

# Report of the Director of Finance to the meeting of the Executive to be held on 10<sup>th</sup> January 2017

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**Subject:****CALCULATION OF BRADFORD'S COUNCIL TAX BASE AND BUSINESS RATES BASE FOR 2017-18****Summary statement:**

The purpose of this report is to calculate both the Council's Council Tax and Business Rates bases for 2017-18, which in turn will determine the amount of income the Council will raise locally in 2017-18.

The report is divided into two sections. Section A sets out how the Council Tax Base is calculated. It takes into account the Council's Council Tax Reduction Scheme, exemptions and discounts and an estimate of the growth in new residential builds. Section B estimates the amount of income that will be generated from Business Rates.

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**Overview & Scrutiny Area: Corporate**



## **1.0 SUMMARY**

- 1.1 The purpose of this report is to calculate both the Council's Council Tax and Business Rates bases for 2017-18, which in turn will determine the amount of income the Council will raise locally in 2017-18.
- 1.2 The report is divided into two sections. Section A sets out how the Council Tax Base is calculated and Section B estimates the amount of income that will be generated from Business Rates.

## **SECTION A – CALCULATION OF THE COUNCIL TAX BASE**

### **2.0 BACKGROUND**

- 2.1 The Local Government Finance Act 1992 requires every billing authority to calculate its Council Tax Base in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 2.2 These Regulations require each authority to make its own arrangements for deciding the Council Tax Base. For Bradford, the Executive will decide the 2017-18 Council Tax Base.
- 2.3 The Regulations also require Bradford to determine a separate Council Tax Base for each Local Council area (Parish or Town Council).
- 2.4 In addition, the Council Tax Base must be set between 1 December and 31 January. The West Yorkshire Fire and Police Joint Authorities must also be notified of the outcome of the calculation by 31 January 2017.
- 2.5 The purpose of Section A of this report is to
  - a) Calculate the Council Tax Base (Appendix A) (i.e. the amount of money which Bradford will raise for every £1 of council tax set) and not the level of council tax which will be set by Council on 23 February 2017 when the 2017-18 Budget is determined
  - b) Calculate the 2017-18 Council Tax Base for each Local Council (Appendix B).

### **3.0 CALCULATION OF THE COUNCIL TAX BASE**

- 3.1 The calculation of the Council Tax Base begins with the number of properties at a point in the current financial year. This is adjusted by the actual take up of discounts, exemptions and the impact of Council Tax Reduction scheme. The Council Tax Base is then projected forward into the 2017-18 year by estimating likely future changes, such as the growth in properties. Finally all the properties in different Council Tax Bands are all converted into Band D equivalents.
- 3.2 The number of properties has been derived from the valuation list at September 2016 (See Appendix A – Line 1). The Valuation Office Agency (an Executive Agency of Her Majesty's Revenue and Customs) has valued all domestic properties in the Bradford

District based on the market value as at 1 April 1991. The Valuation Officer allocates each domestic property into one of nine bands from Band A (properties valued below £40,000) to Band H (properties valued above £320,000).

- 3.3 The number of properties in each band has then been adjusted by the actual exemptions (Appendix A – Line 2) and discounts (Appendix A – Line 4) on the valuation list at October 2015. This calculation has been further adjusted for the impact of Council Tax Reduction (CTR) discounts (Appendix A – Line 5).
- 3.4 In 2017-18 CTR, which helps people with their Council Tax by reducing the overall amount they have to pay, will be in its fifth year of operation. The amount of CTR granted by the Council is taken off the Council Tax Base, with partial compensation for the reduction in the tax base being provided by the Government through Revenue Support Grant (RSG) (See para 4.2 for the impact of this on Local Tax Bases).
- 3.5 The CTR scheme is estimated to reduce the number of chargeable properties in the 2017-18 Council Tax Base by 31,212 (Appendix A – Line 5). When the number of chargeable properties is adjusted for the different weights of the Council Tax Bands, this equates to a reduction in Band D equivalents of 22,694 properties (Appendix A – Line 11).
- 3.6 The Council also has to make an adjustment for sums that will not be collected in the fullness of time. This helps prevent over-estimating the amount of total tax revenue that will be collected from the Council Tax Base. In the 2016-17 Council Tax Base, the provision for all sums that will not be collected was set at 2.3%. This provision will also be 2.3% for the 2017-2018 Council Tax Base (Appendix A – Line 8).
- 3.7 Before converting the number of taxable properties into Band D equivalents (para 3.8), a further adjustment has been made for the estimated net growth in properties from October 2016 to March 2018. The growth in properties has been estimated from an analysis of new buildings in progress as well as past trends (Appendix A – Line 6).
- 3.8.0 Finally to express the number of taxable properties (as calculated in paragraphs 3.2 to 3.7) as a number of Band D chargeable properties the following ratios are applied (Table below). In simple terms a property in Band H would be equivalent to two Band D properties; whilst one in Band A would only be equivalent to 2/3 of a Band D property.

