Education & Skills Funding Agency

Department for Education

Changes to the payment process of schools' business rates

Government consultation response

August 2021

Contents

Introduction

Background

National non-domestic rates (NNDR), more commonly known as business rates, are a tax charged on the occupation of most non-domestic properties, including schools. Schools' business rates costs are currently funded through the National Funding Formula (NFF), which the government uses to calculate core funding allocations to mainstream, state-funded schools in England.

The existing process for the payment of business rates by schools is set out in the changes to the payment process of schools' business rates consultation document and is also summarised in annex A below.

From 10 March 2021 to 5 May 2021, the Department for Education (DfE) consulted on a proposal to centralise the payment of business rates for state-funded schools from 2022/23 onwards. Essentially, this will involve the Education and Skills Funding Agency (ESFA) paying billing authorities[1] directly on behalf of state-funded schools from April 2022. This will replace the existing system in which schools typically receive funding in respect of their rates bill in their annual budgets, via the NFF, and pay their business rates to billing authorities themselves. This change will reduce administrative burdens for schools and simplify the existing process (further details of which can be found in annex B).

The Government has already confirmed that we will go ahead with the proposals to centralise the business rates payment system for schools from April 2022 alongside the publication of the schools notional NFF allocations for 2022/23 in July 2021. This document is the formal government consultation response, which provides further details of the changes. This consultation response document presents analysis of views received in response to the consultation and outlines the government response to the consultation. This document also sets out how the centralisation of business rates will be implemented.

The document consists of five sections:

- information about the consultation
- a summary of respondents that engaged with the consultation

[1] Billing authorities in England are responsible for business rates billing and collection.

- a summary of consultation responses
- analysis of responses to each question and the government's response
- next steps.

About the consultation

The consultation included two proposals to support the centralisation of business rates: the first was for ESFA to pay schools' business rates directly to billing authorities on behalf of schools in June each year, and the second was for ESFA to make a single reconciliation payment to billing authorities in March each year to allow for adjustments before the end of the financial year. Further detail on the proposals can be found in annex B.

We sought views from schools, local authorities and other interested individuals and organisations on whether the proposals were preferable to the current rates payment process and whether they were workable. We also asked respondents if they anticipated any new burdens as a result of centralising schools' rates payments, or whether the proposals would result in any savings for local authorities and schools. We asked respondents to suggest the best way to take forward discretionary relief (whereby authorities may grant a reduction to schools' rates bills) under the new system. Lastly, we welcomed views on whether any of the proposals might have a positive or negative equalities impact, in particular on those who share protected characteristics.

In addition, the consultation focused on how best we could implement the new system and respondents were given an opportunity to identify any potential impacts or any issues of detail that would need to be resolved in order to implement the proposals. These included:

- the best way for ESFA to collect rates information from billing authorities, including on the viability of using an online portal through which they could upload bill data to inform payment amounts
- what information billing authorities would need to provide to ESFA to ensure accurate payments
- payment timings
- how to handle adjustments to schools' rates bills.

A full list of consultation questions can be found at annex E.

Who this was for

The following stakeholders were identified and consulted on the proposed changes:

- local authorities including billing authorities
- state-funded schools, including academies and local authority maintained schools
- other interested organisations and individuals

Engagement in the consultation

In total there were 309 responses to the consultation. We have grouped the respondents by organisation type to support analysis of findings (see figure 1 below). We also discussed these proposals with a number of billing authority and national organisation representatives during the consultation period.

Figure 1: breakdown of respondents grouped by organisation, ordered by total respondents.

Type of respondent	Total	Percentage
Academy or academy trust	192	62%
Local authority maintained school	49	16%
Single tier local authority/billing authority (inclusive of unitary authorities, metropolitan authorities and London boroughs)	32	10%
Two tier local authority/billing authority (inclusive of county councils and district councils)	22	7%
National organisation	7	2%
Other	7	2%

A list of the individual organisations that responded can be found at annex D, other than those who asked for their response to be kept confidential.

In the following section we provide a detailed analysis of the responses to each question. Note, for questions 1 to 9, the total number of responses associated with each response type does not always equal 309 and the respective percentages do not always total 100, due to some respondents providing comments falling under more than one category, or not providing a response to that question. Percentages are based on the proportion of response types as a percentage of the total number of respondents for each respondent group.

Summary of consultation responses

Overall, the response to the consultation was positive, with strong support received from respondents who agreed that the move to centralised rates payments for schools would be simpler and less burdensome than the existing payment system. There was particularly strong support from schools which agreed that the new system would be an improvement to the current circular and resource-intensive process for paying business rates. The second largest group of responses was from local authorities and billing authorities which overall expressed the view that our proposals were workable subject to some operational considerations being addressed during implementation. We are grateful for the responses received, and to all who engaged in the consultation.

After careful consideration of the responses, the government intends to proceed with implementing the proposals. From April 2022, the business rates payment system for schools will be centralised. This will involve ESFA paying billing authorities directly on behalf of state funded schools, removing schools from the payment process. The first business rates payments made directly from ESFA to billing authorities will be paid in June 2022.

Four issues were raised in the consultation, where we have changed our approach as a consequence. These are summarised below:

- Some respondents asked for a more transparent system that allowed schools, and local authorities, to see schools' rates bill amounts and when bills had been paid. Therefore schools and local authorities will have access to the online business rates portal so they can access their data.
- Some respondents raised concerns around schools having to pay penalty charges for any late payments, when payment timings would be outside of their control. We recognise that this would be unfair. Therefore, whilst there will not be any changes to schools' formal liability for ensuring business rates are paid, ESFA will pay any penalty charges for missed or late payments that are a result of ESFA error. We expect such cases to be rare.
- Some billing authorities expressed concern that their software may not be able to support the upload of schools' bill data. To support this upload function, the portal will undergo rigorous testing through extensive user research with a wide number of stakeholders to ensure it interfaces as smoothly as possible with existing billing authority software.
- Some billing authorities highlighted that it would be preferable for payments to be made earlier to allow payments to be reflected in their performance reports. As a result, in each year the ESFA will make the substantive payment of each school's rates bill in early June so that it is received and can be allocated by billing authorities by 30 June, and the reconciliation payment (taking account of any

subsequent changes in schools' rates bills) will be made in February so that it is received and can be allocated by billing authorities by 31 March.

Question analysis

This section provides a breakdown of the responses received for each consultation question following a categorisation process, and provides the government's response to the issues raised. The arrangements for the payment of business rates are necessarily complex, and some of the questions in this section therefore deal with specialist technical detail.

The consultation included 17 questions, the full list of which can be found at annex D. The first 8 questions gathered basic details about the respondent such as name, organisation and role. The remaining 9 questions are analysed below.

Question 1

Do you agree that the direct payment of schools' NNDR via ESFA to billing authorities is preferrable to the current system?

Figure 2: breakdown of responses to question 1.

Respondent	Response type	Total	Percent
Schools	Yes	226	94%
	No	8	3%
	Unsure	7	3%
Local Authorities	Yes	28	52%
	No	12	22%
	Unsure	14	26%
National organisations	Yes	5	71%
	No	1	14%
	Unsure	1	14%

A significant majority of respondents (86%) supported the overall policy proposal and agreed that the direct payment of schools' NNDR via ESFA to billing authorities is preferrable to the current system.

Maintained schools and academy respondents were strongly supportive. An overwhelming majority (94%) agreed that the new system would be an improvement to the current circular and resource-intensive process for paying business rates.

