

SCHEDULE

Regulation 2(6)

“SCHEDULE 1A

Regulation 4

Special provision for the calculation of retained rates income for the financial years beginning on 1st April 2013, 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017

Interpretation

1. In this Schedule—

“the 2003 Regulations” means the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003(1);

“the 2013 Regulations” means the Non-Domestic Rating (Rates Retention) Regulations 2013(2);

“end of year calculations” means the calculation of non-domestic rating income that a billing authority is required to make in accordance with regulation 9(1)(a) of, and paragraph 1 of Schedule 1 to, the 2013 Regulations for the relevant year;

“refunds in respect of previous years” means amounts to be repaid to ratepayers as a consequence of an alteration to a list in accordance with regulations made under section 55 of the 1988 Act in respect of a year prior to the year beginning on 1st April 2013;

“relevant proportion” means the relevant proportion of the provision for refunds in respect of previous years that a billing authority included in its calculation of surplus or deficit on the collection fund for the relevant year beginning on 1st April 2014, in accordance with paragraph 1A of Schedule 4 to the 2013 Regulations;

“relevant provision” means provision made by an authority to recognise amounts to be repaid to ratepayers as a consequence of an alteration to a list in accordance with regulations made under section 55 of the 1988 Act;

“relevant year” means the year for which a calculation of non-domestic rating income or of a payment is being made in accordance with the 2013 Regulations; and

“surplus or deficit with respect to non-domestic rates” means the billing authority’s estimate as to whether there is a surplus or deficit with respect to non-domestic rates in its collection fund for the preceding year calculated in accordance with regulation 13 of, and paragraph 1 of Schedule 4 to, the 2013 Regulations.

Application of Schedule

2. This Schedule applies where—

(a) a billing authority—

(i) in its calculation under regulation 3 of the 2013 Regulations (calculation of non domestic income) of the amount specified by paragraph 1 of Schedule 1 to those Regulations, for the year beginning on 1st April 2013, spread its provision for refunds in respect of previous years over a 5 year period; and

(ii) in its calculation of the surplus or deficit with respect to non domestic rates for the relevant year beginning on 1st April 2014 included in the amount specified by paragraph 1(3) of Schedule 4 to the 2013 Regulations an amount equal to the relevant proportion;

(1) [S.I. 2003/3146](#). Relevant amendments were made by [S.I. 2010/454](#) and [S.I. 2014/1345](#).

(2) [S.I. 2013/452](#); as amended by [S.I. 2014/96](#).

- (b) a billing authority in accordance with regulation 30J(2) of the 2003 Regulations credited to a revenue account an amount equal to 80% of the amount of the relevant provision;
- (c) a major precepting authority, in accordance with proper practices, was required to recognise a relevant provision in a revenue account for the financial year beginning on 1st April 2013 and in accordance with regulation 30J(3) of the 2003 Regulations credited to a revenue account an amount equal to 80% of the amount found in accordance with paragraph (4) of that regulation;
- (d) a major precepting authority, in accordance with proper practices, was required to recognise a relevant provision in a revenue account for the financial year beginning on 1st April 2013 and a billing authority from whom the major precepting authority received non-domestic rating income for that year, in accordance with regulations 5(2), 6(2) or 14(1) of the 2013 Regulations, included in its calculation of surplus or deficit on the collection fund for the financial year beginning on 1st April 2014 an amount in accordance with paragraph 1A of Schedule 4 to those Regulations.

Calculation for billing authorities for the financial year beginning on 1st April 2013

3.—(1) This paragraph has effect in respect of the financial year beginning on 1st April 2013.

(2) For the purposes of regulation 9 (requirement to make a safety net payment) and regulation 10 (requirement to make a levy payment) the retained rates income for the financial year beginning on 1st April 2013 of an authority that is a billing authority is calculated by adding to the amount calculated in accordance with paragraph 1 of Schedule 1 the amount calculated in accordance with the formula—

$$KV \times 4/5$$

Where—

K has the same meaning as in paragraph 1 of Schedule 1; and

V is the provision for refunds in respect of previous years that the authority has included in its end of year calculation of non-domestic rating income for the financial year beginning on 1st April 2013.

Calculation for billing authorities for the financial years beginning on 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017

4.—(1) This paragraph has effect in respect of the financial years beginning on 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017.

(2) For the purposes of regulations 9 and 10, the retained rates income for the financial years beginning on 1st April 2014 of an authority that is a billing authority is calculated by deducting from the amount calculated in accordance with paragraph 1 of Schedule 1 the amount calculated in accordance with the formula—

$$KV / 5$$

Where—

K has the same meaning as in paragraph 1 of Schedule 1; and

V is the provision for refunds in respect of previous years that the authority has included in its end of year calculation of non-domestic rating income for the financial year beginning on 1st April 2013.

