

### The Business Rates Retention Scheme for Hammersmith and Fulham

		2021/22 £m
Step 1	<b>Business rates baseline</b> Notification from the government of the business Rates they expect Hammersmith & Fulham to collect	78.155
Step 2	<b>Tariff</b> Payable to government	(16.299)
Step 3	<b>Funding baseline</b> The income from business rates that government modelling assumes Hammersmith & Fulham will retain	61.856
Step 4	<b>Actual Hammersmith &amp; Fulham forecast of business rates income</b> Due to the impact of appeals and Covid-19 the forecast income is below the safety net threshold. If the forecast falls below the threshold then compensating safety net grant is receivable from government.	51.843
Step 5	<b>Safety net threshold</b> The safety net threshold is set at 92.5% of the funding baseline and is the minimum amount of funding guaranteed by government.	57.217
Step 6	<b>Safety net compensation</b> Sum receivable by Hammersmith & Fulham to bring it to the safety net threshold (Step 5 less step 4).	5.374

The London Borough of Hammersmith & Fulham share of business rates income included in the 2021/22 budget is £57.217m. This is the minimum sum guaranteed by the safety net threshold. This is £4.640m lower than the funding baseline (step 3) assumed by the government.