For local authority maintained schools, where 86% agreed with the proposals, the main reasons provided were the potential time and cost savings and reduced administrative burden. Just over a quarter (27%) of local authority maintained school respondents that agreed with the proposal, did so with the caveat that it should also include maintained nursery schools.

For academy trusts, where almost all (96%) agreed with the consultation proposals, the primary reasons for agreement provided were the administrative cost and time savings associated with removing the need for academies to submit rates claims for reimbursement from the ESFA. Many academies also recognised the benefit of no longer needing to process, account for, and pay rates on a monthly basis for all schools within their trust, acknowledging that accounting for rates just once a year within their annual accounts was preferable. Furthermore, academies acknowledged the benefit that under the new system, they would never again be out of pocket as a result of neglecting to claim for their rates.

Overall, half of local authorities agreed that the direct payment of schools' NNDR via the ESFA to billing authorities is preferable to the current system, with the remaining respondents almost equally split between being unsure (26%) and in disagreement (22%). In principle, most billing authorities understood that the current system is circular for schools and the ESFA and that there would be value in streamlining it, but thought that doing so would add an additional complication for the billing authority. A minority of respondents noted that, from their perspective, the current system works, and there are currently no issues of schools missing payments. Some respondents thought that the new system could create additional work for local authorities, and the success would depend on the functionality of the software and portal developed.

In addition, respondents also indicated that the new system would remove the need for local authorities to make adjustments through the authority proforma tool (APT)[2], as adjustments would instead be uploaded by billing authorities in year. This would effectively remove the lag in schools block funding that currently arises due to revaluations. It was also recognised that administration of bills at local authority level would be easier if payment came from a single source.

The main reasons for uncertainty or opposition included concerns that schools would continue to be liable for non-payment fines in the event that the ESFA failed to pay. Further details on how we plan to address this issue are set out in the government response to question 2 below.

A small number of respondents from local authorities (5%) suggested that all state funded bill paying schools, including maintained nursery schools and

[2] The APT is the tool local authorities use to record their funding data.

maintained special schools, would need including in the new system to avoid maintenance of two systems which could result in confusion for billing authorities.

Government response

We welcome the fact that the significant majority of respondents (86%) supported the overall policy proposal, reinforcing the case to move towards a centralised payment process for schools' business rates.

We recognise that while around half of local authority respondents were supportive of the aim to simplify the payment process for business rates, their views were overall significantly less supportive than those of school and academy respondents. We acknowledge that the changes we are proposing will mean reforms to current local authority processes. Local authority responses have highlighted further operational issues which are discussed in the analysis of questions 2 and 6.

In response to the suggestion that all state funded bill paying schools be included in the new system, we would note that the vast majority of special schools receive full relief because of providing for persons with a disability, so this would only apply to a very small number of schools. ESFA will continue to fund the rates bills for any state funded special schools not in receipt of full relief, where this is already the existing practice.

In response to the suggestion that maintained nursery schools be included in the new system, we have assessed maintained nursery schools as out of scope of the new centralised business rates system at the present time. The funding of maintained nursery schools through the early years block of the Dedicated Schools Grant is different from the funding of other schools and academies, as we do not identify rates as a separate sum and do not have a current basis of knowledge which would allow us to fund them specifically on the basis of their rates bills. Further, this different route of rates funding currently reflects local decisions with some local authorities using the supplementary grant to fund maintained nursery schools' business rates. For these reasons, maintained nursery schools have been assessed as out of scope of the new centralised business rates system at the present time. We intend to explore the feasibility of extending the scheme to maintained nursery schools in the future, and will keep this under review.

In response to the suggestion that we ought to consider removing business rates levied on state-funded schools altogether, the government considers it right that both public and private sector properties should be liable for business rates. Exempting schools from business rates liabilities would require primary legislation, and therefore lies outside the scope of this consultation.

Question 2

Do you anticipate any new burdens as a result of the proposals? Alternatively, would the proposals result in savings for local authorities and schools?

To note that respondents answering “yes” to this question were indicating that they did anticipate new burdens (see figure 3). Respondents put forward answers to the second half of the question concerning savings in the comments section which followed (see figure 4).

Figure 3: breakdown of responses to question 2.

Respondent	Response type	Total	Percent
Schools	Yes	34	14%
	No	184	76%
	Unsure	23	10%
Local Authorities	Yes	26	48%
	No	10	19%
	Unsure	18	33%
National organisations	Yes	1	14%
	No	3	43%
	Unsure	3	43%

184 respondents provided further comments[3]. These comments have been categorised by common themes raised[4] (see figure 4).

[3] This figure excludes 113 respondents (40% of total respondents) with `no comment`.

[4] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 4 are those that were raised by at least 2% of respondents who answered the question.

Figure 4: common themes raised in response to question 2.

Theme	Number	Percentage
Cost/time saving/less resource intensive	104	57%
Initial new burdens anticipated during transition phase	19	10%
Potential increase in burdens initially for billing authorities in compiling data for ESFA	16	9%
Net nil effect for burdens/minimal savings	13	7%
Issue of schools paying late fines	10	5%
Potential increase in time for local authorities initially to work out how to assign payments to the appropriate school	9	5%
Continued burden for schools of accounting for rates	9	5%
Transparency of payments for schools and local authorities should be included	8	4%
Savings if maintained nursery schools were rolled in for those not currently reimbursed for their rates	7	4%
Reduction in burdens for local authorities who will no longer have to chase late payments	6	3%
Continued liability for schools	6	3%
Billing authorities' systems update needed to label bills "for information only"	6	3%
New burden of billing authorities needing to enter adjustments manually	6	3%
Issue of local authorities manually process payments to each rate account.	4	2%

Overall, the majority of respondents (64%) did not anticipate any new burdens as a result of centralising the rates payment process for schools, with this view most strongly expressed by schools. A small proportion of respondents did anticipate new burdens (20%), although this includes about half of local authorities. Overall, a smaller proportion of respondents (15%) indicated that they were unsure.

The majority of schools (76%) did not anticipate any burdens, with many indicating that the proposals should instead yield cost and time savings. Of those that did anticipate new burdens (14%), the concern around schools retaining liability for rates was the issue raised by far the largest number. Specifically, concerns were raised (by 5%) that schools might be held liable for late fines due to delayed or missed payments that could occur as a result of an ESFA processing or systems error. These respondents also highlighted the importance of ensuring timely and accurate data uploads by billing authorities as a means of achieving correct payment amounts to prevent late fines being issued in relation to unpaid, or partially unpaid, bills. Our approach to addressing late payment fine liabilities is set out in the government response to this question below.

A significant proportion (48%) of local authorities did identify new burdens as a result of modifying their existing systems. Common themes identified centred around new burdens associated with the initial transition to the new payment process (24%) including: compiling and uploading school level data (9%); labelling bills "for information only" (3%); concerns that the new process might require manually entering adjustments (3%) or manually processing payments to each rate account (2%). For most of these issues, the respondents noted that the extent of new burdens would be dependent on the set up of the system, and that costs to local authorities could be mitigated through appropriate implementation.

Some schools and upper tier county councils voiced their apprehension that the proposed changes would reduce transparency (upper tier county councils do not act as billing authorities for business rates). For schools (9%), the new process would reduce transparency as they would no longer receive confirmation of their bill payment. For two tier councils, uncertainty was expressed around how they would remain informed of bill amounts and payment confirmation which are necessary both for local accounting purposes and to record business rates data in the authority proforma tool (APT) which they will be required to complete for the last time for 2022/23.

