

The Business Rates Retention Scheme for Hammersmith and Fulham

		2022/23 £m	2023/24 £m
Step 1	Business rates baseline Notification from the government of the business Rates they expect Hammersmith & Fulham to collect	78.713	84.369
Step 2	Tariff Payable to government	(16.299)	(14.022)
Step 3	Funding baseline The income from business rates that government modelling assumes Hammersmith & Fulham will retain	61.857	64.171
Step 4	Actual Hammersmith & Fulham forecast of business rates income Includes the Hammersmith & Fulham share of section 31 grant regarding retail, hospitality and leisure rate relief.	54.869	
Step 5	Safety net threshold 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	59.358
Step 6	Safety net compensation Sum receivable by Hammersmith & Fulham to bring it to the safety net threshold (Step 5 less step 4).	2.348	

The London Borough of Hammersmith & Fulham share of business rates income included in the 2023/24 budget is £59.358. This is the minimum sum guaranteed by the safety net threshold. This is £4.813m lower than the funding baseline (step 3) assumed by the government.