<b>Band</b>	<b>Property Value</b>	<b>Ratio to Band D quoted precept</b>
A*		
A	Up to 40,000	6/9ths
B	40,000 – 52,000	7/9ths
C	52,001 – 68,000	8/9ths
D	68,001 – 88,000	9/9ths
E	88,001 – 120,000	11/9ths
F	120,001 – 160,000	13/9ths
G	160,001 – 320,000	15/9ths
H	Over 320,000	18/9ths

(Band A\* are properties in Band A entitled to disabled relief reduction)

- 3.9 Overall the Council tax base has increased by 2,747, from 133,505 band D equivalents in 2016-17 to 136,252 in 2017-18. Again, in terms of band D equivalents, around 1,200 of the increase relates to actual growth in new homes between September 2016 and September 2017. The full year effect of further growth is projected as 1,000 during 2017-18. The reduction in Council Tax Reduction and other changes account for the remaining increase.
- 3.10 The increase in the Council Tax base is also 1,997 above the July Medium Term Financial Strategy, which anticipated a Council Tax base of 134,255 (Executive 21 July Medium Term Financial Strategy).
- 3.11 This increase in the Council Tax base increases revenue above the Medium Term Financial Strategy by £2.4m in 2017-18.
- 3.12 Further a Council Tax surplus of £2m is projected for 2016-17, the benefit of which will be taken by Bradford in 2017-18.
- 3.13 Overall Council Tax income for 2017-18 is £4.4m above the Medium Term Financial Strategy.

#### **4.0 LOCAL COUNCIL TAX BASES**

- 4.1 Excluding CTR from the Council Tax Base (see paras 3.4 & 3.5), also excludes CTR from the tax bases from Local Councils. This is in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 4.2 Compensation for the tax bases of Local Councils being reduced as a result of CTR is provided to Bradford Council as part of its RSG, as opposed to being paid direct to each Local Council.
- 4.3 In 2017-18, Bradford proposes to passport in full the £161k the Government states in its Revenue Spending power calculations Bradford receives in its RSG for Council tax support for Local Councils.

## **SECTION B CALCULATION OF BUSINESS RATES BASE**

The purpose of Section B of the report is to approve the Council's 2017-18 Business Rates base (the estimated amount of Business Rates income it will raise).

