

JOINING THE WEST SUSSEX BUSINESS RATES POOL

REPORT OF: HEAD OF CORPORATE RESOURCES
Contact Officer: Peter Stuart
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Wards Affected: All
Key Decision: Yes
Report to: Cabinet
Date of meeting 14th January 2019

Purpose of Report

1. To agree that Mid Sussex DC should join the West Sussex Business Rate Pool Pilot.

Summary

2. All the authorities in West Sussex bid to become a pilot in the 75% Business Rates Retention scheme for 2019/20. It has recently been announced that this was successful and the increased funds retained across the area will fund a project to introduce a full fibre internet spine as detailed in the bid document.
3. Mid Sussex DC will benefit indirectly from this bid, whilst retaining the business rate income needed to finance its own budget in the new financial year.

Recommendations

4. **Cabinet is recommended to:**
 - (i) **Agree that Mid Sussex DC joins the West Sussex Business Rate Pool pilot;**
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Background

5. In the summer, the Government announced a further round of business rate pilots in 2019/20. It was proposed that the pilots will operate in the same way in 2019/20 as they did in 2018/19. Business Rate Baselines would be calculated at new 75% retention levels; the funding from Business Rates that Councils can retain (Baseline Funding Level) will be increased to reflect any transfers of funding; and a new tariff or top-up will be calculated for each pilot authority based on their new baselines.
6. The main change from the previous 2018/19 pilot round (for which we bid but were unsuccessful) is that the local share will reduce from 100% to 75%. There are good reasons for making this change. Firstly, the new national scheme will operate on a 75% share from 2020/21, and it makes sense for the pilots to help MHCLG understand how the new national scheme will operate. Secondly, the cost of the pilot programme has become significant (£920m+) and reducing the share to 75% reduces the cost to the Treasury.

7. Another important change to the pilot programme is that there is no “no detriment” clause for the 2019/20 pilots. “No detriment” ensures that the pilot will not be worse-off than the individual authorities would have been in aggregate in the 50% scheme. It was a very useful measure last year for authorities bidding because it meant that authorities could choose to apply for pilot status without worrying that they could lose money. Without it, many authorities will be concerned that a major loss of income in 2019/20 could leave them financially disadvantaged (for example, from a successful NHS Foundation Trust claim for charitable relief or from a major appeal).
8. Officers prepared a West Sussex county-wide bid for the 2019/20 pilot. Detailed financial modelling was undertaken to ensure pilot status will be financially beneficial to all authorities.
9. Other matters that were considered as part of a bid included:
 - i) Tier splits i.e. how much growth will be retained by county and district Councils respectively.
 - ii) Which additional responsibilities, or loss of existing grants, would be rolled in to make the scheme fiscally neutral.
 - iii) How gains will be used. MHCLG had indicated that they expect at least some of the gain to be used to generate economic growth.
 - iv) How risks will be mitigated.
10. Experience of having operated a business rate pool in the county means that much of the existing risk mitigation and governance arrangements could be used and built upon as part of this submission.
11. Finance officers modelled different scenarios, and reported these to the Chief Executives in early September with the assistance of external specialist input. Following that meeting the bid submission was refined in time for the 25th September 2018 deadline.
12. MHCLG announced successful submissions in December as part of the Provisional Settlement. There were 15 successful areas with a variety of business cases made.
13. It should be noted that the pool arrangements are in place for one year only; while the pool may continue, this may be subject to new ‘rules’ or a completely new system of financing local government may take its place.

The successful bid

14. The bid is attached as Appendix 1. It will be appreciated that it is at a high level and now that the bid has been successful, there is much work to be done across the County to progress the project. Our lead for this work is the Head of Digital and Customer Services.

Policy Context

15. This report outlines the potential to greatly further this Council’s aspirations to improve the economic production of the area especially in relation to increasing Gross Value Added arising from the development of information-rich commerce.

16. The bid supports the Council's District Plan and Economic Development Strategies published in November 2018. Importantly it will support sustainable planned growth across the District.

