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STATUTORY INSTRUMENTS

1992 No. 3082

RATING AND VALUATION

**The Non-Domestic Rating Contributions
(England) Regulations 1992**

Made - - - - 9th December 1992
Laid before Parliament 10th December 1992
Coming into force - - 31st December 1992

The Secretary of State, in exercise of the powers conferred on him by sections 140(4), 143(1) and (2) of, and paragraphs 4(1), (5) and (5A) and 6(2), (2A), (5) and (6) of Schedule 8 to, the Local Government Finance Act 1988(1), and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation, commencement and application

1.—(1) These Regulations may be cited as the Non-Domestic Rating Contributions (England) Regulations 1992 and shall come into force on 31st December 1992.

(2) The rules contained in these Regulations are to apply to the calculation of an English billing authority's non-domestic rating contribution for any financial year beginning on or after 1st April 1993.

Interpretation

2.—(1) In these Regulations—

“the 1989 Regulations” means the Non-Domestic Rating Contributions (England) Regulations 1989(2);

“the Act” means the Local Government Finance Act 1988;

“authority” means an English billing authority;

(1) 1988 c. 41. Sections 140 and 143 and paragraphs 4 and 6 of Schedule 8 were amended by the Local Government and Housing Act 1989 (c. 42), Schedule 5, paragraphs 42, 69 and 72 and by the Local Government Finance Act 1992 (c. 14), Schedule 10, paragraph 6 and Schedule 13, paragraphs 78, 80 and 86. See section 146(6) of the Local Government Finance Act 1988 for the definition of

(2) S.I. 1989/2435, amended by S.I. 1990/2472, 1991/2793, 1992/1363 and 1992/1516.

“preceding year” means a financial year preceding the financial year for which a calculation of a non-domestic rating contribution or a recalculation of a provisional amount is being made;

“provisional amount” means, except in regulation 6(1)(a), the provisional amount arrived at under paragraph 5 of Schedule 8 to the Act⁽³⁾ as regards an authority for a financial year, or the amount for the time being treated as that amount in accordance with regulation 7 of these Regulations;

“relevant day” means a day in the financial year for which a calculation of a nondomestic rating contribution or a recalculation of a provisional amount is being made.

- (2) For the purposes of Schedules 1 and 2 to these Regulations, in relation to a special authority,—
- (a) a reference to the chargeable amounts payable to an authority under sections 43 and 45 of the Act shall in relation to any financial year beginning on or after 1st April 1993 be taken to be a reference to the chargeable amounts which would be payable to the authority under those sections on the basis of the authority’s nondomestic rating multiplier set for that year;
 - (b) subject to paragraph (c), a reference to the chargeable amounts payable to an authority under sections 43 and 45 of the Act shall in relation to any financial year beginning before 1st April 1993 be taken to be a reference to the chargeable amounts which would have been payable to the authority under those sections if the authority’s non-domestic rating multiplier had been equal to the required minimum for the financial year in respect of which the chargeable amounts were payable; and
 - (c) the calculation of the amount of any deductions described in paragraphs 3, 4, 5, 5A and 7 of Schedule 1 to the 1989 Regulations (including, for the purposes of paragraphs 3, 4 and 5, the calculation of the amount calculated under or by reference to paragraph 2 of that Schedule) shall be made on the basis of the chargeable amounts payable to the authority under sections 43 and 45 of the Act by virtue of the authority’s non-domestic rating multiplier set for that year.

Calculation of non-domestic rating contributions

3. The rules for the calculation under paragraph 5 of Schedule 8 to the Act of an authority’s non-domestic rating contribution for a financial year are the rules contained in Schedule 1 to these Regulations.

Assumptions relating to provisional amounts

4. A calculation under paragraph 5(2) or (3) of Schedule 8 to the Act of an authority’s non-domestic rating contribution shall be made on the basis of the information before the person making the calculation at the time he makes it, read subject to the assumptions prescribed in Schedule 2 to these Regulations.

Information which may be disregarded in the calculation of notified amounts

5. A calculation under paragraph 5(6) of Schedule 8 to the Act of an authority’s nondomestic rating contribution for a financial year may be made without taking into account any information as regards which the following conditions are satisfied—

- (a) it is not reasonably practicable for the person making the calculation to take it into account; and
- (b) it was received by the authority after 31st January in that year.

