



Chief Finance Officer
Billing Authorities in England

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Dear Sir/Madam

LOCAL GOVERNMENT FINANCE ACT 1988 SCHEDULE 8 NON-DOMESTIC RATING CONTRIBUTION 2008-09

We are writing to you to inform you about the National Non-Domestic Rates Final Contributions return for 2008-09. The following information has today been emailed to the relevant officer in your local authority:

- NNDR3 2008-09 form;
- Guidance Notes for NNDR3 2008-09; and
- Validation Notes for NNDR3 2008-09

Any queries on the emailed documents should be addressed to nndr.statistics@communities.gsi.gov.uk. If the relevant officer in your authority has not received the e-mail with the described documents attached, please note that they are also available on the department's website at

www.local.communities.gov.uk/finance/stats/lgfforms/others.htm

Alternatively, copies can be obtained by telephoning 020 7944 4188.

NNDR3 Return

Paragraph 5(6) of Schedule 8 to the Local Government Finance Act 1988 ("the 1988 Act") requires your authority to calculate the amount of your non-domestic rating contribution for 2008-09 and to notify the amount to the Secretary of State. You must also arrange for the calculation and the amount to be certified under arrangements made by the Audit Commission and a copy of the certification must be sent to the Secretary of State by the Audit Commission.

You are asked to notify the Secretary of State of the authority's contribution by completing the NNDR3 form that has today been emailed to the relevant officer in your local authority.

In exercise of her powers under section 139A of the 1988 Act, the Secretary of State hereby requires you to provide the information described on the National Non-Domestic Rates Final Contributions Return 2008-09 (NNDR3) emailed to the relevant officer in your local authority today, for the purpose of deciding how to exercise her functions under Schedule 8 to the 1988 Act. This information is required to be provided, unaudited, **no later than 26 June 2009**.

At the same time as you provide a copy of the unaudited form to the Secretary of State you should send the original form to your auditors for certification. Under paragraph 5(6) of Schedule 8 to the 1988 Act, your authority is required to:

- a) notify the Secretary of State of the amount of its contribution calculated in accordance with the Non-Domestic Rating Contributions (England) Regulations 1992 (SI 1992/3082) ("the 1992 Regulations"), as amended, **no later than 26 June 2009**;
- b) arrange for the calculation and the amount to be certified under arrangements made by the Audit Commission, and request that a copy of the certification of the calculation and the amount be sent by the Commission to Communities and Local Government by **no later than 25 September 2009**.

If this timetable is not complied with the Secretary of State may, in accordance with paragraph 5(7) of Schedule 8, suspend payments which would otherwise fall to be made to the authority pending receipt of the certified return.

Calculation

As mentioned, the calculation for 2008-09 is to be made in accordance with the 1992 Regulations, as amended. Guidance notes are included to help you.

Paragraph 6(2) of Schedule 8 to the 1988 Act provides that, in making calculations, authorities must take account of the information before them at the time the calculation is made. Regulation 5 of the 1992 Regulations provides that information may be disregarded if it was received by the authority after 31 January in the year to which the outturn calculation relates and it is not reasonably practicable for the person making the calculation to take it into account. Further information on this is contained in the guidance notes.

Adjustments

Paragraphs 5(8) to (14) of Schedule 8 provide that on receipt of notification of your contribution pursuant to paragraph 5(6)(b), the Secretary of State must calculate the difference between the notified amount and provisional amount and require or make payments of the difference.

Communities and Local Government will make an interim settlement of the outturn account on the basis of the amount notified prior to auditor certification if the amount notified is greater or less than the provisional amount.

Once the auditor-certified form has been received, the Secretary of State will calculate the difference (if any) between the certified amount and the amount notified by the authority under paragraph 5(6)(b) and, if there is a difference, inform you of the amount. If the amount notified exceeds the amount of the interim settlement, you will be required to pay

the difference to the Secretary of State within 14 days of the date on which the authority is notified by the Secretary of State of the amount of that difference. If the certified amount is less than the amount notified by you under paragraph 5(6)(b) of Schedule 8 to the 1988 Act, the Secretary of State will pay the difference to the authority.

Validation Checks

As you will be aware, on receipt of your NNDR3 form we are required by our auditors to carry out a number of checks to satisfy ourselves that the form has been completed correctly. Where the data vary significantly from that provided on your NNDR3 for 2007-08, we seek an explanation for the difference. Details of the validation checks that are carried out can be found in the document *Validation Notes for NNDR3 2008-09*.

The NNDR3 has a built-in validation sheet. Please could local authorities ensure that, on completion of the NNDR3, they refer to this sheet and provide explanations in the space provided of any validation checks that have been highlighted.

Returning the NNDR3

The unaudited NNDR3 return should be sent:

- (a) electronically by email to ndr.statistics@communities.gsi.gov.uk;
- (b) to your auditors for certification as a signed original form; and
- (c) copied by post to Ibrahim Farrah, Communities and Local Government, Zone 5/J6, Eland House, Bressenden Place, London, SW1E 5DU.

Queries on the 1992 Regulations should be addressed to Marie Hazzard, Communities and Local Government, Zone 5/D2, Eland House, Bressenden Place, London, SW1E 5DU (email: Marie.Hazzard@communities.gsi.gov.uk; telephone 020 7944 4197).

Yours faithfully

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