

# Under Performing Indicator Recovery Plan

## 2021/22 Quarter One

### Indicator Name

Business Rates Collection Rate (NNDR Collection)

### Current Performance

Target: 30%

Performance: 25.12%

### Historic Performance

	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>
<b>Q1</b>	31.19%	30.88%	31.76%	30.99%	25.12%
<b>Q2</b>	56.88%	58.59%	56.56%	55.94%	
<b>Q3</b>	75.05%	85.55%	83.48%	82.86%	
<b>Q4</b>	98.50%	99.16%	98.03%	96.61%	

## Reasons for Current Under Performance

NNDR collection has increased in volatility throughout the latter part of 2020 and now into 2021/22 as a direct result of Covid. Closures, the delay to the lifting of restrictions has been impacted by the termination of the Business Grant Support Schemes, and – in direct reference to the dip in the rate during June – as a result of the withdrawal of the 100% NNDR Holiday for many ratepayers, replaced by a 66% reduction in some cases from July onwards.

Some retailers have opted out of the reduction altogether.

As a result of the rebilling exercise performed this month to remove the 100% award and charge 33% liability from July, some £8m has been instantly added to the Net Collectible Debit (NCD)

In-year recovery remains suspended for NNDR as the situation is still so uncertain, and there is no word from Govt as yet on the Covid Relief £1.5bn discretionary award scheme that is supposed to recompense ratepayers economically affected by Covid who were unable to claim Support Grants (being outside of the retail, leisure and hospitality sectors).

Predicting what will happen during the remainder of 2021-22 is largely not possible with any degree of certainty.

## Actions to Improve Under Performance

(or reasons why this is not necessary)

In year recovery will recommence as soon as possible. The NNDR Team is also now able to devote all resources to normal duties now that the Support Grant Schemes have all closed (assuming none are reintroduced if the Covid situation deteriorates again).

Ratepayers with arrears not otherwise being summonsed in the near future will be written to to encourage contact with the department to make arrangements (potentially over longer periods of time) to avoid the need for recovery action and costs.

Monthly targets will continue to be closely monitored. The effect of the massive NCD increase due to the rebilling triggered by the Govt's budget measure changes needs to be absorbed into the normal cashflow process of instalments. There may be a need of

target direct debit take up also since many ratepayers will not have paid NNDR (due to the 100% holiday) for over a year and instructions become formant.

Notwithstanding the above, the fact remains, unfortunately, that many aspects of NNDR are being influenced by factors outside of the Authority's control. The delays in the rollout of the Covid Relief Scheme to replace the barring of MCC RV appeals for Covid-related reasons, but Govt, being but one.