
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend provisions of the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (“the 1989 Regulations”) which relate to the collection by charging authorities of amounts due by way of non-domestic rates in respect of hereditaments shown in local non-domestic rating lists.

They are consequential on the Non-Domestic Rating Act 1992 (“the 1992 Act”). Section 1 of that Act provides for the removal, from 11th March 1992, of the condition that properties will only remain subject to the limit on rate increases under the non-domestic rating transitional arrangements if the owner or occupier does not change. Sections 2 and 3 of that Act provide for the freezing in real terms in the financial year beginning on 1st April 1992 of rate increases for those moving to higher rate bills under the transitional arrangements; and for an increase in real terms in that year of the amount by which rate bills for those benefiting from lower bills can go down.

Where an amount estimated by a charging authority under the 1989 Regulations as payable for the year by way of non-domestic rates falls to be adjusted in consequence of the 1992 Act, the effect of the amendments made to Schedule 1 to those Regulations is to require the authority to revise the estimate, to adjust the amount of the remaining instalments and to serve a notice (known as a transitional adjustment notice) on a ratepayer who is paying by instalments under those Regulations. The contents of the notice are prescribed. The amendments also have the effect of requiring the charging authority to pay to the ratepayer (if he so requires) a sum equal to the amount of the difference between the amount that he has paid before the adjustment and the amount that he would have been required to pay if the amount of the original estimate had been the same as that of the revised estimate. If the ratepayer does not require a cash payment, the charging authority has the option of making a cash payment or crediting the amount in question against the ratepayer’s subsequent liability.

The amendment of the definition in regulation 8(8) of the 1989 Regulations of “the estimated amount” secures that the sum payable, following a failure to pay an instalment specified in a transitional adjustment notice, is calculated by reference to the estimate made for the purposes of that notice.

The amendment of regulation 23(3) of the 1989 Regulations secures that, in relation to subsequent enforcement procedures under Part III of those Regulations, the amount in respect of which a liability order (for non-payment of rates) has been made will be treated as reduced where an adjustment falls to be made in consequence of the 1992 Act.