

Registered number: 07635395

**The Greater Birmingham and Solihull
Local Enterprise Partnership Limited**

Amending

Directors' Report and Financial Statements

For the Year Ended 31 May 2015



DAINS
ACCOUNTANTS

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Company Information

Directors	P L Ackroyd (appointed 15 May 2015) G Adamson G Alcott A K Bhalla M S Bhatti (appointed 20 March 2015) S R Claymore D C Cook I Courts Cllr R G W Grosvenor (appointed 8 May 2015) P Hanlon I M P Pritchard (appointed 20 June 2014) R K Sleigh (appointed 10 June 2014) D P Ward (appointed 16 January 2015) I A Ward M J Wilcox C Allan (appointed 16 May 2015) Sir A Bore J-P Campion (appointed 2 June 2014) Cllr J M Clancy (appointed 6 January 2016) A Cleaves C M Gilbert (appointed 16 May 2015) W P Hartnett S P Hollis M J Hopkins (appointed 16 January 2015) A J Street A Volkaerts C C Webster T A Westall
Company secretary	S A M Rogers
Registered number	07635395
Registered office	Birmingham Business Hub Ground Floor Baskerville House Centenary Square Broad Street Birmingham B1 2ND
Independent auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

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The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Directors' Report
For the Year Ended 31 May 2015

The directors present their report and the revised financial statements for the year ended 31 May 2015.

The revised financial statements replace the original financial statements and are now the statutory financial statements. They have been prepared as at the date of the original financial statements and not as at the date of this amendment, and accordingly do not deal with events between those dates.

The changes made to these financial statements are to provide clear line of sight as to how monies have flowed between the Company and Birmingham City Council, as the Accountable Body for the funds, as well as the internal expenses incurred by the the Company in discharging its duties. The revised financial statements now show a true and fair view of the Company's affairs as at 31 May 2015 and of its surplus for the year then ended.

Principal activity

The principal activity of the Company is to promote economic growth in the area known as Greater Birmingham and Solihull (the local authorities areas of Birmingham, Solihull, Cannock Chase, East Staffordshire, Lichfield, Tamworth, Bromsgrove, Redditch and Wyre Forest).

The Company is not established or conducted for the purpose of private gain. All surpluses and/or assets are to be used and/or applied and/or re-invested principally for the objects of the Company.

Directors

The directors who served during the year were:

P L Ackroyd (appointed 15 May 2015)
G Adamson
G Alcott
A K Bhalla
M S Bhatti (appointed 20 March 2015)
S R Claymore
D C Cook
I Courts
Cllr R G W Grosvenor (appointed 8 May 2015)
P Hanlon
I M P Pritchard (appointed 20 June 2014)
R K Sleigh (appointed 10 June 2014)
D P Ward (appointed 16 January 2015)
I A Ward
M J Wilcox
C Allan (appointed 16 May 2015)
Sir A Bore
J-P Campion (appointed 2 June 2014)
A Cleaves
D F Fletcher
C M Gilbert (appointed 16 May 2015)
W P Hartnett
S P Hollis
M J Hopkins (appointed 16 January 2015)
Baroness Brown of Cambridge J E King (resigned 15 May 2015)
J H Mott (resigned 7 May 2015)
R U Samar (resigned 27 March 2015)
A J Street
A Volkaerts
C C Webster
T A Westall

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Directors' Report (continued)
For the Year Ended 31 May 2015

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 19 September 2019 and signed on its behalf.



P Hanlon
Director

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Independent auditors' report to the members of The Greater Birmingham and Solihull Local Enterprise Partnership Limited

We have audited the revised financial statements of The Greater Birmingham and Solihull Local Enterprise Partnership Limited for the year ended 31 May 2015, set out on pages 5 to 16. These revised financial statements replace the original financial statements approved by the directors on 15 January 2016. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The revised financial statements have been prepared under The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the revised financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the revised financial statements sufficient to give reasonable assurance that the revised financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the revised financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited revised financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the revised financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the Company's affairs as at 31 May 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Independent auditors' report to the members of The Greater Birmingham and Solihull Local Enterprise Partnership Limited (continued)

Emphasis of matter

In forming our opinion on the revised financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 2.11 to these revised financial statements concerning the need to amend the financial statements to provide clear line of sight as to how monies have flowed between the Company and Birmingham City Council, as the Accountable Body for the funds, as well as the internal expenses incurred by the the Company in discharging its duties. The original financial statements were approved on 15 January 2016 and were unaudited dormant financial statements. We have not performed a subsequent events review for the period from the date the original financial statements were approved to the date of this report.