Other Options Considered

17. Not pursuing a bid was considered but discounted since the advantages greatly outweighed the disadvantages as outlined in the bid document.

Financial Implications

18. This report has no direct financial implications for Mid Sussex. The betterment from joining the pool is shared across the county area but not to the betterment of any individual authority.

Risk Management Implications

19. Joining the pool does bring increased risks to Mid Sussex but these can be mitigated through the pool members working together. The bid outlines the risk assumed by the county area as a whole and work continues to set out the likelihood and effect of assuming this risk and the measures that can be taken by ourselves and others to deal with it.
20. This includes the desire to discuss with MHCLG the risk that Gatwick Airport brings to the new pool (Crawley BC are not a member of the existing pool). As the bid makes clear, a major disaster at the airport would significantly affect the financial performance of the pool and would affect the fibre project adversely. It is to be hoped that MHCLG would note the unique risk that an airport brings to a pool and be able to offer a unique and positive response to its mitigation.
21. It is not considered that the spending plans of Mid Sussex would in any way be compromised by joining the pool; given that in extremis the underlying project could be curtailed or deferred to provide the necessary cashflow in the financial year.

Equality and Customer Service Implications

22. None.

Other Material Implications

23. None.

Background Papers

- Nothing further.



Ministry of Housing,
Communities &
Local Government

Business Rates Pilot Scheme 2019/20

Application Form

This application form will be used to assess your application to pilot 75% business rates retention in 2019/20. Where relevant, further evidence to support points raised in this form may be included as an annex. Please note that authorities cannot apply to pilot 75% business rates retention as part of more than one application.

Information provided in response to this application may be published or disclosed in accordance with the access to information regimes – these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the EU General Data Protection Regulation, and the Environmental Information Regulations 2004).

The personal data you provide as part of this application will be held on a secure government system in line with the department's [personal data charter](#). Contact details will only be used for contacting you about your application or to update you on our work relating to local government finance reforms.

For any questions relating to the application process, please email:
Businessratespilots@communities.gsi.gov.uk.

FAQs relating to applications will be published on the Government publications website at <https://www.gov.uk/government/publications/75-business-rates-retention-pilots-2019-to-2020-prospectus>

1. Application Contact Details

Please include details of the lead pilot authority and lead official responsible for responding to any departmental queries relating to the pilot application.

a. Name of lead pilot authority	West Sussex County Council
b. Name of lead official	Nathan Elvery
c. Lead official job title	Chief Executive
d. Lead official email address	nathan.elvery@westsussex.gov.uk
e. Lead official contact phone number	03022 224628

2. Membership of the Proposed Pool

Please list all authorities belonging to the proposed pilot pool below. The application cannot be considered valid unless all of the listed members have endorsed all parts of the application (see Annex A). You can insert/delete lines as needed.

For the authority type box, please write down one of the following options for each participating authority: (1) Fire; (2) London Borough; (3) Metropolitan district; (4) County; (5) Shire District; (6) Greater London Authority; (7) Unitary Authority.

Authority name	Authority Type
Adur District Council	Shire District
Arun District Council	Shire District
Chichester District Council	Shire District
Crawley Borough Council	Shire District
Horsham District Council	Shire District
Mid Sussex District Council	Shire District
Worthing Borough Council	Shire District
West Sussex County Council	County

3. Membership details and pooling arrangements

Please answer all of the questions below using short and concise answers. Section 4 will allow you to outline your pilot proposal in more detail.