Government response

We consulted on the basis that formal liability would remain unchanged if the new rates payment process were implemented. For community and voluntary controlled schools liability will therefore continue to rest with the local authority. All other local authority maintained schools and academies will retain liability for their own business rates, with the ESFA only acting, in effect, as a paying agent on their behalf. However, we recognise that it would be unfair for schools to continue to make payment of any penalty charge incurred as a result of late or non-payment of their rates bill, when this has occurred through no fault of their own. To address these concerns, in the event that a late or missed rates payment arises as a result of ESFA error, the department would cover any penalty charges incurred. Examples of such cases could include late payment due to processing delays or data upload failure.

However, schools will continue to be responsible for paying for penalty charges in instances where they are at fault, such as when a new school fails to inform their billing authority of their rateable value, or when an academy converter fails to inform their billing authority of their conversion. We intend to adopt a similar approach with local authorities for community and voluntary controlled schools.

We will seek to minimise new burdens to billing authorities primarily through the design and functionality of the online billing portal. The portal will undergo rigorous testing through extensive user research with a wide number of stakeholders to ensure it interfaces as smoothly as possible with existing billing authority software. By doing so, we aim towards a fully automated system which avoids manual inputs as far as possible. As part of this, we intend to design the ESFA online system so that it automatically allocates payments by the cash receipting system to the correct non-domestic rate account held by billing authorities. We will be conducting a full new burdens assessment in due course.

We acknowledge the issues that reduced transparency would create for schools and two tier councils. In response, we intend to eliminate transparency concerns by granting schools access to the online billing portal and assigning them observer status so they can remain informed of their bill amount and when this has been paid, including for any adjustments made and paid during the reconciliation window. We also intend to grant local authorities access to the online billing portal, with upper tier councils in two tier areas granted access with observer status, in order to address transparency concerns. Granting all local authorities, including upper tier county councils, access to the bill upload portal will not only allow local authorities access to this data, but allow them access all year round - an improvement on the current system.

Question 3

We are anticipating that billing authorities would provide one upload of bill data to ESFA for all the schools within their borough/district. Is this the best way to collect rates information from billing authorities, and what information would billing authorities need in order to provide the required upload of bill data?

Figure 5: breakdown of responses to question 3.

Respondent	Response type	Total	Percent
Schools	Yes	180	75%
	No	6	2%
	Unsure	55	23%
Local authorities	Yes	25	46%
	No	6	10%
	Unsure	23	43%
National organisations	Yes	1	14%
	No	0	0%
	Unsure	6	86%

100 respondents provided further comments[5]. These comments have been categorised by common themes raised[6] (see figure 6).

Figure 6: common themes raised in response to question 3.

Theme	Number	Percentage
Unsure/for a billing authority to answer	29	29%
Proposal is sensible/time saving/more streamlined	21	21%
Up to date information on rateable values needed for accurate upload data	10	10%
Property details of schools and which premises they relate to needed for accurate upload data	10	10%
More detail of software enhancements required	10	10%
May require billing authority software development	9	9%

[5] This figure excludes 193 respondents (62% of total respondents) with `no comment`.

[6] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 6 are those that were raised by at least 2% of respondents who answered the question.

Need to identify if there is any information schools would need to provide billing authorities	9	9%
Ratepayer needs access to the portal for transparency	8	8%
It would be helpful for ESFA to provide billing authorities with a list of schools in each area	6	6%
Importance of ensuring timely and accurate data to prevent late fines for schools	5	5%
Concern about how accuracy of the billing would be checked	5	5%
Clarity needed around approach if bills change during the year and who is entitled to credit if this should arise	3	3%
Need an approach for back dated adjustments pre April 2022	3	3%
Issue that uploads will need to contain information around split sites or where a bill has been apportioned between two occupiers	3	3%
A vehicle for identifying/adjusting incorrect bills is required	2	2%

The majority of respondents (68%) agreed that the best way to collect rates information from billing authorities was through a single upload of bill data to the ESFA for all schools within each billing authority's borough or district. Just over a quarter of respondents (28%) were unsure and only a very small minority (4%) disagreed that this was the optimal data collection method. Those who disagreed cited concerns with initial burdens for billing authorities arising from the transition to the new system and understanding how to compile the data.

10% of comments referenced the information billing authorities would need in order to provide the required upload of bill data, which included school property details and their up to date rateable values. Respondents also highlighted that uploads ought to include information around split sites, or where a bill has been apportioned between two occupiers. For further information on handling of split sites, please refer to the government response to question 6.

Billing authority systems readiness was raised as a concern, with a minority of respondents (9%) highlighting that billing authority software development may be needed to support data upload functions, and requesting further details around what (if any) software enhancements may be required (10%).

Upload accuracy was also identified as an area on which billing authorities would benefit from additional information. Respondents requested further details around how billing accuracy would be checked (5%), with some highlighting the importance of ensuring timely and accurate data to prevent late fines (5%) and others interested to understand if there would be a vehicle for identifying or adjusting incorrect bills (2%).

Several respondents (6%) indicated that it would be helpful for ESFA to provide billing authorities with a list of all the local authority maintained schools and academies within their area.

Our approach to handling backdated adjustments which are raised after April 2022 but which apply to bills paid prior to April 2022 is outlined in the government response section of this question below, alongside our approach to bill changes mid-year.

Government response

Overall the responses to this question did not raise any particular concerns. We have set out our approach to the issues raised below and how these will be addressed during implementation.

We recognise the concerns raised around implementing a new process and as stated in the government response to question 2, we are seeking to minimise new burdens to billing authorities primarily through the design and functionality of the online billing portal. Detailed guidance around new processes and any necessary software enhancements will be issued to the sector as soon as practicable.

To maintain high levels of upload accuracy, all data will pass through an ESFA validation check. Billing authorities may be requested to submit rates bills as evidence, where claims are identified by ESFA as significantly different from the previous year (for academies, rates data from the previous year will be extracted from the NNDR portal, while for local authority maintained schools authority proforma tool figures will be used). Billing authorities will be able to resubmit data if any errors in data uploads are detected to ensure accurate payments. In addition to this, opening the online portal to schools will provide a further opportunity for identifying incorrect data uploads – we would encourage schools to use the portal to check their billing amounts and notify their billing authority if any errors are identified.

We intend to provide a list to each billing authority of all the local authority maintained schools and academies in their area for which they will be responsible for submitting a data upload. Providing a list will help to mitigate the eventuality in which schools are missed out, or are double counted for their rates. Moreover, providing a list will also ensure billing authorities are made aware of any newly built schools and recent academy converters falling within their remit.

The ESFA will cover the cost where historic adjustments result in increased bills, for adjustments which are raised after April 2022 and apply to bills paid prior to April 2022. For example, if the rateable value of a school site had increased due to the construction of a new building in 2021, but this increase had not been reflected in any rates bills received before April 2022. In this instance, once the school had informed their billing authority, they would receive an increased bill for 2022/23, which would also reflect the backdated costs relating to 2021/22 arising from the increase in their site's rateable value. Their billing authority would upload the new bill amount to the online billing portal, and ESFA would cover the full cost. For academies, there is already the functionality for them to submit historic adjustments via the NNDR portal, and this will remain post April 2022 to allow them to submit historic adjustments directly to ESFA.