### **5.0 BACKGROUND**

- 5.1 Under the current Business Rates Retention scheme, which started 1 April 2013, the Council retains 49% of all Business Rates income that it collects. 50% is paid over to central government and 1% to the West Yorkshire Fire Authority (WYFA). The Retention scheme includes a system of top up grants and tariffs to equalise between the relative needs assessment and the Business Rate income for each authority area.
- 5.2 Each financial year, by statute, the Council, central government and WYFA are paid a share of Business Rate income equal to the pre-set budgeted amount. The 2017-18 budgeted amounts will be based on this Business Rate Base report that the Executive is being asked to approve. The Council's amount will be part of the 2017-18 Budget set by the Council on 23 February 2016.
- 5.3 Payments in line with the budgeted shares are made out of a separate account called the Collection Fund. Receipts of Business Rate income are similarly paid into the Collection Fund. The difference between the payments out and the receipts of actual rates in any year creates a deficit or surplus on the fund. Therefore in setting the 2017-18 Business Rates base and budgeted shares, the aim is also to recover any deficit or surplus arising in 2016-17. However, as the 2016-17 financial year is still ongoing, the deficit or surplus at the end of the year has to be anticipated now (See Section 6.3).
- 5.4 The calculations for the 2017-18 Business Rates base are made in accordance with the Non-Domestic Rating (Rates Retention) Regulations. The Non-Domestic Rates (NDR1) form, issued by the government each year, provides a standardised framework.
- 5.5 The approved estimate of Business Rates income for 2017-18, alongside the NDR1 form showing the calculations, has to be notified to the Secretary of State and the WYFA by 31 January 2017.
- 5.6 Business Rates are calculated on the rateable values of each property as assessed by the Valuation Office Agency (VOA) and a multiplier, set by central government. The calculation is the rateable values multiplied by the multiplier, the result being known as the gross rate yield. The VOA is revaluing all the rateable values for 2017-18 and onwards, and these new values will be held in the 2017 Rating List. 2016-17 rateable values are based on a previous revaluation done in 2010, and held in the 2010 Rating List. The introduction of the 2017 list has to be fiscally neutral at a national level between central government and ratepayers and also for individual Local Authorities.
- 5.7 Fiscal neutrality between central government and ratepayers as a whole will be achieved by adjusting the multiplier. Fiscal neutrality for individual local authorities will be achieved by adjusting top up grants and tariffs.
- 5.8 Rateable values for the 2017 list increased nationally compared to the 2010 list. So that nationally the total amount paid is not altered by this increase in the 2017 list, the multiplier

will be reduced, to provide the same gross rate yield. To ensure fiscal neutrality for individual local authorities, Bradford will receive additional top up grant from central government.

- 5.9 Following the adjustment for the increase in rateable values, the multiplier will also increase by 1.8% in 2017-18 for inflation, per the Retail Price Index (RPI) increase in the year to August. In addition, the multiplier has then been increased by 4.8% to cover the government's estimated cost of appeals. This estimate therefore implies that around 4.8% of gross rates receivable by Local Authorities should be set aside in 2017-18 and future years to pay refunds for appeals against the 2017 list. The amounts will be set aside in 2017-18 ready for use, but it is unlikely any refunds will be paid out in this first year because the appeals will not have been decided on. There will be a new appeals process in 2017-18 with a variety of filters, so no appeal will reach the final stage during 2017-18. However, this makes it difficult to determine how the new process will impact on the success rate of appeals or to project the cost of refunds.
- 5.10 Previously, Bradford's experience has been of receiving less business rates income than anticipated. This has mainly been due to successful appeals against rateable values, leading to a high cost of refunds backdated over a number of years. For example, in 2015-16 Bradford's share of Business Rates collected was £11.7m lower than budgeted, because of refunds arising from appeals - a significant proportion of which related to the appeals against the rateable value of purpose build health centres and doctors' surgeries, which in some cases were backdated ten years. However, the 2015-16 deficit was fully anticipated when the 2016-17 Business Rates Base and budgeted share was set in January 2016, so this is already being paid off during 2016-17.
- 5.11 Another issue related to the Business Rates Base is that Bradford receives ongoing section 31 grants to compensate for central government decisions that reduced Business Rates income. For example, the government compensates Councils for the cost of doubling small business rate relief. However, not all the information about the calculation of these section 31 grants has been provided by the government so an estimate has been made.
- 5.12 As also noted above, the Council currently retains 49% of Business Rate income. By 2019-20 or 2020-21, the government expects to bring in a new system in which Councils in total will retain 100% of income. We expect there will still be a redistribution mechanism to equalise needs. However, Business Rate income will become with Council Tax, one of the Council's most valuable income streams.

## **6.0 THE COUNCIL'S 2017-18 BUSINESS RATES BASE**

- 6.1 The Council set an expectation that its share of Business Rates in 2017-18 would be £72.1m in its Medium Term Financial Strategy (MTFS) (Executive 19 July 2016 Medium Term Financial Strategy 2017-18 to 2019/20, Table 1 page 122). This Business Rates share forms an important income stream within the general resources available to fund the net cost of the Council's services.
- 6.2 Any anticipated surplus or deficit from 2016-17 has to be distributed or paid off as part of the calculation of the 2017-18 Business Rates Base. A deficit is anticipated in 2016-17 which has to be paid off next financial year, so this will reduce the 2017-18 Business Rates Base.

