



Ministry of Housing,  
Communities &  
Local Government

Chief Executives of constituent authorities of

Liverpool City Region Combined Authority

14 May 2018

Dear Chief Executive

**The Liverpool City Region Combined Authority (Business Rate Supplements Functions) Order**

I am writing to seek the formal consent of your local authority to the making of this Order, which if approved by Parliament and made would confer on the Combined Authority the powers in the Business Rates Supplements Act 2009 to levy business rate supplements; the Order would also provide for those powers to be exercised by the Mayor.

I enclose a copy of the Draft Liverpool City Region Combined Authority (Business Rate Supplements Functions) Order 2018 which we intend to lay before Parliament at the beginning of June. Before doing so, we need the formal consent to the making of the Order from your local authority, and from the mayor and Combined Authority to whom I am also writing in similar terms to this letter. Making this Order would fulfil a commitment in the devolution deal agreed with councils in your area in November 2015.

Key features of the powers to be conferred are:

- a) money raised from a supplement must be used for a project or projects that will promote economic growth in the area; it must be additional expenditure – that is, expenditure that would not otherwise have been incurred – and cannot be put towards the authority's day-to-day costs for services which it has existing obligations to provide;
- b) before levying any supplement, the Mayor would be required to consult on and publish a prospectus setting out benefits of the proposed project or projects that the supplement would fund, and the duration of the supplement;
- c) the proposed supplement is then subject to a ballot of businesses that would be affected; both a majority of affected individual rate-payers who vote must approve it and the aggregate rateable value of those businesses in favour must exceed those against; that vote applies for the duration of the levy concerned;
- d) the total of supplements levied by the mayor in any year cannot exceed two pence in the pound, and may be levied only on business properties with a rateable value of at least £50,000 or such higher figure as the Mayor may decide; the Mayor may also apply such reliefs as may be set out in the prospectus.

I would be grateful to receive your local authority's consent by noon, Tuesday 29 May. If you have any queries, please contact Luke Scofield on 0303 444 2562, or [luke.scofield@communities.gsi.gov.uk](mailto:luke.scofield@communities.gsi.gov.uk)

Yours Sincerely,

**P ROWSELL**

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