
STATUTORY INSTRUMENTS

2020 No. 1202

The Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020

Amendment of the Non-Domestic Rating (Rates Retention) Regulations 2013

- 5.—(1) Schedule 4 is amended as follows.
- (2) At the beginning of paragraph 1(3) insert “Subject to paragraph 1B,”.
- (3) After paragraph 1A insert—

“Special provision for the relevant years beginning on 1st April 2021 and 1st April 2022

1B.—(1) This paragraph applies to a billing authority where, in the relevant year beginning on 1st April 2021, the exceptional balance the billing authority calculates in accordance with paragraph 1 of Schedule 4A is a negative amount.

- (2) Where this paragraph applies—
- (a) for the relevant year beginning on 1st April 2021, a billing authority must include in the amount specified by paragraph 1(3) an amount equal to two thirds of the exceptional balance expressed as a positive amount;
- (b) for the relevant year beginning on 1st April 2022, a billing authority must include in the amount specified by paragraph 1(3) an amount equal to one third of the exceptional balance expressed as a positive amount.”.
- (4) In paragraph 2—
- (a) at the beginning of sub-paragraph (1H) and (1I) insert “Unless Schedule 4B applies,”;
- (b) in sub-paragraph (2A)(e) after “2021,” insert “unless Schedule 4B applies,”;
- (c) at the beginning of sub-paragraphs (2E) and (7C) insert “Unless Schedule 4B applies,”.
- (5) After Schedule 4 insert—

“SCHEDULE 4A

Regulation 13

Calculation of the exceptional balance

1. A billing authority’s exceptional balance is calculated as follows—

$$A - B + C$$

where—

A is the billing authority’s estimated surplus (expressed as a positive amount) or deficit (expressed as a negative amount) for the preceding year, calculated in accordance with paragraph 1(1) of Schedule 4 as if the billing authority were not subject to paragraph 1B of Schedule 4;

B is the billing authority’s prior year balance, calculated in accordance with paragraph 2 of this Schedule;

C is the amount of relevant rates relief awarded by the billing authority in the preceding year in accordance with paragraph 3.

2. A billing authority's prior year balance is calculated as follows—

$$D + E - F - G$$

where—

D is the amount specified in paragraph 1(3)(a) of Schedule 4;

E is the amount specified in paragraph 1(3)(e) of Schedule 4;

F is the amount specified in paragraph 1(4)(a) of Schedule 4;

G is the amount specified in paragraph 1(4)(g) of Schedule 4.

3. In this Schedule, “relevant rates relief” is calculated in accordance with the formula—

$$H - J$$

where—

H is the billing authority's estimate of the amount of rates relief to be awarded in the preceding year in accordance with the following guidance—

- (a) “Expanded retail discount 2020 to 2021: coronavirus response – local authority guidance” published on 30th November 2018 and updated on 2nd April 2020(1);
- (b) “Business rates: nursery (childcare) discount 2020 to 2021: coronavirus response – local authority guidance” published on 20th March 2020 and updated on 2nd April 2020(2);
- (c) Annex A of “The case for a Business Rates Relief for local newspapers – Government Response”, published on 8th July 2015 and updated on 2nd December 2016(3), extended until 31st March 2025 by a Written Ministerial Statement on 27 January 2020 from the Financial Secretary to the Treasury(4);

J is the amount of rates relief that the billing authority estimated would be awarded in the preceding year in accordance with the guidance “Business Rates: Retail Discount 20/21 – Local Authority Guidance” published on 30th November 2018 and updated on 27th January 2020(5) when it calculated its non-domestic rating income for the purposes of regulation 3 for the year beginning on 1st April 2020.

SCHEDULE 4B

Regulation 13

Special provision for the apportionment of surplus or deficit for a relevant year beginning on 1st April 2021, 1st April 2022 or 1st April 2023

1. This Schedule applies to billing authorities listed in Parts 1 to 7, 15, 16, 19, 20 and 23 to 33 of Schedule 5 where, in the relevant year beginning on 1st April 2021, the exceptional balance calculated by a billing authority in accordance with paragraph 1 of Schedule 4A is a negative amount.

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- (1) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/919752/Expanded_Retail_Discount_Guidance_02.04.20.pdf. See also the Explanatory Note.
 - (2) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/877772/Nursery_discount_guidance_April_2020.pdf. See also the Explanatory Note.
 - (3) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/574420/Business_rate_review_Government_Response__1_.pdf. See also the Explanatory Note.
 - (4) <https://questions-statements.parliament.uk/written-statements/detail/2020-01-27/HCWS64>. See also the Explanatory Note.
 - (5) https://webarchive.nationalarchives.gov.uk/20200306131648/https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/861633/200129_Retail_Discount_Guidance.pdf. See also the Explanatory Note.