- 6.3 The 2016-17 anticipated Collection fund deficit is £11.9m, of which Bradford's 49% share is £5.8m. Of the £11.9m, £8.7m is caused by an additional provision for appeal costs, £4.9m by a reduction in rateable values and there is a saving of £1.7m in the provision for bad debt. These amounts are further explained below.
- 6.3.1 The £8.7m additional cost of refunds is in part due to a £5.1m increase in the amounts set aside in a provision to fund appeals already outstanding at 1 April 2016. Estimate of the refunds arising from these appeals has increased based on more recent experience. The remaining £3.6m is a provision for other new appeals this year.
- 6.3.2 The £4.9m reduction in rateable values is because not all the anticipated growth in rateable values during 2016-17 has materialised. There are ongoing reductions in rateable value. Reliefs (discounts) given to business rate payers have been higher than expected, for example empty property relief. Also this reduction includes a statutory accounting adjustment to spread prior year costs.
- 6.3.3 As noted above, there is a saving of £1.7m on the bad debt provision. The amount set aside is a cumulative provision for all uncollectable debt going back many years. The Council's debt collection service seeks to recover all debts. By recovering debt from past years the amount set aside for that year can be used to reduce projected uncollected debt in 2016-17. As a result, the amount set aside for uncollected debt in 2016-17 has been reduced.
- 6.4 The anticipated deficit caused by refunds for appeals assumes no cost to the Collection Fund arises from the issues surrounding NHS Foundation Hospitals. NHS Foundation Hospitals have made a legal claim to receive mandatory charitable relief, with Bradford's share of the potential backdated refund cost being £3m. The assumption of no cost is that the legal claim will be unsuccessful or that it will be resolved between the Department of Health and the Department for Communities and Local Government.
- 6.5 Overall since the introduction in 2013-14 of the Business Rate retention scheme, Bradford's experience with appeals against the 2010 list is that refunds are higher than expected and they are difficult to forecast. Forecasts are difficult because the appeal process is managed by external agencies such as the Valuation Office Agency and Tribunals and require a lot of estimation because there has always been a significant backlog of appeals awaiting a decision.
- 6.6 As well as that part of the calculation incorporating the 2016-17 deficit, the 2017-18 Business Rates Base is impacted by the 2017 revaluation. The 2017 list shows a rateable value of £393.6m compared to £388.6m in 2010, an increase of 1.3%.
- 6.7 However, across England and Wales, the rateable value of the 2017 list has increased by 10.6% overall, so the national multiplier will be reduced by 10.6% in 2017-18. Therefore nationally the rateable value times the multiplier, the gross rate yield, will be the same for the 2017 list as the 2010 list. This ensures fiscal neutrality at the national level.
- 6.8 Bradford's rateable value increases by 1.3% but the multiplier reduces by 10.6% in line with national average increases in rateable value. Bradford's gross rate yield for the 2017

list is less than the 2010 list, but because of the need for fiscal neutrality between Authorities as well, Bradford's top up grant is expected to increase by £6.3m.

- 6.9 That Bradford's gross rate yield is reduced means that Bradford's businesses will pay less Business Rate income. However, a corollary of this is that the collection of Business Rate income is further weighted towards London and the South East.
- 6.10 In addition to reducing the multiplier by 10.6% there will be other changes. Firstly the multiplier is increased by 4.8% to fund the cost of appeals. It is unlikely any appeals against the 2017 list will be settled in 2017-18 but Bradford will have to set-aside an amount each year in a provision to cover the eventual costs. Therefore in calculating the 2017-18 Business Rates Base, 4.8% of the gross rate yield is set aside to fund appeals amounting to £8.6m.
- 6.11 A new appeals process will be in place for the 2017 list. This is called 'Check, Challenge, Appeal' and introduces a number of filters to remove unnecessary appeals. The impact of this new process will not be known for sometime, although it is hoped to eventually reduce the number of appeals. However, as this is uncertain and some time away the 4.8% increase in the multiplier for appeals is seen as the best indicator of the eventual cost.
- 6.12 Finally, the multiplier has also been increased by 1.8% for inflation, per the August 2016 Retail Price Index.
- 6.13 In summary for Bradford the impact of the 2017 revaluation has been balanced out by additional top up grant. Also the cost of appeals has been set equal to the uplift in the multiplier for appeals. The normal uplift for inflation is also reflected in the multiplier.