Opinion on other matter prescribed by the Companies Act 2006

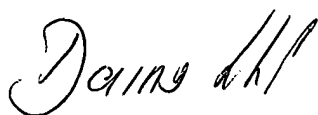
The original financial statements for the year ended 31 May 2015 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in the statement contained in note 2.11 to these revised financial statements.

In our opinion the information given in the Directors' Report for the financial year for which the revised financial statements are prepared is consistent with those revised financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the revised financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the revised financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

19 September 2019

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Statement of Comprehensive Income
As at 31 May 2015

	Note	Designated Project Funding £	Operational Activity £	Total 2015 £	Total 2014 £
Operational income		-	3,275,218	3,275,218	832,902
Grant and project income		47,313,500	-	47,313,500	-
	3	47,313,500	3,275,218	50,588,718	832,902
Grants issued		(1,997,788)	(133,278)	(2,131,066)	(763,972)
Gross surplus		45,315,712	3,141,940	48,457,652	68,930
Administrative expenses		(7,258)	(400,736)	(407,994)	(332,165)
Operating surplus/(deficit)		45,308,454	2,741,204	48,049,658	(263,235)
Interest receivable and similar income	5	139,891	-	139,891	192,601
Interest payable and expenses	6	-	-	-	(143)
Surplus/(deficit) on ordinary activities before taxation		45,448,345	2,741,204	48,189,549	(70,777)
Taxation		-	-	-	-
Surplus/(deficit) for the financial year		45,448,345	2,741,204	48,189,549	(70,777)
Total comprehensive income for the year		45,448,345	2,741,204	48,189,549	(70,777)

The notes on pages 9 to 16 form part of these financial statements.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)
Registered number:07635395

Balance Sheet
As at 31 May 2015

	Note	2015 £	2014 £
Current assets			
Debtors: amounts falling due after more than one year	7	890,250	-
Debtors: amounts falling due within one year	7	47,313,500	823,093
Cash at bank and in hand	8	24,223,284	22,101,638
		<u>72,427,034</u>	<u>22,924,731</u>
Creditors: amounts falling due within one year	9	(1,585,348)	(272,594)
Net current assets		<u>70,841,686</u>	<u>22,652,137</u>
Total assets less current liabilities		<u>70,841,686</u>	<u>22,652,137</u>
Net assets		<u><u>70,841,686</u></u>	<u><u>22,652,137</u></u>
Capital and reserves			
Reserves	11	<u>70,841,686</u>	<u>22,652,137</u>
		<u><u>70,841,686</u></u>	<u><u>22,652,137</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 September 2019.



P Hanlon
Director

The notes on pages 9 to 16 form part of these financial statements.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Statement of Changes in Equity
For the Year Ended 31 May 2015

	Reserves £	Total equity £
At 1 June 2013	22,722,914	22,722,914
Deficit for the year	(70,777)	(70,777)
Total comprehensive income for the year	(70,777)	(70,777)
At 1 June 2014	22,652,137	22,652,137
Surplus for the year	48,189,549	48,189,549
Total comprehensive income for the year	48,189,549	48,189,549
At 31 May 2015	70,841,686	70,841,686

The notes on pages 9 to 16 form part of these financial statements.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 May 2015

	2015 £	2014 £
Cash flows from operating activities		
Surplus/(deficit) for the financial year	48,189,549	(70,777)
Adjustments for:		
Interest payable	-	143
Interest receivable	(139,891)	(192,601)
(Increase)/decrease in accrued income	(47,013,500)	439,118
Increase in other loans and debtors	(367,157)	(523,093)
Increase/(decrease) in creditors	1,312,754	(27,406)
Net cash generated/(used) in operating activities	1,981,755	(374,616)
Cash flows from investing activities		
Interest received	139,891	192,601
Net cash from investing activities	139,891	192,601
Cash flows from financing activities		
Interest paid	-	(143)
Net cash used in financing activities	-	(143)
Net increase/(decrease) in cash and cash equivalents	2,121,646	(182,158)
Cash and cash equivalents at beginning of year	22,101,638	22,283,796
Cash and cash equivalents at the end of year	24,223,284	22,101,638
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	24,223,284	22,101,638

The notes on pages 9 to 16 form part of these financial statements.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 May 2015

1. General information

The Greater Birmingham and Solihull Local Enterprise Partnership Limited is a private company, limited by guarantee and registered in England and Wales. The address of the registered office is given on the Company Information page. The principal activities of the Company are to promote sustainable private sector investment and growth, business efficiency and competitiveness, economic development and regeneration, and employment in the Greater Birmingham and Solihull area.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

FRS 102 is mandatory for accounting periods beginning on or after 1 January 2015, but may be applied early to periods ending on or after 31 December 2012. The Greater Birmingham and Solihull Local Enterprise Partnership Limited has taken the option to apply the standard early in the preparation of these financial statements.