(3) Paragraph 5 of Schedule 8 to the 1988 Act was amended by the Local Government and Housing Act 1989, Schedule 5, paragraph 42 and by the Local Government Finance Act 1992, Schedule 10, paragraph 6.

Recalculation of provisional amounts

- 6.—(1) Regulation 7 applies as regards an authority for a financial year (“the year”) in which—
- (a) a provisional amount has been arrived at, under paragraph 5 of Schedule 8 to the Act, as regards the authority for the year; and
 - (b) the prescribed conditions are fulfilled.
- (2) The prescribed conditions are—
- (a) that the authority has on a day in the year calculated an amount, under paragraph (3) below, which is less than the provisional amount for the authority for the year;
 - (b) that the difference between the amount calculated under paragraph (3) below and the provisional amount for the authority is greater than the amount calculated under paragraph (4) below;
 - (c) that the authority has notified the Secretary of State of the amount calculated under paragraph (3) below, and the day on which that amount was calculated; and
 - (d) that the Secretary of State believes that the amount calculated by the authority under paragraph (3) below is likely to have been calculated in accordance with that paragraph and informs the authority of his belief.
- (3) The amount calculated under this paragraph is the total of the amounts calculated on the relevant day in accordance with Parts I and II of Schedule 3 to these Regulations.
- (4) The amount calculated under this paragraph is an amount equal to—
- (a) if the amount calculated in accordance with paragraph (3) above is calculated before 1st October in the year, £25,000 or 1 per cent. of the authority’s budget requirement for the year, whichever is the greater; and
 - (b) if the amount calculated in accordance with paragraph (3) above is calculated on or after 1st October in the year, £50,000 or 2 per cent. of the authority’s budget requirement for the year, whichever is the greater.
- (5) In paragraph (4) above, “budget requirement” means the amount calculated (or last calculated) by the authority under section 32(4) of the Local Government Finance Act 1992.

7.—(1) Where this regulation applies, for the purposes of paragraph 5 of Schedule 8 to the Act the provisional amount for the authority for a financial year is to be treated on or after the adjustment day as being that amount recalculated as regards the authority for the year under paragraph (2) below.

(2) The amount recalculated under this paragraph is the total of the amounts calculated in accordance with Parts I and II of Schedule 3 to these Regulations, taking as the day on which the calculations in accordance with that Schedule are made the day on which the calculation was made under regulation 6(3) by virtue of which this regulation applies.

(3) For the purposes of this regulation and regulations 8 and 9, “the adjustment day” shall be the day on which the Secretary of State informed the authority under regulation 6(2)(d) of his belief relating to the calculation by virtue of which this regulation applies.

Repayments as a result of a recalculation

8.—(1) Where regulation 7 applies as regards an authority for a financial year, the Secretary of State shall repay to the authority the amount calculated in accordance with paragraph (2) below.

- (2) The amount is the difference between—
- (a) the total of the amounts paid by the authority to the Secretary of State under paragraph 5(5) of Schedule 8 to the Act on relevant days preceding the adjustment day; and
 - (b) the amount calculated in accordance with the formula—

$$\frac{A \times B}{C}$$

where—

A is the amount recalculated (or last recalculated) as regards the authority under regulation 7(2);

B is the total of the amounts directed by the Secretary of State to be paid by the authority on relevant days preceding the adjustment day; and

C is the provisional amount having effect as regards the authority immediately before the adjustment day.

(3) The amount calculated in accordance with paragraph (2) above shall be paid by the Secretary of State at such time as he decides.

Reduced payments as a result of a recalculation

9. Where regulation 7 applies as regards an authority for a financial year, the amount of an instalment directed by the Secretary of State, under paragraph 5(5) of Schedule 8 to the Act, to be paid by the authority on or after the adjustment day shall be treated as being the amount calculated in accordance with the formula—

$$\frac{D \times E}{F}$$

where—

D is the amount the Secretary of State directed to be paid by the authority in the instalment;

E is the amount recalculated (or last recalculated) as regards the authority under regulation 7(2); and

F is the provisional amount having effect as regards the authority immediately before the adjustment day.

Repayments by reference to the certified amount

10.—(1) This regulation applies where, at the time the Secretary of State makes the calculation required by sub-paragraph (12) of paragraph 5 of Schedule 8 to the Act, a payment has been made under sub-paragraph (9) or (10) of that paragraph in relation to the amount notified under sub-paragraph (6)(b) of that paragraph (“the notified amount”)(4).