<p>a. Have all members included in the pilot area endorsed all parts of this application?</p> <p><i>(Please ensure that Annex A is signed by s.151 officer of each area and returned as part of the application to evidence this.)</i></p>	<p>Select one:</p> <p>(1) Yes; (2) No</p>
<p>b. Do any members of the proposed pool belong to any other current pool?</p> <p><i>(If 'no', please move to question 3.d.)</i></p>	<p>Select one:</p> <p>(1) Yes (2) No</p>

<p>c. If any members of the proposed pool belong to any other current pool, have other members of such pool been informed that the authority is applying to become a pilot as part of a different pool?</p>	<p>Select one:</p> <p>(1) Yes (2) No (3) <i>N/A – all current pool members would become members of the new pool.</i></p>
<p>d. Are there any precepting authorities that are not part of the proposed pilot area? <i>(If 'yes', please move to question 3.e.)</i></p>	<p>Select one:</p> <p>(1) Yes (2) No</p>
<p>e. If there are any precepting authorities that are not part of the proposed pilot area, are these precepting authorities aware of this proposal?</p>	<p>Select one:</p> <p>(1) Yes (2) No (3) N/A</p>
<p>f. Are all members of the proposed pilot area willing to collaborate with MHCLG officials on system design of the new business rates retention system, sharing additional data and information, as required?</p>	<p>Select one:</p> <p>(1) Yes (2) No</p>
<p>g. How does the pilot pool propose to split non-domestic rating income in two-tier areas?*</p> <p><i>(F.ex. the pilot pool could propose to split the shares as in the current 50% business rates retention, or propose to test different kinds of tier split arrangements as part of the pilot.)</i></p> <p><i>(*The department will use this information in regulations to designate a tier split for the pooled pilot area. In practice, the pilot pool will be given one overall tariff or top-up, and the members of the pool can agree to change the headline tier split.)</i></p>	<p>Answer in your own words.</p> <p>20% Shire Districts /55% County Council</p>
<p>h. Do you propose to retain any of the additional 25% of retained business rates in an investment pot or similar and distribute this after 2019/20? <i>(If 'no', please move to question 3.j.)</i></p>	<p>Select one:</p> <p>(1) Yes (2) No</p>

<p>i. If any of the additional 25% of retained business rates are kept in an investment pot or similar, how will this be distributed after 2019/20?</p>	<p><i>Answer in your own words.</i></p> <p>The additional 25% will be kept in an investment pot. However, the aim will be to begin applying the funds in 2019/20, not to wait until after the year-end. The delivery of the proposed project will continue after March 2020 and the retained business rates will continue to be retained to provide funding. Any excess funds at the end of the project will be deployed in line with the current business rate pool.</p>
<p>j. What is the anticipated income above baseline funding level for the pilot pool over 2019/20 (in £)?</p>	<p><i>Answer in your own words.</i></p> <p>Retained rates above baseline are estimated at £31.9m potentially, under a 75% retention arrangement (see Annex 1, slide 6). However, £12.8m is estimated as needed to ensure authorities keep their existing gains (which help fund current base budgets), leaving an estimated £19.1m as a net gain for a joint investment fund.</p>

<p>k. What is the business rates base of the proposed pilot area like and what is its relevance to the economic geography of the area?</p> <p><i>(F.ex. you could describe the size and types of hereditaments in the area, business sectors relevant to the area, or the size of your business rates base in relation to baseline funding levels.)</i></p>	<p><i>Answer in your own words.</i></p> <p>The county of West Sussex covers an area of 768 square miles and is predominantly rural in character, including the South Downs National Park. The majority of the population lives in the four largest towns: Crawley and Horsham in the north of the county; Bognor Regis and Worthing in the coastal areas, nevertheless 42% of the county's resident population, and over half of its businesses are located in rural areas. 87% of the rural population lives in small towns and villages. West Sussex is a "significant rural" county, with over half of Horsham's population being classified as rural, and over 80% of Chichester and Mid Sussex's. Crawley is a more urban area, but one with a very concentrated business rate base, which includes Gatwick. In itself Crawley accounts for around 35% of the County's total business rate income.</p> <p>The county has a working age population of almost 480,000 and the latest estimate of GVA for West Sussex was £20,506 million. In 2015 there were around 39,800 businesses in West Sussex, and our business rates base is expected to be over £372m next year (net take). The mix of local business rates is shown in Annex 1, slide 4. We have a varied business community across the county, with wholesale and retail being the largest sector in Arun, Chichester and Worthing, and industry is the largest in Adur, Crawley, Horsham and Mid Sussex.</p> <p>Gatwick Airport is significant to both the county's and the regional economy: the airport is estimated to contribute upwards of £2bn per year towards the economy of the South East and London.</p>
<p>l. What pooling arrangements would the members of the pilot like to see if their application to become a pilot is unsuccessful?</p>	<p><i>Answer in your own words.</i></p> <p>Maintain <u>existing</u> West Sussex Pool which includes West Sussex County Council, Adur District Council, Arun District Council, Chichester District Council and Worthing Borough Council.</p>

