

Cabinet

23 September 2020

Item 4 Financial Management Report: April – June 2020

Additional Recommendation

On 11 and 18 September the Kent Finance Officers met and discussed the future of the Business rates Pool consisting of KCC, Kent and Medway Fire and Rescue and 10 borough/district Councils. KFO's had commissioned LG Futures to look at the viability of the pool in light of the impact of Covid 19 on business rates.

Across the two meetings the main conclusions were:

- There are still potentially significant financial benefits to a pool, and
- In looking at the optimal composition there may need to be some changes in membership. Currently Sevenoaks and Dover are not in the pool but receive some compensatory payments from total pool receipts. The Council which has by far the biggest growth in business rates above base line is Swale and Swale will be the biggest beneficiary of any pool.

The pool has to reapply to MHCLG by 23 October therefore this item is being considered at this meeting. There would still be an option for the pool not to proceed up to 28 days after the Local Government Finance Settlement is received.

Recommendation:

Cabinet is asked to agree that the Council should in principle participate in a county wide business rates pool but delegate to the Chief Financial Officer in consultation with the Leader and Cabinet Member for Finance the authority to change this decision if there is a significant change in circumstances.