For backdated adjustments which come to light after April 2022 and result in a decrease in rates bills, the responsibility to reclaim any overpayments rests with the liable party (ie. schools, or the local authority for community and voluntary controlled schools). For example, if a school demolished a building which resulted in a decrease to their site's rateable value but continued to pay the original bill amount, the school would be entitled to a refund. However, it remains the responsibility of the school to contact their billing authority to discharge the liability; the billing authority legally cannot get involved in an arrangement between the ratepayer and a third party (ESFA) to discharge the liability.

Our approach to handling changes in billing amounts that occur midway through the billing period is outlined below in our response to question 6, on page 26.

Question 4

Where multiple billing systems exist within local authorities, what issues would this proposal raise?

We received 180 responses to this question[7]. Respondents by group, ordered by the percentage of total responses to the question, are shown below (see figure 7). This is followed by a list of common themes raised[8] (see figure 8).

[7] Excluding 92 respondents (30% of total respondents) with `no comment`.

[8] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 8 are those that were raised by at least 2% of respondents who answered the question.

Figure 7: breakdown of respondents to the question grouped by organisation, ordered by the proportion of all question respondents.

Type of respondent	Total	Proportion of all question respondents	Proportion of the total group
Academy or academy trust	118	66%	61%
Local authority maintained school	30	17%	61%
Local authorities	24	13%	44%
National organisation	5	3%	71%
Other	3	2%	43%

Figure 8: common themes raised in response to question 4.

Theme	Number	Percentage
Unsure/for a billing authority to answer	111	62%
No issues	39	22%
Potential systems issues during transition	7	4%
Potential need for software provider input to ensure systems can interact with the portal interface	7	4%
Potential issue of combining amounts into a single upload for local authorities	4	2%
Potential duplication of data	3	2%

Of those who answered this question, the majority (62%) indicated that they were unsure what issues may be raised by moving to a centralised rates payment system for schools where multiple billing systems exist in local authorities. Most of these respondents were schools; this question was largely aimed at billing authorities and local authorities.

Open comments received included a concern that in two tier authorities where multiple billing systems exist, billing authorities could encounter transitional issues with their systems (4%) combining data into a single upload (2%), and that software provider input may be required to ensure billing authority systems can interact smoothly with the online billing portal interface (4%). These concerns were also raised in answer to questions 2 and 3, and our response can be found above on pages 14-15 and 18.

A small number of district councils (2%) highlighted data duplication as a potential risk – whereby some schools could erroneously be included in multiple district council billing authority systems. We have addressed this concern in response to answers received to question 3, see page 18 for further information.

Government response

No significant issues were raised for local authorities with multiple billing systems to implement these proposals. This strengthens the case for pressing ahead with our proposals. We will be engaging further with stakeholders closely throughout the policy implementation period to ensure that we remain well positioned to swiftly identify and respond to issues if any do arise.

Question 5

In local authorities where discretionary relief is provided, how could this best be taken forward under the new system?

We received 198 responses to this question[9]. Respondents by group, ordered by the percentage of total responses to the question, are shown below (see figure 9). This is followed by a list of common themes raised[10] (see figure 10).

Figure 9: breakdown of respondents to the question grouped by organisation, ordered by the proportion of all question respondents.

Type of respondent	Total	Proportion of all question respondents	Proportion of the total group
Academy or academy trust	122	62%	64%
Local authority maintained school	30	15%	61%
Local authorities	36	18%	66%
National organisation	5	3%	71%
Other	5	3%	71%

[9] Excluding 72 respondents (23% of total respondents) with `no comment`.

[10] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 10 are those that were raised by at least 2% of respondents who answered the question.

Figure 10: common themes raised in response to question 5.

Theme	Number	Percentage
Unsure/for a billing authority to answer	98	49%
Relief should be maintained but handled centrally and applied before bill amounts are uploaded	52	26%
Existing relief should be maintained	13	7%
EFSA to have a single national approach for all maintained schools	7	4%
Discretionary relief could be shown on the bill	6	3%
Application of relief to MNS should be fair and consistent across local authorities	6	3%
All state funded schools should get relief	6	3%
Local authorities should cease providing schools with discretionary relief	5	3%
Both gross and net values (of relief) should be provided to the ESFA	4	2%
Adjust for discretionary relief during the year, once confirmed by local authority	3	2%
Schools should be given the opportunity to check/confirm their relief	3	2%
All academies should get relief automatically upon conversion	3	2%

Of those who provided a comment for this question, a large proportion (49%) indicated that they were unsure how discretionary relief could best be taken forward under the new system. Most of these respondents were schools; this question was largely aimed at billing authorities and local authorities.

Overall, the vast majority of respondents who expressed a view on the handling of discretionary relief approved of our proposal to maintain existing relief, and most suggested that relief ought to be applied to billing amounts before they are uploaded to the online portal (26%).

The inconsistent application of discretionary relief across different local authorities, and the need for a more consistent national relief system was raised by several respondents. However these are questions which pertain to wider business rates reform, and lie outside the scope of this consultation.

Government response

Responses received support our approach for local authorities to continue to apply the current discretionary relief process. As proposed, where local authorities already offer discretionary relief to schools in relation to their business rates, or wish to do so in the future, this will continue.

The responses recommended that any relief should continue to be applied to business rates bills to display a net figure, ensuring that relief is deducted at source before bill amounts are uploaded so that payments are based on net liability. We will be adopting this approach from April 2022.

Question 6

Are there any issues of detail that would need to be resolved in order to implement this proposal? One that occurs to us is how to handle schools occupying sites that also have other bodies on site, such as a children's centre.

We received 207 responses to this question[11]. Respondents by group, ordered by the percentage of total responses to the question, are shown below (see figure 11). This is followed by a list of common themes raised[12] (see figure 12).

Figure 11: breakdown of respondents to the question grouped by organisation, ordered by the proportion of all question respondents.

Type of respondent	Total	Proportion of all question respondents	Proportion of the total group
Academy or academy trust	126	61%	66%
Local authority maintained school	27	13%	55%
Local authorities	45	22%	83%
National organisation	6	3%	86%
Other	3	1%	43%

[11] Excluding 46 respondents (15% of total respondents) with `no comment`.

[12] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 12 are those that were raised by at least 2% of respondents who answered the question.

Figure 12: common themes raised in response to question 6.

Theme	Number	Percentage
No issues	71	34%
Unsure/for a billing authority to answer	46	20%
Issue around multi-use sites	31	15%
Need for separate bills for two ratepayers occupying the same site	10	5%
Maintained nursery schools should be included	11	5%
Ensuring local authorities/billing authorities provide sufficient information to ESFA	8	4%
The role of the authority proforma tool (APT) for rates under the new system	8	4%
Schools will need access to information including bill amounts and when payments have been made	8	4%
Issue of property acquisition/disposal/change of use mid-year	6	3%
If a school undergoes academisation mid-way through the billing period	5	2%

Regarding any issues of detail that would need to be resolved in order to implement our proposals, the majority of respondents were either unsure (20%) or believed there would be none (34%).

Several respondents (15%) agreed that the handling of multi-use sites (sites used by more than one body) could present an issue, as suggested in the question. This was raised by over half of all local authority and billing authority respondents (64%). Some respondents (5%) suggested that this issue could be resolved by issuing separate bills for ratepayers that occupy the same site. The issue of including maintained nursery schools (raised by 5%) and of schools needing access to rates information are addressed on pages 11 and 15 respectively.