(2) Where this regulation applies—

(a) if the certified amount exceeds the notified amount, the authority shall pay an amount equal to the difference to the Secretary of State within 14 days of the date on which the authority is notified by the Secretary of State of that amount; and

(b) if the certified amount is less than the notified amount, the Secretary of State shall pay an amount equal to the difference to the authority.

(3) In this regulation “certified amount” has the same meaning as in sub-paragraph (11) of paragraph 5 of Schedule 8 to the Act.

(4) Sub-paragraph (9) of paragraph 5 of Schedule 8 to the Act was amended, and sub-paragraph (10) and (12) of paragraph 5 of that Schedule were inserted, by the Local Government Finance Act 1992, Schedule 10, paragraph 6.

Revocation

11.—(1) Subject to paragraph (2) below, the 1989 Regulations, the Non-Domestic Rating Contributions (England) (Amendment) Regulations 1990⁽⁵⁾, the Non-Domestic Rating Contributions (England) (Amendment) Regulations 1991⁽⁶⁾, the Non-Domestic Rating Contributions (England) (Amendment) Regulations 1992⁽⁷⁾ and the NonDomestic Rating Contributions (England) (Amendment) (No. 2) Regulations 1992⁽⁸⁾ are hereby revoked.

(2) The Regulations referred to in paragraph (1) above shall continue to have effect in relation to the calculation of an authority's non-domestic rating contribution for a financial year beginning before 1st April 1993.

9th December 1992

Michael Howard
Secretary of State for the Environment

(5) S.I. 1990/2472.
(6) S.I. 1991/2793.
(7) S.I. 1992/1363.
(8) S.I. 1992/1516.

SCHEDULE 1

Regulation 3

RULES FOR THE CALCULATION OF NON-DOMESTIC RATING CONTRIBUTIONS

PART 1

CALCULATION OF NON RATING CONTRIBUTIONS

1.—(1) In relation to each authority there shall be calculated for a financial year the amounts described in paragraphs 2 to 7 below.

(2) From the amount described in paragraph 2 below there shall be deducted the amounts described in paragraphs 3 to 7 below, provided that a deduction shall be made of the amount described in paragraph 6 only if the authority has made proper arrangements for securing economy, efficiency and effectiveness in relation to the collection of non-domestic rates.

(3) Subject to sub-paragraph (4) below, the amount calculated under sub-paragraph (2) above shall be the authority's non-domestic rating contribution for the year.

(4) A special authority's non-domestic rating contribution for the financial year beginning on 1st April 1993 shall be the amount calculated under sub-paragraph (2) above less £24,588,000.

Gross amount due to the authority

2.—(1) The amount calculated in accordance with the formula—

$$G - H$$

where—

G is the total of the chargeable amounts payable to the authority under sections 43 and 45 of the Act in respect of each relevant day and any day in a preceding year which have not been taken into account in a calculation for a preceding year;

H is the total of any such amounts which have been taken into account in a calculation for a preceding year but which—

- (a) would not have been so taken into account on the basis of the information before the person making the relevant calculation; and
- (b) have not been taken into account for the purposes of this item in a calculation for a preceding year.

(2) For the purposes of paragraph (1) above, any determination under section 47 of the Act or reduction or remission under section 49 of the Act shall be ignored⁽⁹⁾.

Deductions from gross amount

3.—(1) The amount which is the total of—

- (a) 25 per cent. of the difference between the amount calculated in accordance with paragraph 2 above and the amount which would be so calculated if, in respect of any relevant day or any day in a preceding year, any determination by the authority under section 47(1)(a) of the Act as regards a hereditament in relation to which the condition in section 47(2)(a) applies were taken into account;

⁽⁹⁾ Sections 47 and 49 of the Act were amended by the Local Government and Housing Act 1989, Schedule 5, paragraphs 26 and 29 respectively and by the Local Government Finance Act 1992, Schedule 13, paragraphs 65 and 66 respectively.

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- (b) 75 per cent. of the difference between the amount calculated in accordance with paragraph 2 above and the amount which would be so calculated if, in respect of any relevant day or any day in a preceding year, any determination by the authority under section 47(1)(a) of the Act as regards a hereditament other than a hereditament in relation to which the condition in section 47(2)(a) applies were taken into account; and
- (c) 75 per cent. of the difference between the amount calculated in accordance with paragraph 2 above and the amount which would be so calculated if, in respect of any relevant day or any day in a preceding year, any reduction or remission by the authority under section 49 of the Act were taken into account;

less the amount calculated under sub-paragraph (2) below.