## 7.0 THE COUNCIL'S 2017-18 BUSINESS RATES BASE IN COMPARISON

- 7.1 The MTFs expected that Bradford's share of 2017-18 Business Rate base would be £72.1m. Compared to the 2016-17 NNDR 1, this is £1.2m lower than the ongoing 2016-17 Business Rates element of the calculation, once the 2015-16 deficit is excluded.
- 7.2 Therefore the 2017-18 Business Rates Base should be £1.2m more than the MTFs, if there were no 2016-17 deficit and all other factors were equal. This means that the calculation of the 2017-18 Business Rates Base starts with headroom of £1.2m compared to the MTFs.

### a) The 2016-17 anticipated deficit

The 2016-17 anticipated deficit is £11.9m with Bradford's 49% share £5.8m.

### b) Gross Rates Yield and Net Rates Payable

The reduction in the gross rate yield because of the change from the 2017 list to the 2010 list is equalised by £6.3m extra top up grant.

The 1.8% uplift on the multiplier for inflation suggests an increase in net rates payable of around £2.7m compared to the underlying 2016-17 Business Rates Base. However, this increase has been outweighed by the cost of other reductions in rateable values.



Therefore instead of an increase in net rates payable, overall there is a reduction in net rates payable of £0.6m. These other reductions in rateable value include the impact of lower than anticipated growth in 2016-17.

In addition, central government caps the increase to the multiplier for inflation by 2%. The cap in previous years increases has cumulatively reduced the multiplier in 2017-18. Therefore the Council will receive an additional £0.025m in section 31 grants 2017-18.

Net Rates payable comprise the gross rate yield, less discounts which are known as reliefs. These reliefs are either mandatory, set by central government or discretionary, set by Bradford.

Increases to certain mandatory reliefs reduce Local Authorities share of the Business Rate base, so they receive compensation from section 31 grants. The 2017-18 Business Rates Base includes increases in mandatory relief for small businesses.

In 2017-18, Small Business Rate Relief will apply where the rateable value is below £12,000, rather than £6,000 in 2016-17, subject to conditions. Smaller reliefs will also be available for those with rateable values between £12,000 and £15,000. In addition, the small business multiplier will apply to businesses with a rateable value below £51,000, compared to £18,000 in 2016-17. It is estimated these changes reduce Bradford's share of Business Rate income by £3m which should be compensated by a section 31 grant.

Rural rate relief is awarded to specific properties in designated rural areas. The relief will increase from 50% in 2016-17 to 100% in 2017-18. However, the impact is marginal, reducing Bradford's share of Business Rate income by £5,000 and this too will be compensated with a section 31 grant.

Discretionary reliefs will change with the removal of the scheme that allows discretionary relief for not for profit organisations, increasing the Council's share of Business Rate income by £190,000 compared to 2016-17. Other discretionary reliefs will continue as before, as outlined below:-

- New, listed and empty buildings relief - see Bradford District Discretionary Business Rate Relief Programme, Executive 1 December 2015. Any loss in Bradford's business rate income would be refunded through earmarked reserves. This is not expected to be material to the 2017-18 Business Rates estimate.

#### **c) Estimated Bad Debt Provision (Losses on Collection)**

The sum of the Gross Rate yield less the Mandatory and Discretionary Reductions is reduced to reflect an amount that has to be set aside to build up a provision for uncollectable Business Rates. The Council estimates this figure to be 1.8% of the net yield, which is around £2.5m.

#### **d) Allowance for Cost of Collection**

From the amount the Council collects from businesses it is allowed to deduct an amount to cover the cost of administering Business Rates. In 2017-18 it is forecast Bradford will be able to retain £737,000 for the cost of administering Business Rates.

## **e) Transitional Arrangements**

The Government's Transitional Relief scheme is applied to certain accounts over the course of a five year rating list. The scheme aims to limit the increase or decrease of the rate bill following each revaluation.

The transitional relief scheme is designed to be neutral in any one year. Therefore this is assumed in the 2017-18 Business Rates Base.