Several respondents (4% overall and 9% of local authorities and billing authorities) requested further clarity around the role that the APT and NFF would play under the new system. A small number of respondents (3%) stressed that the handling of property acquisition, disposal or use change mid-year would need to be made explicit, as well as how academisations would be handled if they occurred mid-way through the billing period (2%). Respondents highlighted a variety of reasons that could cause a rates bill to change mid-year, including:

- a change to a school's rateable value (either increasing or decreasing) through property acquisition, merger, split, disposal or use change
- a change to a school's rateable value (either increasing or decreasing) due to a revaluation by the Valuation Office Agency (VOA)
- an existing account being closed (eg a maintained school account closing to converting to an academy)
- a new account being created (eg a a new account being created in the name of the academy for an academy converter)
- a relief being awarded, cancelled or amended

Government response

We appreciate the issues raised by respondents and have addressed these below. We will continue to work to identify and resolve any further issues, if any should arise.

Handling of multi-use sites

The handling of multi-use sites was included as an example in the question which likely had the effect of increasing the number of respondents (15%) who raised it as an issue.

School sites can be complex, with some containing a number of service providers (a private nursery attached to a primary school, for example) and some containing other bodies which occupy specific buildings (a caretaker's house or community swimming pool, for example). We recognise that a clear process will be required for handling these multi-use sites. Our intention is to adopt the process we currently use for academy rates claims. That is, we will cover additional rates costs associated with buildings on a school site which are used to deliver education for pupils at the school (a sports hall that is used by pupils during lesson time and in the evenings by the wider community, for example). We will not cover the additional rates costs associated with buildings which are not used to deliver education for pupils at the school (a children's centre, for example).

We encourage schools to register buildings which are not used to deliver education for pupils at the school as a separate entity on the Valuation Office Agency's (VOA) rating list, thereby ensuring that two individual bills are generated. On this basis, the bill data uploaded by billing authorities will only pertain to the parts of a school site used to deliver education and exclude any other buildings. This approach is supported by several local authority respondents who agreed this would be the best way to handle multi-use sites. We will be issuing frequent communications to the sector between now and April 2022 to encourage uptake of this approach.

In situations where separate bills have not been achieved by April 2022, schools will need to organise how the other liable party reimburses them to make up the difference between the total that is owed to the billing authority (i.e., the combined bill of school buildings and other buildings on site) and what the ESFA pays (i.e., just the portion of the bill relating to buildings used for delivering education for pupils at the school). It will remain the schools' responsibility to arrange payment for any additional rates costs which exceed the portion paid by ESFA. For academies this will not introduce any extra administration – rather it will represent a continuation of the existing arrangements they already have with other site occupants. For local authority maintained schools, consultation responses indicate that some local authorities currently cover the whole bill, including for parts of the site not used for delivering education. We will be issuing further guidance to the sector later in the year to ensure billing authorities and schools are made aware that ESFA will only be covering the cost of business rates associated with buildings used to deliver education for pupils at the school. However, as academy business rates claims with multi-use sites comprise less than 1% of all academy rates claims, we expect that multi-use sites will likely comprise a similarly small proportion of local authority maintained schools.

The future role of the authority proforma tool (APT) national funding formula (NFF)

Several respondents requested more clarity about the role of the APT. Local authorities will not be required to submit rates data in their authority proforma tool (APT) after 2021/22, unless they wish to record any adjustments in the 2022/23 APT. Following 2022/23, no local authority will be able to submit any rates data via the APT.

Currently, local authorities can record changes in a schools' rateable value from the previous year in the next APT and receive the backdated funding in their next national funding formula NFF allocation (for example, when schools add new buildings to their school site in previous years which results in an increase to their rates bill due to an uplift in their premises' rateable value). This adjustment method will take place for the final time in the 2022/23 APT, with final adjustments received by local authorities in the 2023/24 NFF allocations, to ensure there is no disbenefit to local authorities that wish to claim back money for historic adjustments. After this point, all adjustments will be submitted by the billing authority using the ESFA portal during the reconciliation window, with payments made by the ESFA to the billing authority in March, meaning that there will be no impact on local authorities in terms of the funding that they provide to schools.

Handling of changes to property mid-year

3% of respondents requested further clarity around the handling of changes to property that could change schools' rates costs mid-year. Where billing amounts change mid year, billing authorities will upload the new bill amount to the online portal during the reconciliation window, between May and March. A change to a school's rateable value will be applied from the day it occurs. Worked examples can be found in annex C below.

Question 7

If the direct payment of rates is implemented, would payments made once a year (in June) with a reconciliation for any adjustments at the end of the year (in March) be workable for billing authorities?

We received 309 responses and 234 comments to this question[13]. Respondents by group, ordered by the percentage of total responses to the question, are shown below (see figure 13). This is followed by a list of common themes raised[14] (see figure 14).

Figure 13: breakdown of responses to question 7.

Respondent	Response type	Total	Percent
Schools	Yes	59	24%
	No	5	2%
	Unsure	177	73%
Local authorities	Yes	25	46%
	No	9	17%
	Unsure	20	37%
National organisations	Yes	2	29%
	No	0	0%
	Unsure	5	71%

[13] Excluding 75 respondents (24% of total respondents) with `no comment`.

[14] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 14 are those that were raised by at least 2% of respondents who answered the question.

Figure 14: common themes raised in response to question 7.

Theme	Number	Percentage
Unsure/for a billing authority to answer	139	59%
Proposal is sensible/time saving/more streamlined	50	21%
Recommend reconciliation payments in February to allow more time for queries	11	5%
Workable as it coincides with authority year end processes	9	4%
Important to ensure payments in June do not result in recovery action by billing authorities whose bills are usually payable from April	7	3%
Yes, will improve LA cashflow as many schools currently pay in monthly instalments	5	2%

Overall, the majority of respondents (67%) were unsure if payments made once a year in June with a reconciliation for any adjustments at the end of the year in March would be workable for billing authorities. Most of these respondents were schools and county councils; this question was largely aimed at billing authorities.

Among billing authorities, there was a far higher degree of agreement (63%) that this was a sensible approach. Several billing authorities indicated that the proposed timelines were workable because they coincided with local authority year end processes. Of those billing authorities and local authorities who disagreed, the most common reason for disagreement was that a reconciliation payment in March would be inconvenient given the pressures of year end. Respondents (5%) expressed their preference for the reconciliation payment to take place in February to alleviate pressures, allow sufficient time for queries to be addressed and to ensure accuracy of billing authority accounts for representative performance reporting. This was interesting given that several other respondents (9%) indicated that proposed payment timelines were workable as they coincide with local authority year end processes.

A small number of respondents from local authorities (3%) emphasised the importance of ensuring that payments in June do not result in recovery action by billing authorities whose bills are usually payable from April. Existing processes often involve the automatic triggering of recovery action if schools have not paid by June, with court action taking place from July that year.

Government response

Issues raised have been addressed below in the government response to question 8 (see page 30).

Question 8

To ensure payments are properly reconciled at the end of the year, could billing authorities provide any revised claims via the online portal between May and March?

We received 309 responses and 224 comments to this question[15]. Respondents by group, ordered by the percentage of total responses to the question, are shown below (see figure 15). This is followed by a list of common themes raised[16] (see figure 16).

Figure 15: breakdown of responses to question 8.

Respondent	Response type	Total	Percent
Schools	Yes	61	25%
	No	1	0%
	Unsure	179	74%
Local Authorities	Yes	26	48%
	No	5	9%
	Unsure	23	43%
National organisations	Yes	2	29%
	No	0	0%
	Unsure	5	71%

Figure 16: common themes raised in response to question 8.