m. How would the pilot area deal with residual benefits/liabilities once the pilot ends?

We will carry over a contingency of £2m held jointly within our 2018/19 business rate pooled arrangements. This can be held for risks such as residual liabilities or other risks such as appeals or shortfalls against the anticipated business rate take. It can also be released towards other work, including the proposed digital investment (outlined in 4b below) if not required for these risks or residual liabilities, adding to the estimated £19.1m anticipated gain from 2019/20.

Our understanding of the business rates base within the county area and experience of operating a pool since 1 April 2015 gives us the confidence to confirm our bid despite the withdrawal of the 'no detriment' for piloting clause by Government. This also gives us confidence to commence committing the 2019/20 gain in-year, rather than waiting until after the year end, as we will have sufficient capacity to address any end of scheme liabilities.

We will also carry over an estimated £3.5m in funds from our existing 2018/19 business rate pool (in addition to the £2m contingency). This will be used to support LEPS (Local Enterprise Partnerships) West Sussex authorities participate in, for County wide transformational investment work, on a jointly agreed basis, but also provides an 'endowment' towards this proposal adding financial flexibility that could also be potentially applied to any residual liabilities. We propose to continue to utilise and co-invest from the strategic investment funds created under this proposal after the pilot period ceases and until the pot is fully allocated.

Whilst accepting the principle of a 'no detriment' clause will not apply to 2019/20 pilot areas, the pilot we propose would have a significant reliance on Gatwick Airport for business rates. We would welcome a discussion around an agreed approach to managing the risk of extreme and unforeseeable disruption at Gatwick Airport should wholly exceptional circumstances occur with a major impact e.g. the Icelandic Ash Cloud in 2010 or terror attack on Brussels Airport.

4. Details of the pilot proposal

Please explain how your proposal fulfills each of the below criteria for becoming a 75% business rates retention pilot in 2019/20 (as outlined in 3.2 of the 'Invitation to Local Authorities in England to pilot 75% Business Rates Retention in 2019/20'). If relevant, you may reference answers provided in section 3 of this application form and use this section to provide more detail on the responses. Although there is no formal word limit for answers provided in this section, please be as concise as possible.

a. How does the proposed pilot operate across a functional economic area?

The West Sussex bid represents a functional economic area which comprises all local authorities within West Sussex. Our bid has the support of our Local Enterprise Partnership: Coast to Capital.

The 2018/2019 West Sussex Business Rates Retention pilot bid, which was based on the same county geography, satisfied MHCLG that our bid represented a functional economic area.

b. How does the pilot area propose to distribute and use the additional 25% of retained business rates growth across the pilot area?

All of the business rates growth retained (estimated at **£19.1m for 2019/20** – see Annex 1) will be pooled by participating local authorities and used to make a strategic investment in the county's economic infrastructure. The expected in-year gain will be utilised on the proposal detailed below.

Coast to Capital Local Enterprise Partnership (C2C LEP) published a refreshed Strategic Economic Plan in July 2018 which sets out its economic priorities for the area. One of these priorities is to improve digital network capability. Faster progress can be made in deploying new fibre by creating a framework that allows investors and operators, public and private sector, to work in parallel, building out from a core infrastructure

West Sussex local authorities are committed to this priority and recognise the significant economic benefits that universal gigabit speed connections bring in terms of increases in productivity and innovation. We are continuing to develop a future proofed, pervasive and high quality digital infrastructure for the county that ensures that everyone in West Sussex regardless of location, age or income can access the social, cultural and economic benefits of the internet and be confident, capable and safe in its use at home, at work and on the move. Readily available digital infrastructure and connectivity promotes the use of digital technologies and platforms which help businesses of any size reach new markets whilst enabling people to work flexibly wherever they are, increasing skills and attracting inward investment. In addition, improved connectivity provides the foundation to allow

West Sussex to transform the delivery of public services with improved, user-focused access to digital services which in turn drive innovation and efficiency in the public sector.