(2) The total of any reduction in a chargeable amount by virtue of a determination under section 47(1)(a) of the Act and any reduction or remission under section 49 of the Act which has been taken into account in a calculation for a preceding year but which—

- (a) on the basis of the information before the person making the relevant calculation, should not have been so taken into account; and
- (b) has not been taken into account for the purposes of this sub-paragraph in a calculation for a preceding year;

multiplied by the relevant percentage.

(3) In sub-paragraph (2) above, “the relevant percentage” means, in the case of a reduction in a chargeable amount by virtue of a determination under section 47(1)(a) of the Act as regards a hereditament in relation to which the condition in section 47(2)(a) applies, 25 per cent., and in the case of any other reduction or the remission of a chargeable amount, 75 per cent..

4.—(1) The amount calculated in accordance with the formula—

$$\frac{I \times K + L \times N}{J + M}$$

where—

I is the number of hereditaments shown in the authority’s local non-domestic rating list on 31st December in the immediately preceding year, multiplied by the cost factor for the authority;

J is the total of I for all authorities;

K is 80 per cent. of the amount allowed for the costs of collection and recovery;

L is the total of the rateable values shown in the authority’s local non-domestic rating list on 31st December in the immediately preceding year, multiplied by the cost factor for the authority;

M is the total of L for all authorities;

N is 20 per cent. of the amount allowed for the costs of collection and recovery.

(2) For the purposes of sub-paragraph (1) above, where the financial year to which the relevant calculation relates is a year in which local non-domestic rating lists are compiled under section 41(1) of the Act⁽¹⁰⁾, the hereditaments shown in an authority’s local non-domestic rating list, and the rateable value of those hereditaments, shall be taken to be the hereditaments, and the rateable values, shown in the list which the valuation officer for the authority proposes to compile in that year and which he has sent to the authority under section 41(5) of the Act.

(3) The cost factor for each authority is the cost factor shown for the authority in Part II of this Schedule.

⁽¹⁰⁾ Section 41(1) of the Act was amended by the Local Government Finance Act 1992, Schedule 13, paragraph 59.

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(4) The amount allowed for the costs of collection and recovery in relation to calculations for the financial year beginning in 1993 is £66 million.

5. The amount calculated in accordance with the formula—

$$(O - P) - (Q + R - S)$$

where—

O is 75 per cent. of the total of any chargeable amounts—

- (a) which are payable to the authority under sections 43 and 45 of the Act in respect of a relevant day or any day in a preceding year;
- (b) in respect of which, in accordance with an agreement made under regulations made under paragraphs 1 and 4A of Schedule 9 to the Act (b)(11), the authority agreed to take no steps to recover any payment; and
- (c) which have not been taken into account for the purposes of this item or paragraph 5A of Schedule 1 to the 1989 Regulations in a calculation for a preceding year.

P is the total of any amounts which have been taken into account for the purposes of item O or paragraph 5A of Schedule 1 to the 1989 Regulations in a calculation for a preceding year but which—

- (a) would not have been so taken into account on the basis of the information before the person making the relevant calculation; and
- (b) have not been taken into account for the purposes of this item in a calculation for a preceding year.

Q is 75 per cent. of the total of any chargeable amounts—

- (a) which have been taken into account for the purposes of item O above or paragraph 5A of Schedule 1 to the 1989 Regulations in a calculation for the year or a preceding year;
- (b) which have been paid to the authority under sections 43 and 45 of the Act or in respect of which the period for which the authority agreed to take no steps to recover payment specified in the relevant agreement has expired; and
- (c) which have not been taken into account for the purposes of this item or paragraph 12 of Schedule 1 to the 1989 Regulations in a calculation for a preceding year.

R is 75 per cent. of the total of any amounts of interest—

- (a) which are payable to the authority in accordance with agreements made under regulations made under paragraphs 1 and 4A of Schedule 9 to the Act in respect of amounts taken into account for the purposes of item Q above; and
- (b) which have not been taken into account for the purposes of this item in a calculation for a preceding year.

S is the total of any amounts which have been taken into account for the purposes of item Q or R or paragraph 12 of Schedule 1 to the 1989 Regulations in a calculation for a preceding year but which—

- (a) would not have been so taken into account on the basis of the information before the person making the relevant calculation; and
- (b) have not been taken into account for the purposes of this item in a calculation for a preceding year.

