

#### Appendix A- Business Rate Retention

**WDC estimated business rates baseline 2013/2014 (what we collect) = £63,343,000**

**WDC baseline funding level (formula grant) = £7,180,000**

WDC is a tariff authority (i.e. we collect more business rates than we need) therefore we will be subject to a tariff equal to the difference between what we collect and what we need.

**WDC tariff 2013/14 = £56,163,000**

Being a tariff authority we will also pay a proportionate levy against the amount of business growth an authority can retain from its share.

**WDC levy on business growth (7,180,000/63,343,000) = 89%**

In order to achieve business growth an authority would need to increase its business rates baseline by more than the Retail Price Index (RPI).

If we assume for 2012/2013 our business baseline increases by 3.5% and RPI is 2.5%

**WDC growth 2012/2013 (1% of 63,343,000) = 633,430**

**Less levy @ 89% = 561,630**

**Growth retained above RPI = 71,800**

#### WDC baseline funding 2014/15

**2012/13 baseline + RPI (2.5%) + retained growth = 7,431,000**