

**Addendum to Item 7.03 - Report of the Cabinet**

**Business Rates Income Forecast 2014/2015 and Projected Business Rates Income Outturn 2013/2014**

**Report of the Head of Financial Resources**

**1. Introduction**

- 1.1 In accordance with regulations, the Council must submit to Government by 31<sup>st</sup> January 2014
- the forecast outturn for Business Rates income for 2013/2014 and
  - the total estimated Business Rates income before transitional arrangements for the year 2014/2015.
- 1.2 The submission is to be made using a form known as the NNDR1. The information contained in the form provides the basis for
- the forecast Business Rates Collection Fund position at 31<sup>st</sup> March 2014 and
  - the estimated total Business Rate income for 2014/2015
- both to be apportioned in accordance with regulations between the Council, Central Government and the Tyne and Wear Fire and Rescue Authority.
- 1.3 At its meeting on 15th January 2014, cabinet agreed to provide delegated authority to the Head of Financial Resources, in consultation with the Leader of the Council and Cabinet Secretary, to approve the final version of the NNDR1 form to be submitted to Council.
- 1.4 The final NNDR1 form for submission to government is attached at Appendix 1 to this addendum with a summary of the position set out below.

**2. Forecast Outturn Business Rates Income 2013/2014**

- 2.1 The total net income forecast from Business Rates for 2013/2014 is £80.246m which results in a forecast deficit on the Business Rates Collection Fund at 31st March 2014 of £3.156m. This will be apportioned in accordance with the regulations as follows:

	£
Government	1,578,239
Tyne and Wear Fire and Rescue Authority	31,564
Sunderland City Council	1,546,674
Total	<u>3,156,477</u>

2.2 The deficit position reflects the anticipated reduction in income as a result of the level of successful valuation appeals, including amounts backdated prior to 1st April 2013.

2.3 As a consequence of the Business Rates Collection Fund deficit, the level of retained Business Rates income available to support the Councils Revenue Budget in 2014/2015 is reduced by £1.547m. The impact of this on the Revenue Budget for 2014/2015 is provided for within the Safety Net Reserve Budget Provision.

### **3. Estimated Business Rates income before transitional arrangements for the year 2014/2015**

3.1 The total estimated business rates income for 2014/2015, after taking into account the 2013/2014 deficit position is £80.634m which will be apportioned in accordance with the regulations as follows:

	£
Government	39,780,610
Tyne and Wear Fire and Rescue Authority	796,286
Sunderland City Council	40,056,962
Total	<u>80,633,858</u>

3.2 Business Rates income of £40.057m will be taken into account in finalising the Councils budget for 2014/2015.

**NATIONAL NON-DOMESTIC RATES RETURN - NDR1**  
**2014-15**

Please e-mail to: [nndr.statistics@communities.gsi.gov.uk](mailto:nndr.statistics@communities.gsi.gov.uk) by no later than 31 January 2014.  
 In addition, a certified copy of the form should be returned by no later than 31 January 2014 to  
 Dennis Herbert, Department for Communities and Local Government, Zone 5/J6 Eland House, Bressenden Place, London SW1E 5DU

All figures should be shown in whole £

Please check the Validation tab to see if there are any validation queries that need to be answered

Select your local authority's name from this list:

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

Sunderland
E4505

Ver 1.2

**PART 1B: PAYMENTS**

The payments to be made, during the course of 2014-15 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 Sunderland £	Column 3 £	Column 4 Tyne and Wear Fire £	Column 5 Total £
<b>Non-Domestic Rating Income for 2014-15</b>					
14. Non-domestic rating income from rates retention scheme	41,375,718	40,548,203	0	827,514	82,751,435
15. (less) qualifying relief in Enterprise Zones	16,870				16,870
16. TOTAL:	41,358,848				82,734,565
<b>Other Income for 2014-15</b>					
17. add: cost of collection allowance		333,613			333,613
18. add: amounts retained in respect of Enterprise Zones		705,287			705,287
19. add: amounts retained in respect of NDD Area		0			0
20. add: amounts retained in respect of renewable energy schemes		0	0		0
21. add: qualifying relief in Enterprise Zones		16,533	0	337	16,870
22. add: City of London Offset		0			0
<b>Estimated Surplus/Deficit on Collection Fund</b>					
23. Estimated Surplus/Deficit at end of 2013-14	-1,578,239	-1,546,674	0	-31,565	-3,156,477
<b>TOTAL FOR THE YEAR</b>					
24. Total amount due to authorities	39,780,610	40,056,962	0	796,286	80,633,858

**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 : .....