100% scheme</b>	<b>141,993,000</b>	<b>57,934,000</b>	<b>53,901,200</b>	<b>106,573,000</b>	<b>378,548,000</b>	<b>130,138,000</b>	<b>101,877,000</b>	970,964,200
less "100% Business Rates Baseline"	136,671,000	55,424,000	49,999,000	105,384,000	336,473,000	113,282,000	94,214,000	891,447,000
Growth	5,322,000	2,510,000	3,902,200	1,189,000	42,075,000	16,856,000	7,663,000	79,517,200
multiplied by 'risk factor'	75%	75%	75%	75%	75%	75%	75%	
<b>Adjusted Growth</b>	<b>3,992,000</b>	<b>1,883,000</b>	<b>2,927,000</b>	<b>892,000</b>	<b>31,556,000</b>	<b>12,642,000</b>	<b>5,747,000</b>	<b>59,639,000</b>
<b>Additional Growth generated by the Pool</b>	<b>2,016,000</b>	<b>951,000</b>	<b>1,482,000</b>	<b>451,000</b>	<b>15,937,000</b>	<b>6,385,000</b>	<b>2,902,000</b>	<b>30,124,000</b>
<b>Growth retained by the Authorities</b>	<b>1,976,000</b>	<b>932,000</b>	<b>1,445,000</b>	<b>441,000</b>	<b>15,619,000</b>	<b>6,257,000</b>	<b>2,845,000</b>	<b>29,515,000</b>

Proposed shares of additional growth								
Population numbers	534,279	209,770	156,312	437,047	781,743	336,834	208,367	2,664,352
<b>Total Growth retained by the Pool (50%)</b>	<b>1,008,000</b>	<b>475,000</b>	<b>741,000</b>	<b>226,000</b>	<b>7,969,000</b>	<b>3,192,000</b>	<b>1,451,000</b>	<b>15,062,000</b>
Net Gain to the Pool	1,008,000	475,000	19,000	226,000	6,673,000	3,192,000	168,000	11,761,000
Growth shared with Authorities in proportion to contributions (25%)	504,000	237,750	370,500	112,750	3,984,250	1,596,250	725,500	7,531,000
Growth shared with Authorities in proportion to population (25%)	1,510,182	592,931	441,828	1,235,348	2,209,658	952,088	588,966	7,531,000
<b>Total Growth retained by Authorities</b>	<b>2,014,182</b>	<b>830,681</b>	<b>812,328</b>	<b>1,348,098</b>	<b>6,193,908</b>	<b>2,548,338</b>	<b>1,314,466</b>	<b>15,062,000</b>
Net Gain to Authorities	2,014,182	830,681	1,534,328	1,348,098	7,489,908	2,548,338	2,597,466	18,363,000