Theme	Number	Percentage
Unsure/for a billing authority to answer	150	67%
Proposal is sensible/time saving/more streamlined	39	17%
Suggestion for end February payment instead of end March due to year end	6	3%
Important to ensure payments in March do not result in recovery action by billing authorities whose bills are usually payable from April	5	2%

[15] Excluding 85 respondents (28% of total respondents) with `no comment`.

[16] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 16 are those that were raised by at least 2% of respondents who answered the question.

The majority of respondents (67%) were unsure if billing authorities could provide any revised claims via the online portal between May and March. As with question 7, most of these respondents were schools and county councils; this question was largely aimed at billing authorities.

Among local authorities, there was a far higher degree of agreement (48%) that this was a sensible approach. Among those who provided clarifying comments, very few objections were raised to this approach. Only a few respondents (3%) raised the concern that a March payment may create difficulties due to year end pressures, and even fewer (2%) reiterated the point they had made in response to question 7 that it would be important to ensure March payments do not result in recovery action.

Government response

In response to the preference expressed for a reconciliation payment in February, and following further engagement with stakeholders, we will be moving this payment from mid March to the end of February.

To prevent recovery action, we will be following the relevant regulations regarding rates payments, which state that "a charging authority and a ratepayer may agree that the estimate of the amount payable should be paid in such a manner as is provided by the agreement, rather than in accordance with Schedule 1 [of the Regulations]", which requires payment by instalments[17]. Therefore, moving to a system which is not predicated on schools paying rates by monthly direct debit need not result in billing authorities seeking recovery action with schools after April 2022.

Question 9

Please provide any information that you consider we should take into account in assessing the equalities impact of the above proposals.

[17] The Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations, 1989, SI 1989/1058, 7(3), https://www.legislation.gov.uk/uksi/1989/1058/regulation/7/made

We received 153 responses to this question, accounting for half of the total number of respondents[18]. Respondents by group, ordered by the percentage of total responses to the question, are shown below. This is followed by a list of common themes raised[19].

Figure 17: breakdown of respondents to the question grouped by organisation, ordered by the proportion of all question respondents.

Type of respondent	Total	Proportion of all question respondents	Proportion of the total group
Academy or academy trust	107	70%	56%
Local authority maintained school	25	16%	51%
Local authorities	17	12%	31%
National organisation	4	3%	57%
Other	3	2%	43%

Figure 18: common themes raised in response to question 9.

Theme	Number	Percentage
No equalities impacts identified	122	80%
Inclusion of maintained nursery schools	15	10%
Unsure	11	7%
Removing rates being levied on schools altogether	2	1%

In terms of the potential equalities impact of the proposals, of those that answered the question, the majority of respondents (80%) did not identify any equalities impacts, either

[18] Excluding 131 respondents (42% of total respondents) with `no comment`.

[19] Where respondents raised multiple issues, each has been counted. Key issues shown in figure 18 are those that were raised by at least 2% of respondents who answered the question.

positive or negative. A small number of respondents (7%) were unsure of the potential equalities impact.

The only significant issue raised was that the exclusion of maintained nursery schools had the potential to negatively impact on equalities, with 15 respondents (10%) reporting this as an issue.

A very small number of repondents (1%) suggested that rather than reforming the payment process of schools' rates, we should instead consider removing rates levied on schools altogether. These respondents indicated that this would result in a large positive impact upon equalities across schools and local authorities.

Government response

Overall, reponses revealed that our proposals are unlikely to have any disproportionate negative impacts on persons who share a protected characteristic compared to others.

We acknowledge that several respondents raised the exclusion of maintained nursery schools from our proposals as an equalities concern, and understand that this is an issue particularly as the children attending maintained nursery schools are more likely to have special educational needs and disabilities and be disadvantaged (eligible for the Early Years Pupil Premium) than children taking up universal entitlement in other early years settings. However, as we have outlined in the government response to question 1, maintained nursery schools have been assessed as out of scope of the new centralised business rates system at the present time. Our current proposals will therefore have no impact on the the operation of maintained nursery schools.

Next steps

The new business rates payment process for schools will come into force next financial year, with the online business rates portal due to open on 1 April 2022. Billing authorities will have until 31 May 2022 to upload bill data for all of the schools within their area, with the first payment to billing authorities due to be paid in June 2022.

The online billing portal will reopen in June 2022 to allow billing authorities to upload any adjustments to billing amounts which arise, or come to their knowledge, after the first instalment has been paid. The upload facility to record adjustments will remain open until February 2023, with a reconciliation payment made to billing authorities in February 2023.

If they have not already done so, we strongly encourage schools with multi-use sites to register buildings which are not used to deliver education for pupils at the school as a separate entity on the Valuation Office Agency's (VOA) rating list. This will ensure that two individual bills are generated - one for the school (which will be paid by the ESFA) and one for any other buildings which are not used to deliver education for pupils at the school, which can then be settled by the appropriate ratepayer. Bill data which pertains only to the parts of a school site used to deliver education and excludes any other bodies can then be uploaded by billing authorities. When the new system comes into force, ESFA will not be funding rates associated with buildings that are not being used to deliver education.

From 1 April 2022 the functionality for academies to submit historic claims for previously unclaimed years will be removed. Academies have until the end of March 2022 to submit any outstanding historic claims relating to the 2015/16 financial year onwards via the NNDR portal. From 1 April 2022, ESFA will no longer accept, process or reimburse academies for historic claims relating to unclaimed years. We would strongly encourage academies to submit any historic NNDR claims for unclaimed years as soon as practicable, so that ESFA can meet such claims promptly.

Annex A: Current business rates system

The business rates payment process for schools is complex, with processes differing between local authority maintained schools and academies, as well as across local authorities.

In 2021/22, for local authority maintained schools, typically local authorities receive funding from the Education and Skills Funding Agency (ESFA) for schools' business rates within their Dedicated Schools Grant (DSG). This amount is calculated based on local authorities' actual spend on business rates in the previous year. Local authorities set and provide the budgets for local authority maintained schools, which contain funding to cover business rates costd. Once local authority maintained schools receive a business rates bill from their billing authority, they pay the cost of the bill directly to the billing authority. In some cases (most notably for unitary authorities where billing authorities are part of the local authority funding schools) there is an agreement for the schools' maintaining local authority to make the payment directly to the billing authority. Here, schools are bypassed and do not receive cash for business rates funding from their maintaining local authority via the wider DSG funding – instead their local authority topslices the DSG to pay the billing authority.

In 2021-22, for academies, individual academies pay their business rates directly to their billing authority once their billing authority has sent them a bill. Academies then submit claims to ESFA to recoup the cost of their rates via the national non-domestic rates return portal. Academies with multiple bills and buildings must combine their bill values and enter these into the form. Academies may be requested to submit their rates bill as evidence, where their claim is significantly different from the previous year or significantly varies from the authority proforma tool (APT) figure local authorities provide on their funding formulae for schools within their authority. Once claims are validated, ESFA directly reimburses academies for the exact cost of their business rates, within 2 months of receiving a claim. This payment is funded outside of the general annual grant (GAG) payments. Academies are also able to submit historic claim requests dating back to 2015-16. If academies have neglected to lodge a rates claim during this period, this enables academies to claim the cost of their rates retrospectively.

The arrangements outlined above demonstrate processes which entail a complex flow of business rates funding, much of which is circular, involving substantial bureaucracy and which serve no benefit to front line services. In the interests of improving an unnecessarily resource intensive process, which schools and local authorities have previously raised as a source of frustration, we proposed adopting a centralised business rates payment process for schools. A centralised system will reduce several unnecessary burdens created by the previous process and will support schools and local authorities to deliver essential public services efficiently.

