

The Business Rates Retention Scheme for Hammersmith and Fulham

		2019/20 £m
Step 1	Business Rates Baseline Notification from the government of the business Rates they expect LBHF to collect	123.0
Step 2	Tariff Payable to Government.	(45.0)
Step 3	Funding Baseline The income from business rates that government modelling assumes LBHF will retain	78.0
Step 4	Actual LBHF Forecast of Business Rates Income This is the initial forecast for 2019/20. Due to the impact of appeals it is significantly below what the government assume	74.0
Step 5	Safety Net Threshold Under the 75% Business Rates Retention pilot for London there is a guarantee that no Borough will receive less than 95% of their funding baseline (step 2). This compares to 92.5% without the pilot.	74.1
Step 6	Safety Net Compensation Sum Receivable by LBHF to bring it to the safety net threshold (Step 5 less Step 4)	0.1

The LBHF share of business rates income included in the 2019/20 budget is £74.1m. This is the minimum sum guaranteed by the safety net threshold. This is £3.9m lower than the funding baseline (step 3) assumed by the Government.