

NON-CONFIDENTIAL
BOROUGH OF TAMWORTH



CABINET

18 January 2017

A meeting of the CABINET will be held on Thursday, 19th January, 2017, 6.00 pm
in Committee Room 1 - Marmion House

A G E N D A

NON CONFIDENTIAL

- 7 **Business Rates Income Forecast 2017/18** (Pages 1 - 22)
(Report of the Portfolio Holder for Assets and Finance)

Yours faithfully

A handwritten signature in black ink, appearing to be 'A. G. S.', written over a circular stamp or mark.

Chief Executive

People who have a disability and who would like to attend the meeting should contact Democratic Services on 01827 709264 or e-mail committees@tamworth.gov.uk preferably 24 hours prior to the meeting. We can then endeavour to ensure that any particular requirements you may have are catered for.

To Councillors: D Cook, R Pritchard, S Claymore, S Doyle, J Goodall and M Thurgood.

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19 January 2017

REPORT OF THE PORTFOLIO HOLDER FOR ASSETS AND FINANCE**BUSINESS RATES INCOME FORECAST 2017/18****EXEMPT INFORMATION**

None

PURPOSE

To report to and seek endorsement from Members on the Business Rates income forecast for 2017/18.

RECOMMENDATIONS

1. Members approve the Business Rates income forecast for 2017/18 and subsequent NNDR1 form for submission to DCLG by 31 January 2017, in line with the scheme of delegation.
2. Should material amendments be required to the forecast NNDR1, Cabinet authorise the Executive Director Corporate Services, in consultation with the Leader of the Council, to make such required amendments as necessary; and
3. Members note discretionary relief granted to qualifying bodies in line with the existing policy.

EXECUTIVE SUMMARY

The Department for Communities and Local Government (DCLG) requires that the Business Rates income forecast is formally approved by the Authority prior to submission – in line with local Governance arrangements. Business Rates income forms a significant part of the Council's core funding total under the Business Rates Retention Scheme. As such the forecast income from Business Rates will have a significant impact on the Council's budget and Medium Term Financial Strategy (MTFS) going forward.

A National Non-Domestic Rates (NNDR1) forecast has been prepared following receipt of detailed guidance from DCLG.

The three key issues with regards to the Business Rates Retention Scheme are:

- a) There is a significantly increased risk on the level of funding retained under the system as individual elements (such as appeals and void levels) have the potential to adversely alter the monetary value of this major source of income;

- b) It also transformed the Council's role in the collection process in terms of managing the local Business Tax base as collection levels will directly impact on the Council's funding resources, and
- c) The payment of new burdens (Section 31) Grants in line with projected estimates.

For 2017/18, the NNDR1 has been completed following a national revaluation exercise to create a new list of rateable values for all business properties in the UK – the 2017 list. The overall impact of the revaluation on the UK economy should be cost neutral with the Government revising the multiplier to compensate for an overall national increase in rateable values. However, there are significant regional variations with those properties in the South of England experiencing increasing rateable values and conversely those in the north a fall. Nationally the overall increase in rateable values was 9.1%, for the West Midlands it was 2.9% and for Tamworth it was 2.1%. Transitional protection (to limit the change in business rates to individual organisations) applies and is an additional complicating factor for the 2017/18 NNDR1. It also follows that the risk of appeals increases substantially when a new list is created.

The estimates included in the NNDR1 form for 2017/18 (as attached at **Appendix A for Members information**) have been prepared on the basis of instructions & guidance from DCLG informed by local conditions. However, there continue to be some uncertainties and risks around the methodology used in preparing the forecast return – specifically the treatment of:

- The level of inflation affecting the future increases to the multiplier;
- Forecast levels of growth in business rates;
- The estimated level of mandatory and discretionary reliefs;
- The estimated level of refunds of Business Rates following the Appeal process; and
- Finalisation of the ongoing treatment of Section 31 Grant funding (including Small Business Rate Relief Grant) – which could affect the calculation of any levy payment and thereby reduce retained Business Rate income;

To inform the projected business rates levels for 2017/18 and future years.

Key assumptions have been made which include national trend information from LG Futures and the Institute for Revenues Rating and Valuation in order to be able to estimate lost yield. This also includes an annual allowance for appeals as 3.5% of collectable debit. It should be noted that the multiplier will go up by RPI each year – 2% in 2017/18 (which was also adjusted for the national revaluation) followed by 3.2% p.a. for 2018/19 and 2019/20. Assumed growth/inflation of 1.6% has been assumed thereafter – as 100% Business Rates Retention should be in place from 2020/21 (at the latest).

The process for completion of NNDR1 by the statutory deadline of 31st January may be subject to further clarification from DCLG. It should also be noted that the latest software release for the NDNR system has recently been released and may also impact on the figures once tested and installed.

It is therefore recommended that should material amendments be required to the forecast NNDR1 prior to the statutory deadline of 31st January then these be delegated to the Executive Director Corporate Services in consultation with the Leader of the Council, with an update provided to Cabinet.

In addition it should be noted that the value of discretionary relief granted to charities and non-profit making bodies from 1 April 2016 to date is **£28,287.25**.

OPTIONS CONSIDERED

Not applicable

RESOURCE IMPLICATIONS

The estimate of Business Rates income collected and the submission of the NNDR1 return is a key stage in the budget setting and resource planning process of the Council, and will be used in preparing the Medium Term Financial Strategy 2017/18.

Four key issues in completing the forecast are:

1. the level of appeals estimated to be repayable in 2017/18;
2. the level of empty / void properties;
3. recovery levels including an allowance for bad debts; and
4. the level of future mandatory and discretionary relief.