Our digital infrastructure strategy builds upon existing initiatives and puts “full fibre digital infrastructure” front and centre. Businesses require reliability, speed and resilience in order to grow and full fibre and 5G are widely heralded as *the* future proof technologies “*with the potential to transform productivity, and to open up new business models. Full fibre networks are faster, more reliable, and more affordable to operate than their copper predecessors. 5G will deliver faster and better mobile broadband, and enable revolutionary uses in industry sectors like manufacturing, health and transport.*”¹

Full fibre initiatives that unlock gigabit speeds for residents, business and public sector service delivery itself are accelerating nationally due to the tangible economic benefits that connectivity brings (ref. “Evaluation of the Economic Impact and Public Value of the Superfast Broadband Programme” published by DCMS August 2018²; Ref. Regeneris report “The Economic Impact of Full Fibre Infrastructure in 100 UK Towns and Cities” published March 2018³). West Sussex is at the forefront, having invested in several approaches already: the West Sussex Gigabit project, the Burgess Hill Fibre Exchange and the Business Gigabit Voucher initiative. We intend to build on all of these and invest the additional 25% of retained business rates growth to facilitate and expand further commercial investments in digital connectivity across the area. This will focus on three of our priorities; stimulating the densification of the network within and between key towns and cities; enabling the extension of the network into rural areas; and accelerating readiness to Wi-Fi and 5G investments in towns and cities.

It is our aim to create a regional spine network that connects towns across the region. The “spine” will not connect individual premises but will provide a scaffolding to support investment in, and deployment of the “access networks”⁴ that would connect individual premises to a full fibre network. The aim is to ensure not only that the infrastructure is technically capable but also that its construction and operation plays a direct role in developing the regional economy, supporting competition and innovation. The route will be subject to detailed design and market testing, however work undertaken with the C2C LEP suggests that creating one or more resilient spine “loops”, that can be scaled up or down within the county and the wider region is an option. **This flexibility means the project can be ‘cut’ to match the funding that becomes available when the gain from the additional business rates is known.** We are confident we can begin supporting this project during 2019/20, rather than delay due to any concerns over what the actual eventual business rate gain may be (which will only be confirmed as part of the audit of the 2019/20 accounts). The £2m contingency being carried over from the existing West Sussex business rate pool into the pilot arrangement will help in this regard.

The new spine will accelerate investment in and deployment of further new digital infrastructure by reducing barriers to investment in full fibre access networks and new wireless technologies. By using the fully open access, shared, spine fibre routes that will connect parts of the region, suppliers will be able to extend networks out on a commercial basis where currently there is lack of supply. This infrastructure will be able to support different types of initiatives e.g.;

- neutral exchange points that will serve as focal points to grow the existing digital sector and to attract new development;
- commercial build in cities, towns, hamlets around the spine route (enabling both fixed and mobile wireless technologies, particularly in rural areas)
- self-build projects with mobilised business and residential communities to extend the network into harder to reach areas, previously too expensive;
- town and city centre connectivity initiatives e.g. fixed wireless technologies such as

Wi-Fi, small cell 4G installations and mobile wireless technologies such as 5G)

Full fibre networks typically have asset lives of more than 20 years and present longevity of investment and a greater opportunity for return in a market where demand is increasing.