6.—(1) The total of any amounts which—

(11) Paragraph 4A of Schedule 9 to the Act was inserted by the Local Government and Housing Act 1989, Schedule 5, paragraph 45.

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- (a) are payable to the authority under sections 43 and 45 of the Act in respect of a relevant day or a day in a preceding year, or are amounts of interest which are payable to the authority in accordance with agreements made under paragraphs 1 and 4A of Schedule 9 to the Act;
- (b) in the opinion of the authority are bad debts which should be written off or are doubtful debts for which provision should be made; and
- (c) have not been taken into account for the purposes of this paragraph or paragraph 7 of Schedule 1 to the 1989 Regulations in a calculation for a preceding year;

less the amount calculated under sub-paragraph (2) below.

(2) The total of any amounts which have been taken into account for the purposes of this paragraph or paragraph 7 of Schedule 1 to the 1989 Regulations in a calculation for a preceding year but which—

- (a) would not have been so taken into account on the basis of the information before the person making the relevant calculation; and
- (b) have not been taken into account for the purposes of this sub-paragraph in a calculation for a preceding year.

7. The amount which is the total of—

- (a) the amounts of interest which have become payable by the authority in the financial year to which the relevant calculation relates or in a preceding year, in accordance with regulations made under section 55 of, or paragraph 2(2A) of Schedule 9 to, the Act⁽¹²⁾ and which have not been taken into account by the authority for the purposes of this paragraph or paragraph 9 of Schedule 1 to the 1989 Regulations in a calculation for a preceding year; less
- (b) any such amounts which have been taken into account by the authority in a calculation made for a preceding year but which—
 - (i) would not have been so taken into account on the basis of the information before the person making the relevant calculation; and
 - (ii) have not been taken into account for the purposes of this sub-paragraph in a calculation for a preceding year.

8. For the purposes of this Schedule, any reference to the relevant calculation shall be treated as a reference to the calculation of the non-domestic rating contribution which is being made under paragraph 5(2), (3) or (6) of Schedule 8 to the Act, and any reference to a calculation for a preceding year shall be treated as a reference to a calculation of a non-domestic rating contribution made for a preceding year under paragraph 5(6) of Schedule 8 to the Act.

PART II

COST FACTORS

| <i>Name or description of authority</i> | <i>Cost factor</i> |
|---|--------------------|
| The Councils of the districts of Broxbourne, Dartford, Elmbridge, Epping Forest, Epsom and Ewell, Hertsmere, Reigate and Banstead, Slough, South Bucks, Spelthorne, Three Rivers and Watford. | 1.11809 |

⁽¹²⁾ Section 55 of the Act was amended by the Local Government and Housing Act 1989, Schedule 5, paragraph 30 and by the Local Government Finance Act 1992, Schedule 10, paragraph 1 and Schedule 13, paragraph 67. Paragraph 2(2A) of Schedule 9 to the Act was inserted by the Local Government and Housing Act 1989, Schedule 5, paragraph 44.

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| <i>Name or description of authority</i> | <i>Cost factor</i> |
|---|--------------------|
| The Councils of the districts of Basildon, Bracknell Forest, Brentwood, Chiltern, Crawley, Dacorum, East Hertfordshire, Guildford, Harlow, Mole Valley, Runnymede, St Albans, Sevenoaks, Surrey Heath, Tandridge, Thurrock, Waverley, Welwyn Hatfield, Windsor and Maidenhead and Woking. | 1.08855 |
| The Council of a district, other than a district named above, which falls within the county of Bedfordshire, Berkshire, Buckinghamshire, East Sussex, Essex, Hampshire, Hertfordshire, Isle of Wight, Kent, Oxfordshire or West Sussex. | 1.05901 |
| The Council of a district other than a district named above or a district falling within the description given above. | 1 |
| The Council of an inner London Borough. | 1.19425 |
| The Council of an outer London Borough. | 1.12103 |
| The Common Council of the City of London. | 1.44954 |
| The Council of the Isles of Scilly. | 1 |

SCHEDULE 2

Regulation 4

ASSUMPTIONS RELATING TO PROVISIONAL AMOUNTS

PART 1

ASSUMPTIONS

1.—(1) The assumptions prescribed in relation to paragraph 2 of Schedule 1 to these Regulations are the assumptions prescribed in paragraph 2 below.