Income from Business Rates Retention	NNDR1	Draft MTFS /	Variance
	Dec 2016 2017/18	Budgeted 2017/18	
Collectable	£34,547,097	£33,589,480	(£957,617)
Cost of Collection	(£91,080)	(£91,702)	(£622)
Transitional adj. to be paid to Central Govt.	(£1,322,640)	(£1,357,446)	(£34,806)
Estimated yield	£33,133,377	£32,140,332	(£993,045)
Authority Retained share	£13,253,351	£12,856,133	(£397,218)
Less: Tariff	(£9,791,708)	(£9,791,708)	-
Total	£3,461,643	£3,064,425	(£397,218)
Less: Authority Baseline	(£2,183,855)	(£2,183,855)	-
Total Growth	£1,277,788	£880,570	(£397,218)

The estimated net yield of £13,253,351 retained by the Council (after the Preceptors and Central Share) is held within the Collection Fund (compared to a budgeted yield of **£12,856,133**). This is reduced by the tariff payable of **£9,791,708** (**£10,639,952** in 2016/17) and the 50% levy on business rates in excess of the Government assessed baseline. Additional funding of **£397,218** (**less increased levy of £210,704 and revised S.31 Grant of £94,869**) is reported when compared to the Draft MTFS forecast.

Once the projected surplus for 2016/17 of **£338,112** and forecast Section 31 Grant & projected levy changes are taken into account, an overall increase in funding of **£619,495** is reported for 2017/18.

This will be updated within the final MTFS report in February 2017.

LEGAL/RISK IMPLICATIONS BACKGROUND

Business Rates is a highly complex and volatile tax and it is exceptionally difficult to forecast movements over a short to medium term with great accuracy. Due to ongoing uncertainties and the anticipated late notification from DCLG clarifying the guidance and associated treatment of key factors within the return, this adds a significant amount of uncertainty and risk to the projections contained within the return.

Given the potential implications for the Council's key income streams, modelling software (Analyse Local) has been used in forecasting – including appeal levels – and the identification of new areas of income.

Key issues which affect forecasting Business Rates are covered below:

- Changes in liability resulting from a change in occupancy;
- Appeals against rating decisions;
- Demolitions and the point at which properties are removed from the rating list;
- New Builds and the point at which rateable occupation is triggered;
- Changes in building use and alterations to building size or layout;
- Changes in entitlement to reliefs;
- Action taken by property owners/occupiers to avoid full liability and maximise Relief particularly empty property and charitable relief;
- Changes in the provision for doubtful debts.

Fluctuations in Business Rates income are also strongly linked to the performance of the wider economy. For example, in an economic downturn there is a heightened risk of properties being left empty and lower levels of development activity.

Risks associated with the NNDR process, and action taken to mitigate those risks, are set out in the table below.

Risk	Mitigation	Risk Factor
Appeals estimated to be repayable in 2017/18 relating to all years	Past data has been reviewed and a robust estimate included (using Analyse Local modelling software) and will be monitored closely during the year;	High
Uncertainties around the calculations contained within the form, especially in relation to Section 31 grant levels	A prudent approach has been taken in the inclusion of new burdens (Section 31) grant funding.	Medium
Empty / void properties;	Revenues continue to work with Economic Development staff to maximise occupancy and rates payable;	Medium / High
Recovery levels including an allowance for bad debts;	Close monitoring and additional recovery actions (court, enforcement agents etc.);	Medium
Future mandatory and discretionary relief.	A review of the policy was undertaken in 2014/15 – reflecting the economic climate. This will be closely monitored during the year. A review is planned early in 2017.	Medium

The Government, in setting baseline figures for the Council, has made allowances for the above in their estimates based on past collection levels adjusted for allowances for future changes (e.g. a 4.7% allowance for appeals has been included) – should collection levels locally fall below these assumed levels then there will be a detrimental impact on the Council's income and the associated Medium Term Financial Strategy.

The Non-Domestic (Rates Retention) Regulations 2013 and the Department for Communities and Local Government – National Non-Domestic Rates Return 1 (NNDR1 2017/18) requires Cabinet approval of the tax base by 31 January 2017.

SUSTAINABILITY IMPLICATIONS

- The localism agenda and its implications.
- The ability to support local businesses.
- The ability to attract and retain local businesses.
- Discretionary Rate Relief policy and the budgetary implications for the Council.

BACKGROUND INFORMATION

The Business Rates system is set out below to illustrate the stages of calculating the revised level of income the Council can expect in a two tier County.

1. The Council bills businesses for the Business Rates income due within the local area.
2. 50% of the whole amount due is paid over to Central Government to be incorporated into the Revenue Support Grant (RSG) funding regime.
3. The remaining 50% retained by the Council is then split 80%/18%/2% with the 80% share being retained by the Council, 18% going to the County Council and 2% being the Fire Authority's share.
4. From here on in, a mechanism of adjustments are applied to:
 - (a) protect the Councils who are disproportionately financially worse off, and
 - (b) reduce the income of Councils who are significantly better off as a result of this fundamental change in methodology.
5. The cash value of the Council's share is compared to an amount that Central Government has pre-determined is required by the Council.
6. If the Council's retained amount exceeds this predetermined level the excess has to be paid over to Central Government in the form of a Tariff.
7. Conversely if the amount is less, the Council will receive a Top Up payment.
8. The predetermined level of income contains an assumed level of growth. If the Council grows its tax base in excess of this assumed level and receives a greater amount of income, a levy will be placed on the additional income gained. This, in effect, places a cash limit on the amount the Council is able to benefit as a result of tax base growth.
9. If the Council, however, suffers a loss of income due to large scale business decline and income falls below a threshold of 92.5% of the assessed baseline

funding, this level of loss would trigger a safety net payment. Any losses above this limit would be subject to payment in accordance with the pooling governance arrangements.

10. The Council is a member of the Greater Birmingham and Solihull LEP pool and as such will avoid a levy payment to DCLG (as the pool is a net Top Up) and also no safety net payment will be payable.