The following principal accounting policies have been applied:

2.2 Income

Government grants for projects are accounted for under the performance model as permitted by Financial Reporting Standard 102. Government grants are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Other government funding is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Other income is recognised on an accruals basis.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.4 Grant expenditure

Grant expenditure is recognised when there is a legal or constructive obligation, it is probable that settlement is required and the amount can be measured reliably.

2.5 Taxation

The Company operates as a not-for-profit entity, and receives direct financial support from constituent local authorities in addition to grants from Government. It does not carry out a trade for tax purposes. As a result, the net surplus arising from these activities is non-trading and is exempt from corporation tax. The Company is liable to corporation tax on bank interest and other investment income.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

2. Accounting policies (continued)

2.6 Presentation of Statement of Comprehensive Income

Due to the nature of the Company's activities, the directors consider that it would be inappropriate to present the Statement of Comprehensive Income in either of the standard formats recognised by the Companies Act 2006. The format adopted has been selected as it presents the categories of income and expenditure more accurately for readers of the financial statements.

2.7 Debtors

Debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

2.11 Amending financial statements

These are amending financial statements to provide clear line of sight as to how monies have flowed between the Company and Birmingham City Council, as the Accountable Body for the funds, as well as the internal expenses incurred by the the Company in discharging its duties. These amended financial statements now incorporate a Directors' Report, an Auditor's Report, a Statement of Comprehensive Income, a Balance Sheet, a Statement of Changes in Equity and Notes to the Financial Statements, and they replace the original financial statements and are now the statutory financial statements for the year ended 31 May 2015.

3. Income

The whole of the income is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Income arising in the year is analysed into either Operational Activity or designated Project Funding. Operational Activity includes revenue income received to cover the day to day core funding requirements of the LEP such as administration costs and staff remuneration. It also includes revenue income to fund certain projects undertaken directly by the LEP. Designated Project Funding includes capital income received for specific projects which are then distributed by the LEP to third parties. They are generally funds provided by Government or other agencies. Costs directly attributable to designated projects are charged against this income and shown as an expense.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

4. Employees

The average monthly number of Birmingham City Council employees contracted to work on The Greater Birmingham and Solihull Local Enterprise Partnership Limited, including the directors, during the year was as follows:

	2015	2014
	No.	No.
Directors	24	25
Delivery team	10	7
	<u>34</u>	<u>32</u>

The directors do not receive any emoluments.

5. Interest receivable

	2015	2014
	£	£
Other interest receivable	<u>139,891</u>	<u>192,601</u>

6. Interest payable and similar charges

	2015	2014
	£	£
Bank interest payable	<u>-</u>	<u>143</u>

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

7. Debtors

	2015 £	2014 £
Due after more than one year		
Other loans	890,250	-
	<u>890,250</u>	<u>-</u>
Due within one year		
Other loans	-	486,376
Other debtors	-	36,717
Accrued income	47,313,500	300,000
	<u>47,313,500</u>	<u>823,093</u>

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

8. Cash and cash equivalents

	2015 £	2014 £
Accountable Body funds: capital		
Growing Places Fund (GPF)	19,047,391	19,121,445
	<u>19,047,391</u>	<u>19,121,445</u>
Accountable Body funds: revenue		
Growing Places Fund (GPF)	1,715,222	1,635,859
Business Rates Pool (BRP)	2,960,671	844,334
Unrestricted core funds	500,000	500,000
	<u>5,175,893</u>	<u>2,980,193</u>
	<u><u>24,223,284</u></u>	<u><u>22,101,638</u></u>

The Accountable Body funds are held on deposit on behalf of the GBSLEP by Birmingham City Council, capital funds being interest-bearing.

The capital funds are received prior to distribution to applicants as grants or loans for projects that support the delivery of the LEP's Strategic Economic Plan and have been allocated to specific projects, with expenditure planned in future years.

The GPF revenue fund was provided by government to support feasibility and master planning for capital infrastructure projects.

The BRP is GBSLEP's share of the Greater Birmingham and Solihull BRP which is received each year and used to finance revenue projects that support the delivery of the LEPs Strategic Economic Plan.