(2) The assumptions prescribed in relation to paragraphs 3, 5, 6 and 7 of Schedule 1 to these Regulations are the assumptions prescribed in paragraphs 3 to 9 below.

Assumptions as to gross amount

2.—(1) Subject to sub-paragraph (7) below, it shall be assumed that the hereditaments to be taken into account for the purposes of calculating the amounts payable to the authority under sections 43 and 45 of the Act in respect of each relevant day will be the hereditaments shown in the authority's local non-domestic rating list on 31st December in the immediately preceding year and any hereditaments to which sub-paragraph (2) below applies.

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(2) This sub-paragraph applies to any hereditaments which, by virtue of an order made under section 51(2) of the Local Government Act 1972⁽¹³⁾ on or before 15th January in the immediately preceding year, will be shown in the authority's local non-domestic rating list for 1st April in the year, but are shown on 31st December in the immediately preceding year in another authority's local non-domestic rating list.

(3) It shall be assumed that the rateable value of the hereditaments described in sub-paragraph (1) and (2) above will on each relevant day be the rateable value shown for the hereditaments in an authority's local non-domestic rating list on 31st December in the immediately preceding year.

(4) Subject to paragraph (7) below, where the year to which the calculation relates is a year in which local non-domestic rating lists are compiled under section 41(1) of the Act, it shall be assumed that the hereditaments shown in an authority's local non-domestic rating list will be the hereditaments shown in the list which the valuation officer for the authority proposes to compile in that year and which he has sent to the authority under section 41(5) of the Act, and any hereditaments to which sub-paragraph (5) below applies.

(5) This sub-paragraph applies to any hereditaments which, by virtue of an order made under section 51(2) of the Local Government Act 1972 on or before 15th January in the immediately preceding year, will be shown in the authority's local non-domestic rating list for 1st April in the year, but are shown in the list which the valuation officer for another authority proposes to compile in that year and which he has sent to that other authority under section 41(5) of the Act.

(6) It shall be assumed that the rateable value of the hereditaments described in sub-paragraphs (4) and (5) above will be the rateable values shown in the list which the valuation officer for an authority proposes to compile in the year and which he has sent to the authority under section 41(5) of the Act.

(7) It shall be assumed that the following hereditaments will not be shown for any relevant day, namely, any hereditaments which, by virtue of an order made under section 51(2) of the Local Government Act 1972 on or before 15th January in the immediately preceding year, will not be shown in the authority's non-domestic rating list for 1st April of the year.

(8) It shall be assumed that the person in occupation of a hereditament on each relevant day will be the person in occupation of the hereditament on 31st December in the immediately preceding year.

(9) Where an apportionment of the rateable value of a hereditament under section 44A⁽¹⁴⁾ of the Act is treated as applicable for the purposes of that section for 31st December in the immediately preceding year, it shall be assumed that the apportionment will be applicable for each relevant day.

(10) Where on 31st December in the immediately preceding year a hereditament is unoccupied, it shall be assumed that the hereditament became unoccupied on that day and will remain unoccupied on each relevant day, and that the owner of the hereditament on each relevant day will be the owner of the hereditament on 31st December in that year.

(11) It shall be assumed that—

(a) there are no chargeable amounts payable to the authority under sections 43 and 45 of the Act in respect of any day in a preceding year which have not been taken into account in a calculation made under paragraph 5(6) of Schedule 8 to the 1988 Act for a preceding year; and

(b) item H in paragraph 2 of Schedule 1 to these Regulations will be nil.

(12) It shall be assumed that the amount calculated for the authority in accordance with the assumptions prescribed in sub-paragraph (1) to (11) above is the total of—

(a) the amount so calculated; and

⁽¹³⁾ 1972 c. 70.

⁽¹⁴⁾ Section 44A was inserted by the Local Government and Housing Act 1989, Schedule 5, paragraph 22.

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(b) any amount prescribed in Part II of this Schedule (area ceasing to be an enterprise zone)(15) in relation to that authority;
multiplied by 0.94.

Assumptions as to deductions from the gross amount

3. Where—

- (a) a decision has not been made by the authority under subsection (3) of section 47 of the Act as to whether or not that section will apply on one or more relevant days as regards a hereditament in relation to which the condition in section 47(2)(a) applies, and
- (b) a reduction or remission of rates has been granted by the authority as regards the hereditament and has effect for the immediately preceding year under section 47(1)(a) of the Act,

it shall be assumed for the purpose of calculating the amount described in paragraph 3(1)(a) of Schedule 1 to these Regulations that such reduction or remission will apply as regards the hereditament, in respect of each relevant day, as if it had been made under section 47(1)(a) of the Act in respect of each such day.

