



Local Government Act 2003

2003 CHAPTER 26

PART 5

NON-DOMESTIC RATES

70 Local retention of rates

- (1) In Schedule 8 to the 1988 Act (non-domestic rating: pooling), in paragraph 4 (rules for calculating authorities' non-domestic rating contributions), before sub-paragraph (5) there is inserted—

“(4A) The rules may include provision for such deductions as the maker of the rules thinks fit for the purpose of enabling an authority to retain part, or all, of so much of the total payable to it in respect of the year under sections 43 and 45 above as exceeds an amount determined for the authority by or under the rules.

(4B) Sub-paragraph (4A) above shall not apply in the case of a special authority.

(4C) Sub-paragraph (2) above shall have effect subject to sub-paragraph (4A) above.

(4D) The consent of the Treasury is required to the inclusion in regulations under this paragraph of provision under sub-paragraph (4A) above relating to England.”

- (2) In paragraph 5(6) of that Schedule (contribution to be calculated after end of year and certified by Audit Commission)—

(a) before the word “and” at the end of paragraph (b) there is inserted—

“(ba) if it is an authority in England notify to the Secretary of State, and if it is an authority in Wales notify to the National Assembly for Wales, the amount of any deduction that in accordance with provision under paragraph 4(4A) above is made in calculating the amount mentioned in paragraph (a) above,” and

Status: This is the original version (as it was originally enacted).

- (b) in paragraph (c), for “and the amount” there is substituted “, and the amount or amounts notifiable under paragraphs (b) and (ba) above,”.
- (3) In paragraph 5(6A) of that Schedule (Audit Commission to send copy of certification to Secretary of State or National Assembly for Wales), after “the amount” there is inserted “or amounts”.
- (4) In section 99 of the 1988 Act (regulations about English billing authorities' collection and general funds), after subsection (3) there is inserted—
- “(3A) The Secretary of State may by regulations make provision—
- (a) for the sharing among a billing authority and major precepting authorities, in accordance with prescribed rules, of an amount equal to all or part of any deduction that, in accordance with provision under paragraph 4(4A) of Schedule 8 below, falls to be made in calculating the billing authority’s non-domestic rating contribution for a financial year;
 - (b) for requiring a billing authority to inform, within a prescribed period, any major precepting authorities of any amount that falls to be shared under provision under paragraph (a) above and of the effect of the rules governing its sharing;
 - (c) as to the manner in which any payments which fall to be made by a billing authority by virtue of any provision under paragraph (a) above must be made;
 - (d) as to the period within which, or time or times at which, any such payments or instalments of such payments must be made; and
 - (e) as to the recovery (by deduction or otherwise) of any excess amount paid by a billing authority in purported discharge of any liability arising by virtue of any provision under paragraph (a) above.
- (3B) The rules that may be prescribed under paragraph (a) of subsection (3) above include (in particular) rules that require a billing authority, when making an estimate under that paragraph, to disregard amounts that fall to be shared under provision under subsection (3A)(a) above.”
- (5) In section 97 of the 1988 Act (English billing authorities: principal transfers between funds), after subsection (4) there is inserted—
- “(4A) Where in accordance with regulations under section 99(3A) below a billing authority is required to share any amount, it shall transfer from its collection fund to its general fund so much of that amount as, in accordance with the regulations, it calculates to be its share.”
- (6) In section 99(1)(b) of the 1988 Act (regulations about liabilities of English billing authority under section 97(1) or (3) to transfer sums from its collection fund), for “or (3)” there is substituted “, (3) or (4A)”.
- (7) In section 38 of the Local Government (Wales) Act 1994 (c. 19) (council funds for principal councils in Wales), after subsection (9) there is inserted—
- “(9A) The National Assembly for Wales may by regulations make provision for the sharing among a new principal council and major precepting authorities, in accordance with rules specified in the regulations, of an amount equal to all or part of any deduction that, in accordance with provision under paragraph 4(4A) of Schedule 8 to the Local Government Finance Act 1988

(local retention of rates), falls to be made in calculating the council's non-domestic rating contribution for a financial year.”

(8) In subsection (10) of that section (provision that may be included in regulations under subsection (9))—

- (a) for “The regulations” there is substituted “Regulations under subsection (9) or (9A)”, and
- (b) in each of paragraphs (d) and (e), after “the liability mentioned in subsection (9)” there is inserted “or any liability arising under subsection (9A)”.

(9) In that section, after subsection (11) there is inserted—

“(12) In subsection (9A) “major precepting authority” has the meaning given by section 39(1) of the Local Government Finance Act 1992.”