Urban clusters

The countywide West Sussex Gigabit project, (a collaboration with all West Sussex local authorities and DCMS), aims to deliver gigabit capable connectivity to the public sector. However, it may also attract further commercial investment in full-fibre networks if digital infrastructure suppliers see opportunities for wider investment in the county. This would support the expansion of key urban clusters across the county into gigabit towns and cities. Our ambition is to see these gigabit urban areas linked together, creating a platform capable of innovation and expansion of next generation technology. It is critical that we reduce the barriers to enable this to happen on a commercial basis. The availability of backhaul is a key factor. The spine will address this as it will be open access i.e. accessible to all digital infrastructure providers and service providers, allowing investors to gain entry to, or expand their markets, without incurring the most expensive part of the engineering, the cost of deploying ducts all the way back to the core points of inter-connection.

Rural reach

The geography of West Sussex provides us with a number of challenges and opportunities. Some areas within the areas of outstanding natural beauty and the South Downs National Park have historically been difficult to serve in terms of broadband connectivity given the challenging terrain and long distances involved, along with the low density of premises. These areas have effectively suffered from market failure, and have also been too costly to reach through the BDUK⁵ publicly funded fibre roll-out. This has impacted our ability to unlock the full potential of our rural economy, and will limit access to crucial enabling technologies in the future (5G for example).

The County has been working on the rural connectivity agenda for some time, including the Better Connected BDUK superfast broadband program; business connectivity grants and vouchers with the C2C LEP; and initiatives with the Rural West Sussex Partnership. These initiatives are still ongoing, however a constraining factor is the availability of accessible backhaul in these areas that makes connections to the remaining areas cost-prohibitive. A digital spine built in the county would complement the current rural initiatives by reducing the cost barrier of access, thereby reaching more businesses.

City/town centres

The town centre experience is becoming vital to the survival and continued popularity of many locations up and down the country. The use of town centres is changing, whereby they are becoming a destination and meeting place where leisure is beginning to dominate over the retail offer (ref The Grimsey review 2018⁶). Part of the leisure experience involves the ability of visitors to interact with their friends and share experiences with their peers via instant social media such as Twitter and Instagram. The visitor offer for a location is enhanced by the digital space in city and town centres, including through access to free Wi-Fi and other wireless technologies.

The local authorities within West Sussex have set out a number of strategic plans and objectives in their respective “growth deals”⁷ to adopt this type of digital offer. This will

build on the West Sussex Gigabit project where possible e.g. using CCTV assets and other public sector infrastructure in the urban clusters. However, for more rural areas, the new spine will facilitate the delivery of some Wi-Fi pilots and will be made commercially available to the market to support the deployment of new innovative technologies, in particular, around the IoT and 5G agendas. This initiative also offers the opportunity to

¹ Future Telecoms Infrastructure Review published by DCMS July 2018

² A report by Insos Mori for DCMS evaluating the economic impacts and public value of the Superfast Broadband Programme

³ A Report by Regeneris Consulting for CityFibre

⁴ Access Network - the connections that cover the final miles to reach businesses, homes and 3G/4G

build a county wide Wi-Fi brand and platform (capture portal, smartphone app) to communicate on local initiatives and events and maximise the opportunities for local stakeholders.

Design

The spine network will connect a number of towns and is scalable, capable of being extended to the wider region. A key principle of the design is that it will be open access, available to all, thereby overcoming the barrier to local initiatives to create new infrastructure. Market testing with suppliers will be conducted to establish the detail of service offering.

The core design would aim to link towns, for example, Burgess Hill, Crawley, Horsham and Chichester to provide a cross county backhaul route. This loop topology may provide additional benefits to local suppliers in particular the ability to source resilient connectivity.

The commercial model for making these assets available to the market are being considered and will also be the subject of further market testing. The key principles are that all assets will be made available to all market players on equal terms, and that access will be charged at market rates.