## **f) Business Rates Overview**

In summary, the Council's share of the 2017-18 estimate is £57.6m. However, to this should be added £6.3m additional top up grant and £3m additional section 31 for Small Business Rate Relief and the 2% cap. The equivalent share, therefore is £66.9m, which is £5.2m less than projected in the MTFS.

This £5.2m is made up as follows: £5.8m 2016-17 deficit, £0.6m net rateable value reductions in 2017-18, less the £1.2m headroom in the MTFS compared to the 2016-17 base.

## **8.0 SUMMARY OF 2017-18 BUSINESS RATES BASE**

- 8.1 The 2017-18 Business Rates Budget includes both the 2017-18 estimated income as well as the anticipated deficit in 2016-17.
- 8.2 The 2017-18 Business Rates Base is forecasted to be £117.6m. Of the £117.6m, £58.8m relates to the Government, £1.2m to the WYFA and £57.6m retained by the Council (Appendix C).

## 9.0 OVERALL SUMMARY

The overall position in 2017-18 for both Council Tax and Business Rates compared to the MTFS is a reduction of £0.8m. This comprises a £4.4m increase for Council Tax and a £5.2m reduction for Business Rates. This is summarised in the table below:

<b>Overall position for Council Tax and Business Rates</b>	£m MTFS	£m Overall Position	£m Increase/ (Decrease)
*Council Tax	160.8	163.2	
Council Tax surplus	0	2.0	
<b>Sub-total for Council Tax</b>	<b>160.8</b>	<b>165.2</b>	<b>4.4</b>
Business Rates	72.1	57.6	
Additional Top Up grant	0	6.3	
Additional Section 31 grant	0	3.0	
<b>Sub-total for Business Rates</b>	<b>72.1</b>	<b>66.9</b>	<b>(5.2)</b>
<b><u>Overall Position</u></b>			<b><u>(0.8)</u></b>

(\*Note: includes impact of projected increase in the Council Tax Base only)

## 10.0 LEGAL APPRAISAL

10.1 The Legal implications are contained in the body of the report.

## 11.0 OTHER IMPLICATIONS

11.1 There are no other equal rights, sustainability, community safety, human rights, trade union, ward or greenhouse gas emissions implications.

## 12.0 NOT FOR PUBLICATION DOCUMENTS

None

## 13.0 RECOMMENDATION

13.1 That the number of band D equivalent properties estimated by the Council as the Council Tax Base for 2017-18 for the whole of the Bradford Metropolitan District is 136,252 as set out in Appendix A of this report.

13.2 The Council Tax Base for 2017-18 for each Local Council is set out in Appendix B of this report.

13.3 The amount estimated by the Council as the Business Rates income for 2017-18 as included on the Council's NDR1 return (Appendix C) - £117.6m

- 13.4 Of the total Business Rates income;-  
50% is paid to Central Government - £58.8m  
49% is retained by the Council - £57.6  
1% is paid to the West Yorkshire Fire Authority - £1.2m
- 13.5 That authority is delegated to the Strategic Director for Corporate Services in consultation with the Leader of the Council to make any necessary amendments to the calculation of the Business Rates estimate arising from the completion of the 2017-18 NDR1 form received from the Government and to include the amended figures in the 2017-18 Budget papers for Council.
- 14.0 APPENDICES**  
**Appendix A - Bradford Metropolitan District Council 2017-18 Council Tax Base**  
**Appendix B - Local Councils' 2017-18 Tax Bases**  
**Appendix C – Provisional NDR1 for 2017-18**