(3) For the purposes of regulation 7 (safety net on account) and regulations 9 and 10, the retained rates income for the financial years beginning on 1st April 2015, 1st April 2016 and 1st April 2017 of an authority that is a billing authority is calculated by deducting from the amount

calculated in accordance with paragraph 1 of Schedule 1 the amount calculated in accordance with subparagraph (2).

Calculation for major precepting authorities for the financial year beginning on 1st April 2013

5.—(1) This paragraph has effect in respect of the financial year beginning on 1st April 2013 if the circumstances mentioned in paragraph 2(c) alone applies or if the circumstances mentioned in paragraph 2(c) and (d) both apply.

(2) For the purposes of regulations 9 and 10, the retained rates income for the financial year beginning on 1st April 2013 of an authority that is a major precepting authority is calculated by adding to the amount calculated in accordance with paragraph 2 of Schedule 1 the amount calculated in accordance with the formula—

$$SW \times 4/5$$

Where—

S is calculated as in paragraph 2 of Schedule 1; and

W is the sum of the provision for refunds in respect of previous years that every billing authority from whom the major precepting authority received non-domestic rating income has included in its end of year calculations.

6.—(1) This paragraph has effect in respect of the financial year beginning on 1st April 2013 if the circumstances mentioned in paragraph 2(d) alone apply.

(2) For the purposes of regulations 9 and 10, the retained rates income for the financial year beginning on 1st April 2013 of an authority that is a major precepting authority is calculated by adding to the amount calculated in accordance with paragraph 2 of Schedule 1 the amount calculated in accordance with the formula—

$$SY \times 4/5$$

Where—

S is calculated as in paragraph 2 of Schedule 1; and

Y is the aggregate of the provision for refunds in respect of previous years of every billing authority from whom the major precepting authority received non-domestic rating income, where that billing authority has—

- (a) in its calculation under regulation 3 of the 2013 Regulations (calculation of non domestic income) of the amount specified by paragraph 1 of Schedule 1 to those Regulations, for the year beginning on 1st April 2013, spread its provision for refunds in respect of previous years over a 5 year period; and
- (b) in its calculation of the surplus or deficit with respect to non domestic rates for the relevant year beginning on 1st April 2014 included in the amount specified by paragraph 1(3) of Schedule 4 to the 2013 Regulations an amount equal to the relevant proportion.

Calculation for major precepting authorities for the financial years beginning on 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017

7.—(1) This paragraph has effect in respect of the financial years beginning on 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017 if the circumstances in paragraph 2(c) alone applies or if the circumstances in paragraph 2(c) and (d) apply.

(2) For the purposes of regulations 9 and 10, the retained rates income for the financial year beginning on 1st April 2014 of an authority that is a major precepting authority is calculated by

deducting from the amount calculated in accordance with paragraph 1 of Schedule 1 the amount calculated in accordance with the formula—

SW / 5

Where—

S is calculated as in paragraph 2 of Schedule 1; and

W is the sum of the provision for refunds in respect of previous years that every billing authority from whom the major precepting authority received non-domestic rating income has included in its end of year calculations.

(3) For the purposes of regulations 7, 9 and 10, the retained rates income for the financial years beginning on 1st April 2015, 1st April 2016 and 1st April 2017 of an authority that is a major precepting authority is calculated by deducting from the amount calculated in accordance with paragraph 2 of Schedule 1 the amount calculated in accordance with subparagraph (2).

8.—(1) This paragraph has effect in respect of the financial years beginning on 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017 if the circumstances in paragraph 2(d) alone apply.

(2) For the purposes of regulations 9 and 10, the retained rates income for the financial year beginning on 1st April 2014 of an authority that is a major precepting authority is calculated by deducting from the amount calculated in accordance with paragraph 1 of Schedule 1 the amount calculated in accordance with the formula—

SY / 5

Where—

S is calculated as in paragraph 2 of Schedule 1; and

Y is the aggregate of the provision for refunds in respect of previous years of every billing authority from whom the major precepting authority received non-domestic rating income, where that billing authority has—

- (a) in its calculation under regulation 3 of the 2013 Regulations (calculation of non domestic income) of the amount specified by paragraph 1 of Schedule 1 to those Regulations, for the year beginning on 1st April 2013, spread its provision for refunds in respect of previous years over a 5 year period; and
- (b) in its calculation of the surplus or deficit with respect to non domestic rates for the relevant year beginning on 1st April 2014 included in the amount specified by paragraph 1(3) of Schedule 4 to the 2013 Regulations an amount equal to the relevant proportion.

(3) For the purposes of regulations 7, 9 and 10, the retained rates income for the financial years beginning on 1st April 2014, 1st April 2015, 1st April 2016 and 1st April 2017 of an authority that is a major precepting authority is calculated by deducting from the amount calculated in accordance with paragraph 2 of Schedule 1 the amount calculated in accordance with subparagraph (2).”