11. Central Government utilises the current Business Rates data submission forms returned by Councils to administer the system. Namely, NNDR1 (forward looking and forecasting income to be collected and movements in tax base) and NNDR3 (year-end backward looking return of actual income due and collected, audited by the external auditor.)

The above stages have been simplistically listed in comparison to the detailed technical mechanics of the new process. This hopefully provides some perspective to the complexities and variables of the regime and thereby gives a flavour of the degree of risk the Council's MTFS is exposed to.

The role, and therefore profile, of NNDR1 has now become increasingly more important as the Council needs to submit a forecasted level of growth or decline in Business Rate income.

This will invariably impact directly on the amount of income retained to fund the Council's total budget. Robust arrangements have been put in place to monitor Business Rate income going forward.

NNDR1 RETURN

Although an NNDR 1 return has previously been made on an annual basis, approved by the Section 151 officer, under the current regulations, Cabinet is required to formally approve the expected Business Rates income for the forthcoming year. The deadline for approval is 31st January 2017.

The Business Rates income is the net rate income yield for 2017/18. This is calculated as follows:-

Gross Rates Yield:

Total Rateable Value x NNDR rate multiplier

Less:

- Mandatory Reliefs
- Discretionary Reliefs
- Estimated losses on Collection
- Allowance for cost of collection(as set by formula)

Add:

- Enterprise Zones
- New Development Deals
- Renewable Energy Schemes
- Plus or Minus Rate Retention Adjustments for change in rateable value due to growth

or reduction in property numbers
 Adjustments due to appeals
 Net Business Rate yield and base of the calculation of central and local shares

This information is all collated on the NNDR 1 form (**APPENDIX A**).

The net yield from Business Rates for 2017/18 per NNDR 1 return is **£33,133,377**.

After the submission of the NNDR 1, the calculation for the allocation of net Business Rate yield is completed. The allocation is in the proportion of:

50% to Central Government
 40% to the Local Billing Authority
 10% to the other Precepting bodies (9% to Staffordshire County Council and 1% to Staffordshire Fire & Rescue Authority).

Income from Business Rates Retention	NNDR1 Dec 2016 2017/18	Draft MTFS (Jan 2017) / Budgeted 2017/18	Variance
Collectable	£34,547,097	£33,589,480	(£957,617)
Cost of Collection	(£91,080)	(£91,702)	(£622)
Transitional adj. to be paid to Central Govt.	(£1,322,640)	(£1,357,446)	(£34,806)
Estimated yield	£33,133,377	£32,140,332	(£993,045)
Authority Retained share	£13,253,351	£12,856,133	(£397,218)
Less: Tariff	(£9,791,708)	(£9,791,708)	-
Total	£3,461,643	£3,064,425	(£397,218)
Less: Authority Baseline	(£2,183,855)	(£2,183,855)	-
Total Growth	£1,277,788	£880,570	(£397,218)
Section 31 Grants			
SBRR	£356,650	£270,125	(£86,525)
Other S31 Grants	£52,608	£44,264	(£8,344)
50% Levy payable	(£843,523)	(£632,819)	£210,704
Add: Baseline	£2,183,855	£2,183,855	-
Total	£3,027,378	£2,745,995	(£281,383)
Draft MTFS assumption	£2,745,995	£2,745,995	--
(Addition) / reduction in funding level	(£281,383)	-	£281,383
Total for the year	£34,069,738	£32,232,034	(£1,837,702)

Total Retained for the year	£3,027,378	£2,745,995	(£281,383)
Draft MTFS assumption	£2,745,995	£2,745,995	-
(Addition) / reduction in funding level	(£281,383)	-	(£281,383)
Estimated Surplus / (Deficit) b/fwd	£338,112	-	(£338,112)
Total (Addition)/ Reduction in funding level			(£619,495)

Central Share (DCLG)	£16,566,688	£16,070,166	(£496,522)
Borough Council	£13,253,351	£12,856,133	(£397,218)
County Council	£2,982,004	£2,892,630	(£89,374)
Fire & Rescue Authority	£331,334	£321,403	(£9,931)

Totals including Surplus / (Deficit) b/fwd

Estimated surplus b/fwd	£845,281	-	(£845,281)
Central Share (DCLG)	£16,989,329	£16,070,166	(£919,163)
Borough Council	£13,682,543	£12,947,835	(£734,708)
County Council	£3,058,079	£2,892,630	(£165,449)
Fire & Rescue Authority	£339,787	£321,403	(£18,384)

REPORT AUTHOR

Michael Buckland, Head of Revenues, Tel 709523
e-mail michael-buckland@tamworth.gov.uk

LIST OF BACKGROUND PAPERS

Local Government Finance Act 1988
Local Government Finance Act 2003
Local Government Finance Act 2012
The Non-Domestic(Rates Retention) Regulations 2013
Department for Communities and Local Government – National Non-Domestic Rates Return 1 (NDR1 2015/16)

APPENDICES

Appendix A (NDR1) gives details of the estimated Business Rates Income forecast for 2017/18.



Department for
Communities and
Local Government

NATIONAL NON-DOMESTIC RATES RETURN **NNDR1 2017-18**

Please e-mail to : nndr.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct authority name

Forms should be returned to the Department for Communities and Local Government by **Tuesday 31 January 2017**

All figures should be entered in whole £

Please remember that a copy of this form, signed by your Chief Financial Officer / Section 151 officer should also be sent to your relevant Precepting Authorities, and Pool Leads (if applicable).

These instructions highlight the special features of the form and should be read in conjunction with the Guidance Notes and Validation notes.

Completing the form

1. The form can be set up for each individual local authority by selecting the appropriate authority name from the list. The example shows the local authority ZZZZ. Once a local authority name is selected the spreadsheet will automatically complete the data for the white cells with a blue border.

