

Appendix G

The Business Rates Retention Scheme for Hammersmith and Fulham

		2023/24 £m	2024/25 £m
Step 1	Business rates baseline Notification from the government of the business Rates they expect Hammersmith & Fulham to collect	84.369	78.101
Step 2	Tariff Payable to government	(14.022)	(10.524)
Step 3	Funding baseline The income from business rates that government modelling assumes Hammersmith & Fulham will retain	64.171	67.577
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.	59.358	
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.	57.757	62.509
Step 6	Safety net compensation Sum receivable by Hammersmith & Fulham to bring it to the safety net threshold (Step 5 less step 4).	1.643	

The London Borough of Hammersmith & Fulham share of business rates income included in the 2024/25 budget is £62.5m. This is the minimum sum guaranteed by the safety net threshold. This is £5m lower than the funding baseline (step 3) assumed by the government.