Annex B: Proposals

Two proposals were consulted upon to reflect the move to two separate payment cycles: the first associated with substantive rates payments in June and the second with reconciliation payments in March.

The first proposal consulted upon was for ESFA to pay schools' business rates directly to billing authorities on behalf of schools, removing the need for local authority maintained schools and academies to make these payments to billing authorities themselves. Under our proposals, schools would retain formal liability for paying business rates, but ESFA would act as a paying agent on their behalf. To enable this, we proposed that billing authorities will upload bill data for all schools to the online ESFA system which is already used to collect academies' business rates bill data. In addition, we proposed that billing authorities will supply payment information to the schools to allow for local accounting for their business rates obligations. We set out that our proposals would not preclude local authorities offering discretionary rates relief - those local authorities which already offer relief for schools within their local areas can continue to do so and any local authority may start offering discretionary relief, if they choose to do so.

Maintained nursery schools were assessed as out of scope of the new centralised business rates system at the present time, but the feasibility of extending the scheme to maintained nursery schools in the future will be kept under review. For further details, please refer to the government response to question 1 (see page 11).

The second proposal consulted upon was for ESFA to make a single reconciliation payment to billing authorities in March to allow for adjustments before the end of the financial year. Billing authorities can send revised business rate bills to schools at any point in the year, typically to reflect changes to bill amounts arising from the construction or demolition of school buildings, or revaluations which result in a change to a school site's rateable value. We proposed that when these revisions are made to billing amounts, billing authorities will upload the new bill data to the online ESFA system to enable ESFA to make a single reconciliation payment in March.

Annex C: Worked examples

1. A school's rateable value is £100,000. Their billing authority uploads this amount via the online billing portal in April 2022 and the ESFA pays the billing authority £100,000 in June 2022. The school constructs a new building to house a swimming pool at the end of September 2022, and their rateable value increases to £110,000. The billing authority uploads the new billing amount in October 2022, indicating that the change in rateable value was applicable from September of that year. The ESFA system calculates the revised annual payment (£100,000/365 x 175 for April to September) + (£110,000/365 x 190 from October to March) = £105,205. Hence, the ESFA pays the billing authority an additional £5,205 in March 2023.
2. A school's rateable value is £100,000. Their billing authority uploads this amount via the online billing portal in April 2022 and the ESFA pays the billing authority £100,000 in June 2022. The school sells a small portion of their estate to property developers at the start of January 2022, and their rateable value decreases to £80,000. The billing authority uploads the new billing amount in February 2023, indicating that the change in rateable value was applicable from January that year. The ESFA system calculates the revised annual payment (£100,000/365 x 280 for April to December) + (£80,000/365 x 85 for January to March) = £95,342. The ESFA has overpaid by £4,658 for the 2022/23 financial year. The following financial year, £4,658 will be deducted from payment made to the billing authority for the school in June 2023.
3. A school's rateable value is £10,000. Their billing authority uploads this amount via the online billing portal in March 2022 and the ESFA pays the billing authority £10,000 in June 2022. The school contructs a new building to house an IT suite in late April 2022, and their rateable value increases to £12,000. The billing authority waits for the reconciliation window to open and uploads the new billing amount in May 2022, indicating that the change in rateable value was applicable from late April of that year. The ESFA system calculates the revised annual payment (£10,000/365 x 21 for April) + (£12,000/365 x 344 from May to March) = £11,885. Hence, the ESFA pays the billing authority an additional £1,885 in March 2023.
4. A local authority maintained school's rateable value is £84,000. Their billing authority uploads this amount via the online billing portal in April 2022 and the ESFA pays the billing authority £84,000 in June 2022. The school converts to an academy in September 2022 and whilst the rateable value of the school site remains the same, the new academy receives 80% rates relief from the day they open, reducing their bill amount by £67,000 (£84,000 x 0.8 = £67,000). The new academy informs their billing authority of their conversion and their rateable value. The billing authority closes the old account associated with the local authority maintained school and opens a new account created in the name of the academy. The billing authority uploads the new billing amount, net of relief, in September

2022 (£84,000 - 67,200 = £16,800). The ESFA system calculates a revised annual payment to take into consideration that the new academy will only be open for 7 months in the first financial year it is open (£16,800/365 x 210 = £9,666), and the ESFA pays this amount to the billing authority. The ESFA calculates the overpayment associated with the closed account (£84,000 – (£84,000/365 x 155) = £48,329). Hence, a deducation of £48,329, the full amount of repayment in respect of the closed account, will be made from payments made to the billing authority in March 2023.

Annex D: List of organisations that responded to the consultation

Academies and mulit-academy trusts (MATs):

- Academies Enterprise Trust
- Alcester Grammar School
- All Saints Schools Trust
- Amadeus Primary Academies Trust
- Aston Tower Community Primary School
- Aston University Engineering Academy
- Aurora Academies Trust
- Balmoral Learning Trust
- Bartley Green School
- Bedford College Academies Trust Ltd
- Bernwode Schools Trust
- Blessed Edward Bamber Catholic Multi Academy Trust
- Bohunt Education Trust
- Boudica Schools Trust
- Bradford Diocesan Academies Trust
- Bradgate Education Partnership
- Bridge Academy
- Brigshaw Learning Partnership
- Capital City Academy
- Castle View Enterprise Academy
- Chattenden Primary School
- Chess Valley Primary Learning Trust
- Chew Stoke Church School
- Chorus Education Trust
- Christ the King Catholic Primary School
- Chrysalis MAT Sudbury Primary School
- Churchill Academy

- Cirrus Primary Academy Trust
- Copthall School
- Corinium Education Trust
- Cornwall Education Learning Trust
- Court Lane Junior Academy
- Cox Green School
- Cranmer Education Trust
- Creative Education Trust
- Cullingworth Village Primary School
- David Nieper Academy
- Delta Academies Trust
- Djanogly Learning Trust
- Dudley Academies Trust
- East Anglian Schools Trust ltd - Farlingaye High School
- East Midlands Education Trust
- Ebor Academy Trust
- Educate Together Academy Trust
- Embrace Multi Academy Trust
- Equitas Academies Trust
- Farmor's School
- Greenholm Primary School
- Hall Orchard C of E Primary School
- Harris Federation
- Hayes School
- Hazelwick School
- Hertswood Academy
- Highcliffe School
- Hillview School for Girls
- Holmer Green Senior School
- Holmes Chapel Comprehensive School

- Holy Cross Catholic Multi Academy Company
- Horncastle Education Trust
- Hounsdown School
- Hull Collaborative Academy Trust
- Huncote Primary School
- Hursthead Junior School
- Inclusive MAT
- Inspire Learning Partnership
- Inspire Trust
- James Montgomery Academy Trust
- John Hampden Grammar School
- Kennet Schools Academies Trust
- Kenton Schools Academy Trust
- Kernow Learning MAT
- Kernow Learning Multi Academy Trust
- King Edward VI School
- Kings Cross Academy
- Kings Norton Girls' School and Sixth Form
- Learning for Life Education Trust
- Leodis Academies Trust
- Light Hall School
- Lighthouse Schools Partnership
- Lion Academy Trust
- Liverpool Diocesan Schools Trust
- London Design & Engineering UTC
- Lord Lawson of Beamish Academy
- Loreto Grammar School
- Loughborough C of E Primary School
- Lunesdale Learning Trust