2. There are three different type of input cells:



* White, Black Border - these are blank for new data - Please ensure all white cells are filled before submitting the form including entering zeroes where appropriate.



* White background, green border - These cells are information cells and have the appropriate formula in them.



* White background, blue border - actual data entered by the Department for Communities and Local Government into these cells.

The Total column is greened out - there is no need to enter data in any of these cells.

In addition areas of the form are greyed out - especially for those authorities that do not have designated areas. Please do not enter data in these areas as this will cause delay as we will have to ask you to complete a revised form.

Entering data

3. All values in the form should be entered in whole £. Except for part 1 of the form, **receipts** (eg sums due to the billing authority from ratepayers, or central government) should always be entered as **positive numbers**. **Payments from the authority, or amounts foregone** (eg reliefs given to ratepayers) should always be entered as **negative numbers**.

4. Where possible, you will be prevented from entering data with the wrong sign (+ve when it should be -ve or vice versa).

Updates

We will use this area to list any updates to the form in the future if required

Checking the Validation Sheet

5. Once the form has been completed go to the validation sheet and check if any of the data require any further explanation. The data are compared with the NNDR1 for 2016-17 and if the change in number or percentage terms is higher or lower than we would normally expect you are asked to provide a an explanation for the change in the box provided.

For further details on the types of checks we do see *Validation notes for NNDR1 2017-18*.

Signing the Form

6. When the data have been checked and verified please email the complete file to nndr.statistics@communities.gsi.gov.uk

7. Print a copy of the form for signing by your Chief Financial / Section 151 Officer. The form can be printed by using the defined print area.

The signed copy should be forwarded as a pdf document by email to Dennis Herbert at the Department for Communities and Local Government using the email address above. NB We require just one copy of a signed form.

8. A copy of the form should also be sent to your NNDR contact at all your major precepting authorities.

9. If you experience any problems using the form please email nndr.statistics@communities.gsi.gov.uk

**NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2017-18**

Please e-mail to: ndr.statistics@communities.gsi.gov.uk by no later than **31 January 2017**.
In addition, a certified copy of the form should be returned by no later than **31 January 2017** to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Select your local authority's name from this list:

Authority Name
E-code
Local authority contact name
Local authority contact number
Local authority e-mail address

Tamworth
E3439
Michael Buckland
01827 709523
michael-buckland@tamworth.gov.uk

Ver 1

PART 1A: NON-DOMESTIC RATING INCOME

COLLECTIBLE RATES

£

1. Net amount receivable from rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs and accounting adjustments 34,547,097

TRANSITIONAL PROTECTION PAYMENTS

2. Sums due to the authority 0

3. Sums due from the authority 1,322,640

COST OF COLLECTION (See Note A)

4. Cost of collection formula 91,080

5. Legal costs 0

6. Allowance for cost of collection 91,080

SPECIAL AUTHORITY DEDUCTIONS

7. City of London Offset : Not applicable for your authority 0

DISREGARDED AMOUNTS

8. Amounts retained in respect of Designated Areas 0

9. Amounts retained in respect of Renewable Energy Schemes (See Note B) 0

of which:

10. sums retained by billing authority 0

11. sums retained by major precepting authority 0

NON-DOMESTIC RATING INCOME

12. Line 1 plus line 2, minus lines 3 and 6 - 9 33,133,377

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2017-18

Please e-mail to: nndr.statistics@communities.gsi.gov.uk by no later than **31 January 2017**.
In addition, a certified copy of the form should be returned by no later than **31 January 2017** to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Local Authority : Tamworth

Ver 1.00

PART 1B: PAYMENTS

This page is for information only; please do not amend any of the figures

The payments to be made, during the course of 2017-18 to:

- i) the Secretary of State in accordance with Regulation 4 of the Non-Domestic Rating (Rates Retention) Regulations 2013;
- ii) major precepting authorities in accordance with Regulations 5, 6 and 7; and to be
- iii) transferred by the billing authority from its Collection Fund to its General Fund,

are set out below

	Column 1 Central Government	Column 2 Tamworth	Column 3 Staffordshire County Council	Column 4 Staffordshire Fire Authority	Column 5 Total
Retained NNDR shares					
13. % of non-domestic rating income to be allocated to each authority in 2017-18	£ 50%	£ 40%	£ 9%	£ 1%	£ 100%
Non-Domestic Rating Income for 2017-18					
14. Non-domestic rating income from rates retention scheme	16,566,688	13,253,351	2,982,004	331,334	33,133,377
15.(less) deductions from central share	0	0	0	0	0
16 TOTAL:	16,566,688	13,253,351	2,982,004	331,334	33,133,377
Other Income for 2017-18					
17. add: cost of collection allowance		91,080			91,080
18. add: amounts retained in respect of Designated Areas		0			0
19. add: amounts retained in respect of renewable energy schemes		0	0		0
20. add: qualifying relief in Enterprise Zones		0	0	0	0
21. add: City of London Offset		0			0
22. add: additional retained Growth in Pilot Areas		0	0	0	0
23. add: in respect of Port of Bristol hereditament		0			0
Estimated Surplus/Deficit on Collection Fund					
24. % of non-domestic rating income to be allocated to each authority in 2016-17 (for row 25)	£ 50%	£ 40%	£ 9%	£ 1%	£ 100%
25. Estimated Surplus/Deficit at end of 2016-17	422,641	338,112	76,075	8,453	845,281
TOTAL FOR THE YEAR					
26. Total amount due to authorities	£ 16,989,329	£ 13,682,543	£ 3,058,079	£ 339,787	£ 34,069,738

**NATIONAL NON-DOMESTIC RATES RETURN - NDR1
2017-18**

Please e-mail to: ndr.statistics@communities.gsi.gov.uk by no later than **31 January 2017**.
In addition, a certified copy of the form should be returned by no later than **31 January 2017** to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Local Authority : Tamworth

