

Notice of:	LEADER OF THE COUNCIL
Decision Number:	PH2/2020
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Decision:	31 January 2020

NATIONAL NON-DOMESTIC RATE RETURN 1 FOR 2020/21

1.0 Purpose of the report:

1.1 The Council as a Billing Authority is required under the Local Government Finance Act 1988 to complete a National Non-Domestic Rate Return 1 (NNDR 1) each year. This provides an authority's calculation of its non-domestic rate income for the following financial year and the sums due to Central Government and relevant precepting authorities. This information for 2020/21 must be notified to the Secretary of State and to relevant preceptors by 31st January 2020. The 75% retention rate applicable to members of the Lancashire-wide 75% Business Rate Pilot Pool in 2019/20 has ceased. The 2020/21 NNDR1 return is attached at Appendix A and reflects the change back to the former 50% rate retention scheme and the former split between Central Government (50%), Blackpool Council (49%) and the Lancashire Fire Authority (1%) from 1st April 2020.

2.0 Recommendation(s):

2.1 To formally approve the National Non-Domestic Rate Return 1 for 2020/21 as attached at Appendix A.

3.0 Reasons for recommendation(s):

3.1 The Council is required under the Local Government Finance Act 1988 to complete the National Non-Domestic Rate Return 1 (NNDR1) each year. The deadline for submission of the NNDR1 2020/21 is 31st January 2020.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None, this is a statutory obligation.

4.0 Council Priority:

4.1 The relevant Council Priority is

- “The economy: Maximising growth and opportunity across Blackpool”

5.0 Background Information

5.1 The Council as a Billing Authority is required under the Local Government Finance Act 1988 to complete a National Non-Domestic Rate Return 1 (NNDR 1) each year. The National Non-Domestic Rate Return 1 provides a framework for the calculation of non-domestic rating income as required by the legislation and for the provision of information to Central Government for statistical purposes.

5.2 From 1st April 2013, under the Business Rates Retention Scheme, authorities retain a percentage of the rates income that they collect. Further percentages will be paid to Central Government and to relevant precepting authorities.

5.3 National Non-Domestic Rate Return 1 is an estimate of the business rates yield for 2020/21. Consideration has to be given for potential changes which could occur during the year to rateable values, rate reliefs awarded and losses on collection. A further return will be completed at the end of the financial year showing the actual yield and Revenues and Accountancy will monitor this frequently throughout the year to ensure collection is on track.

5.4 An authority’s calculation of its non-domestic rate income for 2020/21 and the sums due to Central Government and relevant precepting authorities have to be notified to the Secretary of State and to relevant preceptors by 31st January 2020.

Does the information submitted include any exempt information?

No

List of Appendices:

Appendix A - National Non-Domestic Rate Return 1 for 2020/21

6.0 Legal considerations:

6.1 The decision must be in line with the Local Government Finance Act 1988.

7.0 Human Resources considerations:

7.1 None

8.0 Equalities considerations:

8.1 An Equalities Impact Analysis will be completed for consideration with the Revenue Budget 2020/21.

9.0 Financial considerations:

9.1 The National Non-Domestic Rate Return 1 provides a framework for the calculation of non-domestic rating income as required by legislation.

10.0 Risk management considerations:

10.1 From 2013/14 local authorities are responsible, up to a 7.5% safety net, for meeting any shortfall in collection against their Business Rates Baseline Funding Level.

On 13th December 2018 the Ministry of Housing, Communities & Local Government (MHCLG) approved the establishment of a Lancashire-wide 75% Business Rate Pilot Pool (including Blackpool) in 2019/20, to share risk and reward. As part of this, the 50% rate retention scheme increased to 75% and Authorities in the pool forego Revenue Support Grant. The value of the Revenue Support Grant was taken into account when revised business rate tariffs and top-ups for the pilot authorities were set for 2019/20. The Government also increased the Safety Net from 92.5% to 95% for the new pilot pools.

The Pilot Scheme has now ceased and from 1st April 2020 Blackpool reverts back to the 50% rate retention scheme together with the reinstatement of Revenue Support Grant, impact on tariffs and top-ups and the Safety Net at 92.5%

The National Non-Domestic Rates collection rate will be continuously monitored.

11.0 Ethical considerations:

11.1 None

12.0 Internal/ External Consultation undertaken:

12.1 None

13.0 Background papers:

13.1 None

ONLY APPLICABLE FOR REPORTS WHICH WILL EVENTUALLY BE CONSIDERED BY THE EXECUTIVE/ CABINET MEMBER

14.0 Key decision information:

14.1 Is this a key decision? No

14.2 If so, Forward Plan reference number: N/A

14.3 If a key decision, is the decision required in less than five days? Yes

14.4 If **yes**, please describe the reason for urgency:

To meet the statutory deadline of 31st January 2020

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed:

Date approved:

17.0 Declarations of interest (if applicable):

17.1 None.

18.0 Executive decision:

18.1 The Leader of the Council agreed the recommendation as outlined above namely:

To formally approve the National Non-Domestic Rate Return 1 for 2020/21 as attached at Appendix A.

18.2 Date of Decision:

31 January 2020

19.0 Reason(s) for decision:

The Council is required under the Local Government Finance Act 1988 to complete the National Non-Domestic Rate Return 1 (NNDR1) each year. The deadline for submission of the NNDR1 2020/21 is 31st January 2020.

19.1 Date Decision published:

31 January 2020

20.0 Executive Members present:

20.1

21.0 Call-in:

21.1

22.0 Notes :

22.1