4. Where—

- (a) a decision has not been made by the authority under subsection (3) of section 47 of the Act as to whether or not that section will apply on one or more relevant days as regards a hereditament other than a hereditament in relation to which the condition in section 47(2)(a) applies, and
- (b) a reduction or remission of rates has been granted by the authority as regards the hereditament and has effect for the immediately preceding year under section 47(1)(a) of the Act,

it shall be assumed for the purpose of calculating the amount described in paragraph 3(1)(b) of Schedule 1 to these Regulations that such reduction or remission will apply as regards the hereditament, in respect of each relevant day, as if it had been made under section 47(1)(a) of the Act in respect of each such day.

5. It shall be assumed that the amount described in paragraph 3(1)(c) of Schedule 1 to these Regulations will be nil.

6. It shall be assumed that the amount described in paragraph 3(2) of Schedule 1 to these Regulations will be nil.

7. It shall be assumed that the amount described in paragraph 5 of Schedule 1 to these Regulations will be nil.

8.—(1) It shall be assumed that the amount described in paragraph 6 of Schedule 1 to these Regulations will be—

- (a) in the case of an authority which is the council of an inner London Borough or the Common Council of the City of London, 1.55 per cent. of the amount described in subparagraph (2) below,
- (b) in the case of an authority which is the council of an outer London Borough, 1.4 per cent. of the amount described in that sub-paragraph,
- (c) in the case of an authority which is the council of a metropolitan district, 1.6 per cent. of the amount described in that sub-paragraph, and

(15) See Schedule 32 to the Local Government, Planning and Land Act 1980 (c. 65).

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(d) in the case of any other authority, 1.05 per cent. of the amount described in that subparagraph.

(2) The amount is the total of the chargeable amounts payable to the authority under sections 43 and 45 of the Act in respect of each relevant day, calculated in accordance with the provisions of paragraph 2 of this Schedule, less the deduction from that amount prescribed in paragraph 3 of Schedule 1 to these Regulations, calculated in accordance with the provisions of paragraphs 3 to 6 of this Schedule.

9. It shall be assumed that the amount described in paragraph 7 of Schedule 1 to these Regulations will be nil.

PART 11

PRESCRIBED AMOUNTS IN RESPECT OF ENTERPRISE ZONES

| <i>Name of authority</i> | <i>Name of Enterprise Zone</i> | <i>Prescribed Amount £</i> |
|--------------------------|----------------------------------|----------------------------|
| Allerdale | Allerdale | 589,000 |
| Burnley | NE Lancashire (No. 1) | 253,000 |
| Gillingham | NW Kent (No. 5) | 669,000 |
| Gravesham | NW Kent (No. 1 and 2) | 498,000 |
| Hyndburn | NE Lancashire (Nos. 4, 5 and 6) | 187,000 |
| Middlesbrough | Middlesbrough | 476,000 |
| Pendle | NE Lancashire (Nos. 2 and 7) | 112,000 |
| Rochester and Medway | NW Kent (Nos. 3 and 4) | 827,000 |
| Rossendale | NE Lancashire (No. 3) | 89,000 |
| Rotherham | Rotherham | 1,671,000 |
| Scunthorpe | Scunthorpe | 1,740,000 |
| Wakefield | Wakefield (Dale Lane and Kinsey) | 231,000 |
| Wellingborough | Wellingborough | 1,429,000 |
| The Wrekin | Telford | 1,033,000 |

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SCHEDULE 3

Regulations 6 and 7

RECALCULATION OF PROVISIONAL AMOUNTS

PART I

DAYS PRECEDING THE DAY OF THE CALCULATION

1.—(1) The amount calculated in accordance with this Part of this Schedule is an amount calculated, under regulation 3, as if it were a calculation under paragraph 5(6) of Schedule 8 to the Act of the authority's non-domestic rating contribution for the year.

(2) For the purposes of sub-paragraph (1) above, Schedule 1 to these Regulations shall have effect subject to paragraph 2 of this Schedule.

2.—(1) The references to relevant days shall be treated as references to relevant days preceding the day on which the calculations in accordance with this Schedule are made.