Ver 1.00

PART 1C: SECTION 31 GRANT (See Note C)

This page is for information only; please do not amend any of the figures

Estimated sums due from Government via Section 31 grant, to compensate authorities for the cost of changes to the business rates system announced in the 2013, 2014 & 2015 Autumn Statements

	Column 2 Tamworth	Column 3 Staffordshire County Council	Column 4 Staffordshire Fire Authority	Column 5 Total
	£	£	£	£
2015-16 Multiplier Cap				
27. Cost of 2% cap on 2015-16 small business rates multiplier	199,085	44,794	4,977	248,856
Small Business Rate Relief				
28. Cost of doubling SBRR & threshold changes for 2017-18	338,718	76,212	8,468	423,398
29. Cost to authorities of maintaining relief on "first" property	0	0	0	0
"New Empty" Property Relief				
30. Cost to authorities of giving relief to newly-built empty property	0	0	0	0
"Long Term Empty" Property Relief				
31. Relief on occupation of "long-term empty" property	0	0	0	0
Rural Rate Relief				
32. Cost to authorities of providing 100% rural rate relief	0	0	0	0
Local Newspaper Temporary Relief				
33. Cost to authorities of providing relief	609	137	15	761
Enterprise Zone qualifying relief in 100% pilot areas				
34. Amount of qualifying relief	0	0	0	0
TOTAL FOR THE YEAR				
35. Amount of Section 31 grant due to authorities to compensate for reliefs	538,412	121,143	13,460	673,015

NB To determine the amount of S31 grant due to it, the authority will have to add / deduct from the amount shown in line 35, a sum to reflect the adjustment to tariffs / top-ups in respect of the multiplier cap (See notes for Line 35)

Certificate of Chief Financial Officer / Section 151 Officer

I confirm that the entries in this form are the best I can make on the information available to me and amounts are calculated in accordance with regulations made under Schedule 7B to the Local Government Act 1988. I also confirm that the authority has acted diligently in relation to the collection of non-domestic rates.

Name of Chief Financial Officer
or Section 151 Officer :

Signature :

Date :

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2017-18

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1

Local Authority : Tamworth

PART 2: NET RATES PAYABLE

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas) Complete this column	Column 2 Designated areas Do not complete this column	Column 3 TOTAL (All BA Area) Do not complete this column
	£	£	£
GROSS RATES PAYABLE (All data should be entered as +ve unless specified otherwise)			
1. Rateable Value at <input type="text" value="25/09/2016"/>	<input type="text" value="81,800,216"/>	<input type="text" value="0"/>	<input type="text" value="81,800,216"/>
2. Small business rating multiplier for 2017-18 (pence) <input type="text" value="46.6"/>			
3. Gross rates 2017-18 (RV x multiplier)	<input type="text" value="38,118,901"/>	<input type="text" value="0"/>	
4. Estimated growth/decline in gross rates (+ = increase, - = decrease)	<input type="text" value="-12,078"/>	<input type="text" value="0"/>	
5. Forecast gross rates payable in 2017-18	<input type="text" value="38,106,823"/>	<input type="text" value="0"/>	<input type="text" value="38,106,823"/>
TRANSITIONAL ARRANGEMENTS (See Note E)			
6. Revenue foregone because increases in rates have been deferred (Show as -ve)	<input type="text" value="-1,040,220"/>	<input type="text" value="0"/>	<input type="text" value="-1,040,220"/>
7. Additional income received because reductions in rates have been deferred (Show as +ve)	<input type="text" value="2,362,860"/>	<input type="text" value="0"/>	<input type="text" value="2,362,860"/>
8. Net cost of transitional arrangements	<input type="text" value="1,322,640"/>	<input type="text" value="0"/>	
9. Changes as a result of estimated growth / decline in cost of transitional arrangements (+ = decline, - = increase)	<input type="text" value="0"/>	<input type="text" value="0"/>	
10. Forecast net cost of transitional arrangements	<input type="text" value="1,322,640"/>	<input type="text" value="0"/>	<input type="text" value="1,322,640"/>
TRANSITIONAL PROTECTION PAYMENTS (See Note F)			
11. Sum due to/(from) authority	<input type="text" value="-1,322,640"/>	<input type="text" value="0"/>	<input type="text" value="-1,322,640"/>
MANDATORY RELIEFS (See Note G) (All data should be entered as -ve unless specified otherwise)			
Small Business Rate Relief			
12. Forecast of relief to be provided in 2017-18	<input type="text" value="-1,668,527"/>	<input type="text" value="0"/>	<input type="text" value="-1,668,527"/>
13. of which: relief on existing properties where a 2nd property is occupied	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
14. Additional yield from the small business supplement (Show as +ve)	<input type="text" value="809,778"/>	<input type="text" value="0"/>	<input type="text" value="809,778"/>
15. Net cost of small business rate relief (line 12 + line 14)	<input type="text" value="-858,749"/>	<input type="text" value="0"/>	<input type="text" value="-858,749"/>
Charitable occupation			
16. Forecast of relief to be provided in 2017-18	<input type="text" value="-1,339,189"/>	<input type="text" value="0"/>	<input type="text" value="-1,339,189"/>
Community Amateur Sports Clubs (CASCs)			
17. Forecast of relief to be provided in 2017-18	<input type="text" value="-44,991"/>	<input type="text" value="0"/>	<input type="text" value="-44,991"/>
Rural rate relief			
18. Forecast of relief to be provided in 2017-18	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NDR1
2017-18

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1

Local Authority : Tamworth

PART 2: NET RATES PAYABLE

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas)	Column 2 Designated areas	Column 3 TOTAL (All BA Area)
19. Forecast of mandatory reliefs to be provided in 2017-18 (Sum of lines 15 to 18)	-2,242,929	0	
20. Changes as a result of estimated growth/decline in mandatory relief (+ = decline, - = increase)	-226,650	0	
21. Total forecast mandatory reliefs to be provided in 2017-18	-2,469,579	0	-2,469,579