Cost illustration

The costs below are initial estimates only. A full cost model will be worked up alongside the detailed design including project costs and on-going running costs:

Infrastructure	Elements	Estimated costs	Details
Small loop spine	115 km loop	£11,500,000	linking key areas within WSCC
Large loop spine	215 km loop	£21,500,000	includes smaller loop and is extended to wider areas including Brighton, Surrey, Hampshire
Additional/alternative build	60km cycle routes, disused railway	£1,200,000	Downs Link Cycle route
Town local spine network	local loop around a town	£1,500,000	Cost per loop
DX-PoPs	based on 5 towns	£750,000	points of presence for digital exchanges linking to network
Digital Exchanges	based on 3	£1,500,000	
Framework	professional services	£350,000	legal, technical support to deliver a framework that facilitates driving out the benefits of the investment e.g. develop models and toolkits to facilitate expansion of the network

⁵ Based on the cost assumptions, we envisage an investment of between £16.8m and £26.8m to secure a full fibre spine in our region that can be scaled up or down. Broadband Delivery UK, part of the Department for Digital, Culture, Media and Sport, is delivering superfast broadband and local full fibre networks to the nation.

⁶ The Grimsey review (2018) highlighted the importance of town centre Wi-Fi in helping develop modern digital infrastructure. £16.8m represents the *small loop spine*, *cycle path build*, at least one local town spine, the *DX-PoP* and *Digital Exchanges* as well as the *Framework*.

⁷ £26.8m represents all of the above and the *large loop spine* within the region which offers

£26.8m

the potential to work with wider partners in the region now or in the future.

The design is flexible with the costs being scalable up and down. It is therefore a good match to the uncertainty of the final gain through business rates.

c. How does the pilot area propose to arrange its governance for strategic decision-making around the management of risk and reward? How do the governance arrangements support proposed pooling arrangements?

Being strategic and collaborative has been fundamental to thinking about the business rates funding regime, and this is underpinned by our approach to the current business rates pool (established in 2015) which places all gains in a single pot to be used for strategic investment. Piloting 75% retention in West Sussex will build on the already strong collaboration between the county, district and borough councils. We have well established governance arrangements, and have strong relationships between partner councils.

Our authorities have valued the opportunity that being in a pool provides for strategic thinking and investment in our shared priorities. Rather than returning the proceeds of growth to member councils, our Leaders collectively decided to use this money to invest in our place in order to stimulate further growth. We have invested around £0.4m to initiate the Gigabit Project – which will bring ultrafast (1 gigabit) dark fibre broadband infrastructure to West Sussex, which the Department for Digital, Culture, Media and Sport are jointly funding.

We have also used our Business Rates Pool gains by jointly agreeing to channel additional investment to stimulate growth in our visitor economy; to support small businesses; to fund our Local Enterprise Partnership and to enhance the capacity of our Area Economic Partnerships. Bids to use our existing pooled funds have been assessed against criteria of benefits offered, economic development opportunity, jobs supported and consistency with existing plans and priorities. See Annex 2 attached for further background on our governance principles and arrangements.

5. Submitting your application

Please return this form and Annex A with signatures of all s.151 officers from proposed pilot pool's member areas by the deadline of 25 September 2018. Where relevant, further evidence of points raised in this form may be included as an annex.

Please submit your completed application to:

businessratespilots@communities.gsi.gov.uk

or

Business Rates Reform; Local Government Finance; Fry Building, 2 Marsham St,
Westminster, London SW1P 4DF.






Ministry of Housing,
Communities &
Local Government

Annex A – Evidence of authorisation

a. Name of lead pilot authority	West Sussex County Council
b. Name of lead official	Nathan Elvery
c. Lead official job title	Chief Executive
d. Lead official email address	nathan.elvery@westsussex.gov.uk
e. Lead official contact phone number	03022 224628

Please include the signatures of each member area's s.151 officer to evidence that all parts of your application have been fully endorsed by authorities listed in section 2 of the pilot application form. You can insert/delete lines as needed.

Authority name	Name of s.151 officer	Signature
Adur/Worthing	S Gobey	
Arun	A Peach	
Chichester	J Ward	
Crawley	K Hayes	
Horsham	J Eaton	
Mid Sussex	P Stuart	
West Sussex County Council	K Eberhart	

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