## Appendix A Bradford Metropolitan District Council 2017-18 Council Tax Base

Dwellings on Valuation List		Band @	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
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Total number of dwellings as 12 Sept	1	160	90,890	45,375	38,959	17,528	12,085	5,695	3,574	264	214,530
Exempt properties	2	0	-2,297	-636	-357	-133	-57	-24	-20	-4	-3,528
Taxable properties	3	160	88,593	44,739	38,602	17,395	12,028	5,671	3,554	260	211,002
Discounts	4	-14	-9,991	-3,758	-2,719	-1,037	-547	-229	-148	-20	-18,463
Estimated Impact of Council Tax Reduction Scheme	5	-54	-21,044	-5,650	-3,139	-899	-315	-84	-27	0	-31,212
Net estimated increase in properties	6	1	489	255	223	104	71	34	21	1	1,199
Empty Homes Scheme	7	0	454	97	68	21	10	6	6	2	663
Adj for losses on collection, banding changes etc.	8	-2	-1,346	-821	-760	-358	-259	-124	-78	-6	-3,753
Estimated Taxable properties after adjustments	9	91	57,155	34,862	32,275	15,225	10,988	5,274	3,328	237	159,436
Ratio to band D			6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Council Tax Base	10	<b>51</b>	<b>38,104</b>	<b>27,115</b>	<b>28,689</b>	<b>15,225</b>	<b>13,430</b>	<b>7,618</b>	<b>5,546</b>	<b>474</b>	<b>136,252</b>
Council Tax Reduction Scheme (Band D Equivalent)	11	<b>-30</b>	<b>-14,029</b>	<b>-4,394</b>	<b>-2,790</b>	<b>-899</b>	<b>-385</b>	<b>-122</b>	<b>-44</b>	<b>0</b>	<b>-22,694</b>

## Appendix B 2017-18 Local Council Tax Bases

	Base	CTR	Net changes including growth in properties, banding changes & losses on collection	Final 2017-18
	Band D Equivalents	Band D Equivalents	Band D Equivalents	Band D Equivalents
	(a)	(b)	(c)	(d) (a+b+c)
Addingham	1,789	-81	-29	1,679
Baildon	6,771	-502	-103	6,166
Bingley	9,297	-675	-142	8,480
Burley	3,135	-108	-51	2,976
Clayton	2,741	-327	-39	2,375
Cullingworth	1,216	-94	-18	1,104
Denholme	1,202	-130	-18	1,054
Harden	847	-24	-14	809
Haworth etc	2,468	-210	-37	2,221
Ilkley	7,361	-233	-119	7,009
Keighley	17,325	-2,576	-236	14,513
Menston	2,239	-59	-37	2,143
Oxenhope	1,083	-50	-17	1,016
Sandy Lane	948	-74	-14	860
Silsden	3,118	-194	-49	2,875
Steeton/Eastburn	1,662	-82	-27	1,553
Wilsden	1,855	-102	-30	1,723
Wrose	2,279	-172	-35	2,072
	67,336	-5,693	-1,015	60,628

## Appendix C – Abbreviated NDR1 for 2017-18

### PART 1A: NON\_DOMESTIC RATING INCOME

Line

(1) Collectable rates	£130,282,236
TRANSITIONAL PROTECTION PAYMENTS	
(2) Due to the authority	£0
(3) Due from the authority	£0
COST OF COLLECTION	
(4) Cost of collection formula	-£736,622
(5) Legal costs	£0
(6) Total allowance for cost of collection	-£736,622
SPECIAL AUTHORITY DEDUCTIONS	
(7) City of London Offset	£0
DISREGARDED AMOUNTS	
(8) Enterprise Zone	£0
(9) Renewable Energy Schemes	£0
(10) ...retained by billing authority	£0
(11) ...retained by major precepting authority	£0
(12) NON-DOMESTIC RATING INCOME	£129,545,614
Bradford's' share	£63,477,351
2016-17 deficit	-£11,962,701
Bradford's share of the deficit from Part 4	<u>-£5,861,723</u>
<b>Net Rates Bradford</b>	<b>£57,615,627</b>

## PART TWO: NET RATES PAYABLE

Line	Billing Authority
(1) Total rateable value as at 25-09-2016	£393,605,396
(2) Small business multiplier	£0.466
(3) Gross rates	£183,420,115
(4) Estimated growth/decline in gross rates	-£1,312,240
(5) Forecast gross rates payable	£182,107,875
(6) to (11) Transitional arrangements	

### Mandatory reliefs

(12) Small business rate relief	-£21,500,000
(13) on existing property where a 2nd property is occupied	
(14) Small business supplement	£3,433,561
(15) Net cost of small business rates relief	-£18,066,439
(16) Charitable occupation	-£14,200,000
(17) CASCs	-£156,500
(18) Rural rate relief	-£15,428
(19) Forecast of mandatory reliefs	-£32,438,367
(20) Growth/decline of mandatory reliefs	
(21) Total forecast mandatory reliefs	-£32,438,367