(2) The references to relevant calculations shall be treated as references to the calculations made in accordance with this Schedule.

(3) The amount described in paragraph 4 of Schedule 1 to these Regulations shall be replaced by the amount calculated in accordance with the formula—

$$\frac{T \times U}{V}$$

where—

T is the amount calculated in relation to the authority for the year in accordance with paragraph 4 of Schedule 1 to these Regulations;

U is the number of relevant days preceding the day on which the calculations in accordance with this Schedule are made;

V is the number of days in the year for which the calculations in accordance with this Schedule are made.

PART II

DAYS ON AND AFTER THE DAY OF THE CALCULATION

3.—(1) The amount calculated in accordance with this Part of this Schedule is an amount calculated, under regulations 3 and 4, as if it were a calculation under paragraph 5(2) of Schedule 8 to the Act of the authority's non-domestic rating contribution for the year.

(2) For the purposes of sub-paragraph (1) above, Schedules 1 and 2 to these Regulations shall have effect subject to paragraph 4 of this Schedule.

4.—(1) The references to relevant days shall be treated as references to relevant days on and after the day on which the calculations in accordance with this Schedule are made.

(2) The references to relevant calculations shall be treated as references to calculations made in accordance with this Schedule.

(3) The amounts described in paragraph 4 of Schedule 1 shall be replaced by the amount calculated in accordance with the formula—

$$\frac{W \times Y}{Z}$$

where—

W is the amount calculated in relation to the authority for the year in accordance with paragraph 4 of Schedule 1 to these Regulations;

Y is the number of relevant days on and after the day on which the calculations in accordance with this Schedule are made;

Z is the number of days in the year for which the calculations in accordance with this Schedule are made.

(4) In paragraph 2 of Schedule 2, the references to 31st December in the immediately preceding year shall be treated as references to the day on which the calculations in accordance with this Schedule are made.

(5) Where an enterprise zone has ceased to be designated as such during the year there shall be deducted from any amount prescribed in relation to that enterprise zone in accordance with paragraph 2(12)(b) of Schedule 2, the total of the chargeable amounts which are payable to the authority under sections 43 and 45 of the Act—

- (a) for any relevant days preceding the day on which the calculations in accordance with this Schedule are made; and
- (b) in respect of any hereditament which has ceased to be exempt from non-domestic rating during the year and the entry of which on the non-domestic rating list has been notified to the authority.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Under Part II of Schedule 8 to the Local Government Finance Act 1988 billing authorities are required to pay amounts (called non-domestic rating contributions) to the Secretary of State. Payments in respect of a provisional amount of the contributions are made during the financial year, final calculations and payments being made after the year ends. These Regulations contain rules for the calculation of those contributions.

Regulation 3 and Schedule 1 provide for the calculation of a final non-domestic rating contribution which is broadly the same as the total payable to the billing authority under sections 43 and 45 of the Act (modified by regulation 2(2), in the case of a special authority as defined in section 144(6) of the Act, to take account of its non-domestic rating multiplier). Provision is included in Schedule 1 for the deduction of prescribed percentages of relief granted by the authority under sections 47 and 49 of the Act, of a fixed allowance in respect of costs of collection and recovery, and of amounts in respect of matters such as bad debts and interest on amounts repaid to ratepayers.

Regulation 4 and Schedule 2 provide for the assumptions which are to be made when calculating the provisional amount.

Regulations 5 and 6 provide that where prescribed conditions are fulfilled, the amount calculated under regulation 4 will be replaced by an amount calculated under regulations 5 and 6 and Schedule 3.

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These provisions will operate where the amounts expected to be received by the billing authority in respect of non-domestic rates have been substantially reduced during the financial year.

Regulations 7, 8 and 9 provide that where a provisional amount has been recalculated under regulations 5 and 6, repayments will be made to the billing authority and any further amounts payable by the authority will be reduced.

Regulation 10 provides for further payments by the billing authority or repayments by the Secretary of State where the amount of the billing authority's non-domestic rating contribution certified under arrangements made by the Audit Commission for Local Authorities in England and Wales is different to the amount notified by the billing authority to the Secretary of State.

Regulation 11 revokes, subject to a savings provision, the Non-Domestic Rating Contributions (England) Regulations 1989 and subsequent amending regulations. This Statutory Instrument has been made in consequence of defects in [S.I. 1992/3082](#) and is being issued free of charge to all known recipients of that Statutory Instrument.