The balance of revenue funds represents the LEP's core funding allocation from Government.

9. Creditors: Amounts falling due within one year

	2015 £	2014 £
Other creditors	1,585,348	272,594
	<u><u>1,585,348</u></u>	<u><u>272,594</u></u>

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

10. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets measured at undiscounted amounts receivable	<u>72,427,034</u>	<u>22,924,731</u>
Financial liabilities		
Financial liabilities measured at undiscounted amounts payable	<u>(1,585,348)</u>	<u>(272,594)</u>

Financial assets measured at undiscounted amounts receivable comprise other loans, others debtors, accrued income and cash and cash equivalents.

Financial liabilities measured at undiscounted amounts payable comprise other creditors.

11. Reserves

The reserves represent cumulative surpluses or deficits, net of other adjustments, as follows:

	2015 £	2014 £
Capital projects:		
Growth Deal (LGF) 1 & 2	47,313,500	-
Growing Places Fund: Capital	18,352,293	19,335,227
	<u>65,665,793</u>	<u>19,335,227</u>
Revenue projects:		
Growing Places Fund: Revenue	1,715,222	1,672,576
Enabling Fund (BRP)	2,960,671	1,144,334
Administration Reserve	500,000	500,000
	<u>5,175,893</u>	<u>3,316,910</u>
	<u><u>70,841,686</u></u>	<u><u>22,652,137</u></u>

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

11. Reserves (continued)

The increase in reserves of £48.2m is an overall surplus; this reflects grant income received in excess of the grants distributed from grant reserves during the year.

The Growth Deal reserve is part of the LEP's agreed Growth Deal programme from government and is committed to specific capital projects. This funding will be advanced to those projects during the next financial year.

The Growing Places reserves represent funding received from government for the purposes of providing pump-priming financial support for capital infrastructure projects through the provision of grants and loans.

The SEP Enabling Fund is funded by BRP income, and relates to revenue projects to enable economic development and growth across the LEP area.

The Administration reserve consists of revenue funding received from government for the purposes of administering the LEP, the Growth Hub and the various programmes.

12. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

13. Contingent liabilities

The financial statements have been prepared on the basis that the Company does not carry out a trade for tax purposes and therefore is not subject to corporation tax on the net surplus arising from these non-trading activities. This is contingent on receiving confirmation from HM Revenue and Customs that they concur with this view.

14. Other financial commitments

GPF Mezzanine Fund

The Growing Places Fund (GPF) Committee approved in principle in February 2014 that the recycled funds should form part of a pack of resources along with funds provided by RGF, WMPF and other LEP's GPFs, to create a £56m Mezzanine Fund.

The LEP Board approved in March 2014 that up to £10m should be committed from recycled GPF monies to the Mezzanine Fund to support SMEs within the GBSLEP area.

No GPF monies were paid into the Mezzanine Fund in the year.

The Greater Birmingham and Solihull Local Enterprise Partnership Limited
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Notes to the Financial Statements
For the Year Ended 31 May 2015

15. Related party transactions

Birmingham City Centre Enterprise Zone

The Company is responsible for the delivery of the Birmingham City Centre Enterprise Zone, but Birmingham City Council acts as accountable body for Local Enterprise Zones.

Income and expenditure in respect of the Birmingham City Centre Enterprise Zone is therefore not recorded in this Company's financial statements. This is reported in the financial statements of Birmingham City Council.

Greater Birmingham and Solihull Business Rates Pooling Arrangement

The Greater Birmingham and Solihull Business Rates Pool (the Pool) was designated by the Secretary of State in accordance with paragraph 34 of Schedule 7B to the Local Government Finance Act 1988 as a pool of authorities for the purposes of the scheme for the local retention of business rates under schedule 7B to the Act.

Birmingham City Council entered into a pooled budget arrangement in 2013/14 with seven other local authorities including acting as intermediary between the authorities and government in respect of top-up/tariff payments, following the introduction of the Business Rates Retention Scheme. The objective of the Pool is to adopt a strategic approach to promoting growth and job creation that supports the Greater Birmingham and Solihull Local Enterprise Partnership's Strategy for Growth.

The funding provided to the pooled budget includes tariff payments that would otherwise have been paid to the Government. The expenditure met from the budget paid to the Council includes an element of its top-up payments that it would otherwise have received from the Government.

For 2014/15, the Company expects to receive £Nil from the Pool (2013/14 - £307,506).

16. Controlling party

There is no one ultimate controlling party.