UNOCCUPIED PROPERTY (See Note H) (All data should be entered as -ve unless specified otherwise)

Partially occupied hereditaments

22. Forecast of 'relief' to be provided in 2017-18

-42,500	0	-42,500
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Empty premises

23. Forecast of 'relief' to be provided in 2017-18

-1,131,771	0	-1,131,771
------------	---	------------

24. Forecast of unoccupied property 'relief' to be provided in 2017-18 (Line 22 + line 23)

-1,174,271	0	
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25. Changes as a result of estimated growth/decline in unoccupied property 'relief' (+ = decline, - = increase)

42,484	0	
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26. Total forecast unoccupied property 'relief' to be provided in 2017-18

-1,131,787	0	-1,131,787
-------------------	----------	-------------------

DISCRETIONARY RELIEFS (See Note J) (All data should be entered as -ve unless specified otherwise)

Charitable occupation

27. Forecast of relief to be provided in 2017-18

-21,274	0	-21,274
---------	---	---------

Non-profit making bodies

28. Forecast of relief to be provided in 2017-18

-2,185	0	-2,185
--------	---	--------

Community Amateur Sports Clubs (CASCs)

29. Forecast of relief to be provided in 2017-18

-4,589	0	-4,589
--------	---	--------

Rural shops etc

30. Forecast of relief to be provided in 2017-18

0	0	0
---	---	---

Small rural businesses

31. Forecast of relief to be provided in 2017-18

0	0	0
---	---	---

Other ratepayers

32. Forecast of relief to be provided in 2017-18

0	0	0
---	---	---

33. Relief given to Case A hereditaments

of which:	0	
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34. Relief given to Case B hereditaments

0		
---	--	--

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2017-18

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1

Local Authority : Tamworth

PART 2: NET RATES PAYABLE

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas)	Column 2 Designated areas	Column 3 TOTAL (All BA Area)
35. Forecast of discretionary relief to be provided in 2017-18 (Sum of lines 27 to 32)	-28,048	0	
36. Changes as a result of estimated growth/decline in discretionary relief (+ = decline, - = increase)	1,551	0	
37. Total forecast discretionary relief to be provided in 2017-18	-26,497	0	-26,497
DISCRETIONARY RELIEFS FUNDED THROUGH SECTION 31 GRANT (See Note K) (All data should be entered as -ve unless specified otherwise)			
"New Empty" properties			
38. Forecast of relief to be provided in 2017-18	0	0	0
"Long term empty" properties			
39. Forecast of relief to be provided in 2017-18	0	0	0
Rural Rate Relief			
40. Forecast of relief to be provided in 2017-18	0	0	0
Local Newspaper Temporary Relief			
41. Forecast of relief to be provided in 2017-18	-1,500	0	-1,500
42. Forecast of discretionary reliefs funded through S31 grant to be provided in 2017-18 (Sum of lines 38 to 41)	-1,500	0	
43. Changes as a result of estimated growth/decline in Section 31 discretionary relief (+ = decline, - = increase)	0	0	
44. Total forecast of discretionary reliefs funded through S31 grant to be provided in 2017-18	-1,500	0	-1,500
NET RATES PAYABLE			
45. Forecast of net rates payable by rate payers after taking account of transitional adjustments, unoccupied property relief, mandatory and discretionary reliefs	£ 35,800,100	£ 0	£ 35,800,100

Checked by Chief Financial / Section 151 Officer :

**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2017-18**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1

Local Authority : Tamworth

PART 3: COLLECTABLE RATES AND DISREGARDED AMOUNTS

You should complete column 1 only

	Column 1	Column 2	Column 3
	BA Area (exc. Designated areas) Complete this column	Designated Areas	TOTAL (All BA Area) Do not complete this column
	£	£	£
NET RATES PAYABLE			
1. Sum payable by rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs	35,800,100	0	35,800,100
(LESS) LOSSES			
2. Estimated bad debts in respect of 2017-18 rates payable	-143,200	0	-143,200
3. Estimated repayments in respect of 2017-18 rates payable	-1,109,803	0	-1,109,803
COLLECTABLE RATES			
4. Net Rates payable less losses	34,547,097	0	34,547,097
DISREGARDED AMOUNTS			
5. Renewable Energy	0	0	0
6. Transitional Protection Payment		0	
7. Baseline		0	
DISREGARDED AMOUNTS			
8. Total Disregarded Amounts		0	0
ENTERPRISE ZONES IN 100% PILOT AREAS			
9. Enterprise Zone Qualifying Relief	0	0	0
DEDUCTIONS FROM CENTRAL SHARE			
10. Enterprise Zone Qualifying Relief	0	0	0
Growth Pilot Areas			
11. Net Rates payable for Growth Baseline comparison: Not applicable	0		0
12. Growth Baseline : Not applicable	0		0
13. Additional Growth in 'Growth Pilot' Areas: Not Applicable	0		0
Port of Bristol			
14. In respect of Port of Bristol: Not applicable	0		0
DEDUCTIONS FROM CENTRAL SHARE			
15. Total Deductions	0	0	0

Checked by Chief Financial / Section 151 Officer :

