



Subject Heading:

Schools Business Rates Rebate

Report Author:

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Manager**

Eligibility to vote:

All Members

SUMMARY

This report is to advise of a revaluation of the rateable value that is used to calculate the charges to schools for business rates (or NNDR – National Non-Domestic Rates) that is expected to generate a rebate to the benefit of the overall Schools Budget.

RECOMMENDATIONS

That the Schools Funding Forum agrees that:

- (i) the rebate (once secured) for maintained schools and academies be held as a contingency to support pupil growth
- (ii) that to secure the refund from academies the LA adjusts the academy recoupment return for 2016-17

REPORT DETAIL

It has become apparent that the Valuation Office Agency has been systematically re-valuing school premises across the country resulting in changes to rateable values.

Havering schools and academies have already been re-valued and although some rateable values have increased, the majority have decreased which is likely to result in a rebate of approximately £200,000. The revaluations and therefore the rebates have been backdated for 5 years

NNDR (National Non-Domestic rates) is one of the factors in the schools funding formula and is funded on a £ for £ basis and met by the Dedicated Schools Grant for both LA maintained schools and academies.

It is therefore proposed that all of this funding should be returned to the DSG for reallocation and also that, once secured it is held as a contingency to support the increasing demand for pupil growth.

Although the rebates relating to LA maintained schools are credited back to the Local Authority, they are paid directly by the Rates Office to academies. It is therefore proposed that individual academies should not benefit from this rebate and that the LA makes a corresponding adjustment within the academy recoupment process to return this funding to the DSG.