- Marylebone Boys' School
- Mayflower High School
- Mercian Educational Trust
- Mesty Croft Academy
- Nexus Education Schools Trust
- North Norfolk Academy Trust
- Northampton Academy
- Notre Dame High School
- Oak Multi Academy Trust
- Oakmoor School
- Our Lady of Fatima Catholic Multi Academy Trust
- Oxford Diocesan Schools Trust
- Park Hall Infant Academy
- Pioneer Educational Trust
- Prosper Learning Trust
- Range High School
- Reach South Academy Trust
- River Tees MAT
- Ron Dearing UTC
- Royal Wootton Bassett Academy Trust
- Ryvers School
- Salendine Nook High School
- SEAX MAT
- Sentamu Academy Learning Trust
- Severn Vale School
- Sherrier CE Primary School
- South Bank MAT
- South Lincolnshire Academies Trust
- South West Essex Community Education Trust
- South York Multi Academy Trust

- Southend East Community Academy Trust (SECAT)
- Southerly Point Co-operative Multi-Academy Trust
- St Augustine's Catholic Primary
- St Augustine's Catholic Primary School
- St Bernard's High School
- St John Vianney Catholic Primary
- St Marks CE Primary School
- St Peter and St Paul Catholic Primary Academy
- St Therese of Lisieux CMAT
- St Thomas Aquinas Catholic Multi Academy Trust
- St Thomas More Catholic Primary School
- St. John’s C of E Primary School
- Stour Vale Academy Trust
- Summit Learning Trust
- Swale Academies Trust
- TEACH Poole
- The Active Learning Trust
- The Belvedere Academy
- The CAM Academy Trust
- The Castle Partnership Trust
- The Circle Trust
- The Constellation Trust
- The Deepings School
- The Diocese of Ely MAT
- The Howard Academy Trust
- The Island Free School
- The Kemnal Academies Trust
- The King's (The Cathedral) School
- The Kings School
- The Laurus Trust

- The Learning for Life Partnership
- The Marlborough Science Academy
- The Park Academies Trust
- The Priory Learning Trust
- The Reach Free School
- The Rivers C of E Academy Trust
- The Royal Latin School
- The Sir Robert Woodard Academy
- The Tilian Partnership MAT
- The Warriner Multi Academy Trust
- Toddington St George C of E School
- Tonbridge Grammar School
- UTC Warrington
- Vandyke Upper School
- Wales High School
- Wave Multi Academy Trust
- Wellington School
- West Lakes Multi Academy Trust
- Windsor Academy Trust

Local authority maintained schools:

- Ashmore Park Nursery School
- Bentfield Primary School
- Bhylls Acre Primary School
- Bilston Nursery School
- Blackmoor Park Infant School
- Cantrell Primary School
- Caroline Haslett Primary School
- Chichester Nursery School
- Ditton Nursery School
- Eastover Primary School

- Effra Early Years Centre
- Ethelred Nursery School
- Filton Avenue Nursery School and Children's Centre
- Grandpont Nursery School
- Granville Plus Nursery School
- Grasmere Nursery School
- Hasmonean Primary School
- Holmewood Nursery School
- Houghton Community Nursery
- Howe Park School
- Marriott Primary School
- Maytree Nursery School
- Oak Hill First School
- Pathways Learning Centre
- Potters Green School
- Ramridge Primary School
- Rawmarsh and Arnold Nursery School Federation
- Redcliffe Maintained Nursery School
- Reedley Hallows Nursery school
- Rothesay Nursery School
- Sheringham Nursery School and Children’s Centre
- Someries Junior School
- Somerset Nursery School
- St Anne Line Catholic Infant School
- St Benedict's Catholic College
- St Francis Catholic Primary School
- St Joseph the Worker Catholic School
- St Michael & All Angels Primary School
- St. Margaret's Collier Street Primary School
- Tarnerland Nursery School
- The Ashby Federation

- The Lawns Nursery School
- Triangle Nursery School
- Truro Nursery School
- Uffculme School
- Warrington Road Nursery School
- Westminster Nursery School

Single tier local authorities/billing authorities:

- Achieving for Children (on behalf of London Borough of Kingston upon Thames)
- Bath & North East Somerset Council
- Bolton Council
- Bristol City Council
- Bury Council
- Cheshire East Council
- Children’s Services (on behalf of London Borough of Richmond upon Thames)
- City of Wolverhampton Council
- Dorset Council
- Hartlepool Borough Council
- Leicester City Council
- Lewisham Council
- Liverpool City Council
- London Borough of Bromley
- London Borough of Waltham Forest
- Manchester City Council
- Milton Keynes Council
- Newcastle City Council
- North Somerset Council
- Nottingham City Council
- Oldham
- Sheffield City Council
- South Gloucestershire

- Southampton City Council
- St Helens Borough Council
- Stockton on Tees Borough Council
- Tameside Metropolitan Borough Council
- Thurrock Council
- Wakefield Council

Two tier local authorities/billing authorities:

- Adur District Council and Worthing Borough Council
- Cambridgeshire County Council
- Chichester District Council
- City of Lincoln Council
- Derbyshire County Council
- Devon County Council
- East Sussex
- Hampshire County Council
- Harlow Council
- Hertfordshire County Council
- Kent County Council
- Leicestershire
- Lincolnshire County Council
- Norfolk County Council
- Northumberland County Council
- Nottinghamshire County Council
- Oxfordshire County Council
- Somerset County Council
- South Hams District Council
- Surrey County Council
- West Devon Borough Council

National organisations:

- Association of School and College Leaders (ASCL)

- Catholic Education Service
- District Councils' Network
- Early Education
- Institute of Revenues, Rating and Valuation (IRRV)
- Local Government Association (LGA)
- National Association of Head Teachers (NAHT)

Others:

- Avec Partnership
- Effervesce Ltd
- Fairfield Nursery School
- Lancashire Schools Forum
- Portsmouth City Council Schools Forum
- SKL Education Consultancy

Annex E: Copy of all consultation questions

Preliminary questions

1. What is your name?
2. What is your email address?
3. What is your organisation?
4. What type of organisation is it?
5. What is your role?
6. What local authority area are you based in?
7. Are you happy to be contacted directly about your response?
8. Would you like us to keep your responses confidential?

Consultation questions

1. Do you agree that the direct payment of schools' NNDR via ESFA to billing authorities is preferrable to the current system?
2. Do you anticipate any new burdens as a result of the proposals? Alternatively, would the proposals result in savings for local authorities and schools?
3. We are anticipating that billing authorities would provide one upload of bill data to ESFA for all the schools within their borough/district. Is this the best way to collect rates information from billing authorities, and what information would billing authorities need in order to provide the required upload of bill data?
4. Where multiple billing systems exist within local authorities, what issues would this proposal raise?
5. In local authorities where discretionary relief is provided, how could this best be taken forward under the new system?
6. Are there any issues of detail that would need to be resolved in order to implement this proposal? One that occurs to us is how to handle schools occupying sites that also have other bodies on site, such as a children's centre.
7. If the direct payment of rates is implemented, would payments made once a year (in June) with a reconciliation for any adjustments at the end of the year (in March) be workable for billing authorities?

8. To ensure payments are properly reconciled at the end of the year, could billing authorities provide any revised claims via the online portal between May and March?

9. Please provide any information that you consider we should take into account in assessing the equalities impact of the above proposals.

Department for Education

Education Funding Agency

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