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2017-18

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1

Local Authority : Tamworth

PART 4: ESTIMATED COLLECTION FUND BALANCE

OPENING BALANCE

1. Opening Balance (From Collection Fund Statement)

£

£

-1,772,649

BUSINESS RATES CREDITS AND CHARGES

2. Business rates credited and charged to the Collection Fund in 2016-17

34,635,077

3. Sums written off in excess of the allowance for non-collection

0

4. Changes to the allowance for non-collection

-94,410

5. Amounts charged against the provision for appeals following RV list changes

924,014

6. Changes to the provision for appeals

-992,104

7. Total business rates credits and charges (Total lines 2 to 6)

34,472,577

OTHER RATES RETENTION SCHEME CREDITS

8. Transitional protection payments received, or to be received in 2016-17

0

9. Transfers/payments to the Collection Fund for end-year reconciliations

0

10. Transfers/payments into the Collection Fund in 2016-17 in respect of a previous year's deficit

1,400,062

11. Total Other Credits (Total lines 8 to 10)

1,400,062

OTHER RATES RETENTION SCHEME CHARGES

12. Transitional protection payments made, or to be made, in 2016-17

-7,332

13. Payments made, or to be made, to the Secretary of State in respect of the central share in 2016-17

-16,577,837

14. Payments made, or to be made to, major precepting authorities in respect of business rates income in 2016-17

-3,315,568

15. Transfers made, or to be made, to the billing authority's General Fund in respect of business rates income in 2016-17

-13,262,270

16. Transfers made, or to be made, to the billing authority's General Fund; and payments made, or to be made, to a precepting authority in respect of disregarded amounts in 2016-17

-91,702

17. Transfers/payments from the Collection Fund for end-year reconciliations

0

18. Transfers/payments made from the Collection Fund in 2016-17 in respect of a previous year's surplus

0

19. Total Other Charges (Total lines 12 to 18)

-33,254,709

ESTIMATED SURPLUS/(DEFICIT) ON COLLECTION FUND IN RESPECT OF FINANCIAL YEAR 2016-17

20. Opening balance plus total credits, less total charges (Total lines 1, 7, 11 & 19)

£

845,281

Checked by Chief Financial / Section 151 Officer :

SUPPLEMENTARY INFORMATION ON HEREDITAMENTS BEING GRANTED RELIEF FROM NATIONAL NON-DOMESTIC RATES AND THE AMOUNT OF RELIEF GRANTED

Please complete the following questions on hereditaments that were being granted relief from national non-domestic rates and the amount of relief granted

If you have any queries on completing the form please contact
Dennis Herbert by email to nndr.statistics@communities.gsi.gov.uk

The completed form must be returned to nndr.statistics@communities.gsi.gov.uk
no later than 31 JANUARY 2017

Authority Name	Tamworth
E-code	E3439
Contact name	Michael Buckland
Contact number	01827 709523
Contact e-mail	michael-buckland@tamworth.gov.uk

Ver 1

PART 1 : NUMBERS OF HEREDITAMENTS THAT WERE BEING GRANTED RELIEF AS AT 31 DECEMBER 2016

MANDATORY RELIEF

	Number of hereditaments that were being granted relief as at 31 December 2016*
a. Number of hereditaments that were being granted charitable relief as at 31 December 2016*	88
b. Number of hereditaments that were being granted Community Amateur Sports Clubs relief as at 31 December 2016*	4
c. Number of hereditaments that were being granted rural general stores, post offices, public houses, petrol filling stations and food shops relief as at 31 December 2016*	0
d. Number of hereditaments that were being granted partly occupied premises relief as at 31 December 2016*	0
e. Number of hereditaments that were being granted empty property relief as at 31 December 2016*	79
of which:	
i. those that are classed as "industrial property" above the exemption threshold	8
ii. those that have "listed building status"	27
iii. those that are "Community Amateur Sports Clubs"	0
iv. those that are "charities"	1
v. those where the hereditament is empty and not included in categories i to iv	16
vi. those that are classed as "non-industrial" above the exemption threshold	27

DISCRETIONARY RELIEF

f. Number of hereditaments that were being granted charitable relief as at 31 December 2016*	29
g. Number of hereditaments that were being granted non-profit making bodies' relief as at 31 December 2016*	1
h. Number of hereditaments that were being granted Community Amateur Sports Clubs relief as at 31 December 2016*	4
i. Number of hereditaments that were being granted rural shops, post offices, public houses, petrol filling stations and food shops relief as at 31 December 2016*	0
j. Number of hereditaments that were being granted other small rural businesses relief as at 31 December 2016*	0
k. Number of hereditaments within Enterprise Zones being granted discounts as at 31 December 2016*	0
l. Number of hereditaments subject to a S47 local discount as at 31 December 2016*	0

DISCRETIONARY RELIEF FUNDED THROUGH SECTION 31 GRANT

m. Number of hereditaments receiving "New Empty" relief as at 31 December 2016*	0
n. Number of hereditaments receiving "Long-term Empty" relief as at 31 December 2016*	1

SMALL BUSINESS RATE RELIEF

o. Number of hereditaments contributing to the small business rate relief scheme by paying the additional supplement as at 31 December 2016*	511
p. Number of hereditaments that receive a discount from the small business rate relief scheme as at 31 December 2016*	612
of which:	
i. Hereditaments with a rateable value between £0 and £12,000 receiving the maximum discount	591
ii. Hereditaments with a rateable value between £12,001 and £15,000 receiving the discount on a sliding scale	21
q. Number of hereditaments that pay only the small business rate multiplier and are not granted a discount as at 31 December 2016*	928

* The data should be as at 31 December 2016 or as soon as possible after that date.

