

The Business Rates Retention Scheme for Hammersmith and Fulham

		2018/19 £m
Step 1	Business Rates Baseline Notification from the government of the business Rates they expect LBHF to collect	157.5
Step 2	Tariff Payable to Government.	(74.6)
Step 3	Funding Baseline The income from business rates that government modelling assumes LBHF will retain	82.9
Step 4	Actual LBHF Forecast of Business Rates Income This is the initial forecast for 2018/19. Due to the impact of appeals it is significantly below what the government assume	72.1
Step 5	Safety Net Threshold Under the 100% Business Rates Retention pilot for London there is a guarantee that no Borough will receive less than 97% of their funding baseline (step 2). This compares to 92.5% for previous years.	80.4
Step 6	Safety Net Compensation Sum Receivable by LBHF to bring it to the safety net threshold (step 5 less Step 4)	8.3

The LBHF share of business rates income included in the 2018/19 budget is £80.4m. This is the minimum sum guaranteed by the safety net threshold. This is £2.5m lower than the funding baseline (step 3) assumed by the Government.