### Unoccupied Property

(22) Partially occupied premises	-£173,682
(23) Empty premises	-£8,308,670
(24) Forecast of unoccupied property relief	-£8,482,352
(25) Growth/decline of empty reliefs	£0



(26)	Total forecast unoccupied property 'relief'	-£8,482,352
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Discretionary reliefs

(27)	Charitable occupation	-£7,207
(28)	Non-profit making bodies	£0
(29)	Community Amateur Sports Clubs	£0
(30)	Rural shops etc	-£3,000
(31)	Small rural businesses	£0
(32)	Other ratepayers (put Hardship Relief in here)	£0
(33)	Case A hereditaments	£0
(34)	Case B hereditaments	£0
(35)	Forecast of discretionary reliefs	-£10,207
(36)	Growth/decline in discretionary reliefs	£0
(37)	Total forecast discretionary reliefs	-£10,207

Discretionary reliefs funded through section 31 grant

(38)	New Empty relief	-£6,000
(39)	Long term empty relief	-£5,000
(40)	Retail relief	£0
(41)	Forecast section 31 reliefs	-£11,000
(42)	Growth/decline in s.31 reliefs	£0
(43)	Total forecast section 31 reliefs	-£11,000

<b>(44)</b>	<b>NET RATES PAYABLE</b>	<b>£141,165,949</b>
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**PART THREE: COLLECTABLE RATES AND DISREGARDED AMOUNTS**

Line	Billing Authority
(1) Net Rates Payable	£141,165,949
(2) Allowance for bad debts	-£2,618,000
(3) Allowance for appeals affecting 2017-18 income only	-£8,265,713
(4) COLLECTABLE RATES	£130,282,236
DISREGARDED AMOUNTS	
(5) Renewable energy	£0
(6) Transitional Protection Payment	
(7) Baseline	
(8) DISREGARDED AMOUNTS	£0

**PART FOUR: 2016-17 ANTICIPATED DEFICIT**

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

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

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Local Authority : Bradford

**PART 4: ESTIMATED COLLECTION FUND BALANCE**

**OPENING BALANCE**

1. Opening Balance (From Collection Fund Statement)	£	£
		-23,881,381

**BUSINESS RATES CREDITS AND CHARGES**

2. Business rates credited and charged to the Collection Fund in 2016-2017	148,672,982	
3. Sums written off in excess of the allowance for non-collection	-700,000	
4. Changes to the allowance for non-collection	-440,000	
5. Amounts charged against the provision for appeals following RV list changes	4,200,000	
6. Changes to the provision for appeals	-10,666,714	
<b>7. Total business rates credits and charges (Total lines 2 to 6)</b>		141,066,268

**OTHER RATES RETENTION SCHEME CREDITS**

8. Transitional protection payments received, or to be received in 2016-2017	0	
9. Transfers/payments to the Collection Fund for end-year reconciliations	45,937	
10. Transfers/payments into the Collection Fund in 2016-2017 in respect of a previous year's deficit	21,191,372	
<b>11. Total Other Credits (Total lines 8 to 10)</b>		21,237,309

**OTHER RATES RETENTION SCHEME CHARGES**

12. Transitional protection payments made, or to be made, in 2016-2017	0	
13. Payments made, or to be made, to the Secretary of State in respect of the central share in 2016-2017	-74,821,893	
14. Payments made, or to be made to, major precepting authorities in respect of business rates income in 2016-2017	-1,496,438	
15. Transfers made, or to be made, to the billing authority's General Fund in respect of business rates income in 2016-2017	-73,325,455	
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 2016-2017	-741,111	
17. Transfers/payments from the Collection Fund for end-year reconciliations		
18. Transfers/payments made from the Collection Fund in 2016-2017 in respect of a previous year's surplus		
<b>19. Total Other Charges (Total lines 12 to 18)</b>		-150,384,897
<b>20. Adjustment for 5-Year Spread</b>		

**ESTIMATED SURPLUS/(DEFICIT) ON COLLECTION FUND IN RESPECT OF FINANCIAL YEAR 2016-2017**

21. Opening balance plus total credits, less total charges, plus adjustment for 5-year spread (Total lines 1, 7, 11, 19 & 20)		£ -11,962,701
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Checked by Chief Financial / Section 151 Officer :