PART 2 : ESTIMATED VALUE OF RELIEF TO BE GRANTED IN 2017-18

Amount of relief to be granted in 2017-18 (£)

EMPTY PROPERTY RELIEF

a. Estimated value of empty property relief to be granted in 2017-18

-1,131,771

of which:

i. Relief to be given - industrial property above the exemption threshold

-170,587

ii. Relief to be given - listed building status

-188,360

iii. Relief to be given - Community Amateur Sports Clubs

0

iv. Relief to be given - charities

-3,305

v. Relief to be given where the hereditament is empty and is not included in categories i to iv

-9,764

vi. Relief to be given - "non-industrial" above the exemption threshold

-759,755

SMALL BUSINESS RATE RELIEF

b. The cost of small business rate relief for properties within the billing authority area

-1,668,527

of which:

i. Hereditaments with a rateable value between £0 and £12,000 that will receive the full discount

-1,596,154

ii. Hereditaments with a rateable value between £12,001 and £15,000 that will receive the discount on a sliding scale

-72,373

DATE OF LATEST INFORMATION

Date of latest information taken into account when calculating the figures on the supplementary form

03/01/2017

Notes :

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1

2017-18

Validation Checks

Local authority : Tamworth E3439
 Local authority contact name : Michael Buckland
 Local authority contact number : 01827 709523
 Local authority contact email address : michael-buckland@tamworth.gov.uk

This sheet automatically highlights any validation queries and provides space for your explanations
 The note NNDR1 Validation Checks 2017-18 provides further details on the validations we carry out. Please consult this when completing this validation sheet

Test	Data		Change		Parameters			Please comment below where required	
	VOA data	2017-18	Actual	%	Actual	%			
1	Check total RV	81,800,000	81,800,216	216	0%	0	10%	OK	
Mandatory Reliefs									
		2016-17	2017-18	Actual	%	Actual	%		
2	Cost SBR relief	-1,205,754	-1,668,527	462,773	38%	0	20%	Comment made	Numerous properties £6000+ 2010 RV, £12,000 or lower in 2017 list therefore now subject to 100% relief. Also splits following MAZARS case resulting in more qualifying hereditaments
3	Additional yield to finance SBRR	923,574	809,778	113,796	12%	0	20%	OK	
4	Net cost of SBRR	-282,180	-858,749	576,569	204%	0	20%	Comment made	See line 2
5	Cost of Charity relief	-1,236,516	-1,339,189	102,673	8%	0	20%	OK	
6	Cost of CASC relief	-36,559	-44,991	8,432	23%	20,000	20%	OK	
7	Cost of Rural relief	0	0	0	0%	5,000	15%	OK	
8	Cost of Partly Occupied relief	-142,500	-42,500	100,000	70%	250,000	20%	OK	
9	Cost of Empty property relief	-966,906	-1,131,771	164,865	17%	500,000	25%	OK	
Discretionary Reliefs									
		2016-17	2017-18	Actual	%	Actual	%		
10	Cost of Charity relief	-23,477	-21,274	2,203	9%	0	25%	OK	
11	Cost of non-profit bodies' relief	-2,057	-2,185	128	6%	50,000	25%	OK	
12	Cost of CASC Relief	-3,746	-4,589	843	23%	5,000	25%	OK	
13	Cost of rural shop relief	0	0	0	0%	5,000	25%	OK	
14	Cost of other rural relief	0	0	0	0%	5,000	25%	OK	
15	Cost of other discretionary relief	0	0	0	0%	50,000	25%	OK	
16	Class A hereditaments	0	0	0	0%	0	25%	OK	
17	Class B hereditaments	0	0	0	0%	0	25%	OK	
18	New empty properties	0	0	0	0%	50,000	25%	OK	
19	Long term empties	-61,527	0	61,527	100%	50,000	25%	Comment made	Scheme approaching end of life, no recent reoccupation of LTE proeprty
20	Net rates payable	34,634,909	35,800,100	1,165,191	3%	0	10%	OK	
Other checks									
		2016-17	2017-18	Actual	%	Actual	%		
21	Appeals provision (Part 3 Line 3)	-1,172,314	-1,109,803	62,511	5%	0	10%	OK	
22	Zero in surplus / deficit		845,281	n/a	n/a	0	n/a	OK	

Page 21

Number where comments are outstanding

0

Please provide any further comments below

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1

2017-18

Supplementary data - validation checks

Ver 1.0

Local authority : Tamworth E3439
 Local authority contact name : Michael Buckland
 Local authority contact number : 01827 709523
 Local authority contact email address : michael-buckland@tamworth.gov.uk

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 The note NNDR1 Validation Checks 2016-17 provides further details on the validations we carry out. Please consult this when completing this validation sheet

Test	Data		Change		Parameters				Please comment below where required
	2016-17	2017-18	Actual	%	Actual	%			
Mandatory Reliefs									
1	Charity relief	85	88	3	4%	50	10%	OK	
2	CASC relief	3	4	1	33%	10	0%	OK	
3	Rural shop relief	0	0	0	0%	10	0%	OK	
4	Partly Occupied relief	0	0	0	0%	10	0%	OK	
5	Empty relief	88	79	-9	-10%	100	30%	OK	
Discretionary Reliefs									
6	Charity relief	29	29	0	0%	40	30%	OK	
7	Non-profit bodies' relief	1	1	0	0%	20	0%	OK	
8	CASC Relief	3	4	1	33%	10	0%	OK	
9	Rural shop relief	0	0	0	0%	10	0%	OK	
10	Other rural relief	0	0	0	0%	10	0%	OK	
11	Enterprise granted relief	0	0	0	0%	10	0%	OK	
12	Local discount relief	0	0	0	0%	10	0%	OK	
13	SBBR - contributing	841	511	-330	-39%	100	10%	Comment made	Threshold rising from £18,000 to £51,000
14	SBBR - getting a discount	582	612	30	5%	100	10%	OK	
15	SBBR - RV between £0 & £12k	582	591	9	2%	100	10%	OK	
16	SBBR - RV between £12k & £15k		21			100	10%	Comment made	No comparable data to test against
17	SBBR - just lower multiplier		928			100	10%	Comment made	No comparable data to test against

		Total Hereds	Hereds included in lines 13, 14 & 17 above						
18	Number hereditaments in tests 13, 14 & 17 above compared to total number of hereditaments	2,030	2,051	21	1%	25	5%	OK	

Number where comments are outstanding 0

Please provide any further comments below