2. In relation to a billing authority's estimate of any surplus or deficit under paragraph 1 of Schedule 4 for a relevant year beginning on 1st April 2021—

- (a) the Secretary of State's share of any surplus or deficit for that year estimated by a billing authority listed in the table in Schedule 4C, is calculated in accordance with the formula—

$$((B + C - D - E + F) \times K\%) + ((G - H - J) \times L\%) + (J \times M\%)$$

- (b) a relevant precepting authority's share is calculated in accordance with the formula—

$$((B + C - D - E + F) \times N\%) + ((G - H - J) \times O\%) + (J \times P\%)$$

- (c) the billing authority's share is calculated in accordance with the formula—

$$((B + C - D - E + F) \times Q\%) + ((G - H - J) \times R\%) + (J \times S\%)$$

3. In this Schedule—

B is the amount specified in paragraph 1(3)(a) of Schedule 4;

C is the amount specified in paragraph 1(3)(e) of Schedule 4;

D is the amount specified in paragraph 1(4)(a) of Schedule 4;

E is the amount specified in paragraph 1(4)(g) of Schedule 4;

F is the amount if any, included in respect of the previous relevant year in the calculation made in accordance with paragraph 1(3) of Schedule 4, by virtue of paragraph 1B(2) or (3);

G is the billing authority's estimated surplus (expressed as a positive amount) or deficit (expressed as a negative amount) for the relevant year, calculated in accordance with paragraph 1(1) of Schedule 4;

H is the sum of $(B + C - D - E + F)$;

J is one third of the exceptional balance calculated in accordance with paragraph 1 of Schedule 4A expressed as a negative amount;

K, L, M, N, O, P, Q, R and S have the values ascribed to them by the table in Schedule 4C.

SCHEDULE 4C

Regulation 13 and Schedule 4B

Table of authorities and values for K, L, M, N, O, P, Q, R and S

<i>Authority</i>	<i>K</i>	<i>L</i>	<i>M</i>	<i>N</i>	<i>O</i>	<i>P</i>	<i>Q</i>	<i>R</i>	<i>S</i>
Billing Authorities listed in Part 1 of Schedule 5	25%	33%	33%	27% for the Greater London Authority	37% for the Greater London Authority	37% for the Greater London Authority	48%	30%	30%
Billing Authorities listed in Part 2 of Schedule 5	0%	0%	0%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	99%	99%	99%

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Authority	K	L	M	N	O	P	Q	R	S
Billing Authorities listed in Part 3 of Schedule 5	0%	0%	0%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	99%	99%	99%
Billing Authorities listed in Part 4 of Schedule 5	0%	0%	0%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	99%	99%	99%
Billing Authorities listed in Part 5 of Schedule 5	0%	0%	0%	5% for the West of England Combined Authority and 1% for a fire and rescue authority	5% for the West of England Combined Authority and 1% for a fire and rescue authority	5% for the West of England Combined Authority and 1% for a fire and rescue authority	94%	94%	94%
Billing Authorities listed in Part 6 of Schedule 5	0%	0%	0%	N/A	N/A	N/A	100%	100%	100%
Billing Authorities listed in Part 7 of Schedule 5	25%	25%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%
Billing Authorities listed in Part 15 of Schedule 5	25%	50%	50%	21.5% for North Yorkshire County Council and 1% for a fire and rescue authority	9% for North Yorkshire County Council and 1% for a fire and rescue authority	9% for North Yorkshire County Council and 1% for a fire and rescue authority	52.5%	40%	40%
Billing Authorities listed in Part 16 of Schedule 5	25%	50%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%

Authority	K	L	M	N	O	P	Q	R	S
Billing Authorities listed in Part 19 of Schedule 5	25%	50%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%
Billing Authorities listed in Part 20 of Schedule 5	25%	50%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%
Billing Authorities listed in Part 23 of Schedule 5	25%	50%	50%	31.5% for Buckinghamshire County Council and 1% for a fire and rescue authority	9% for Buckinghamshire County Council and 1% for a fire and rescue authority	9% for Buckinghamshire County Council and 1% for a fire and rescue authority	42.5%	40%	40%
Billing Authorities listed in Part 24 of Schedule 5	25%	50%	50%	26% for East Sussex County Council and 5% for a fire and rescue authority	9% for East Sussex County Council and 1% for a fire and rescue authority	9% for East Sussex County Council and 1% for a fire and rescue authority	44%	40%	40%
Billing Authorities listed in Part 25 of Schedule 5	25%	50%	50%	40% for Hertfordshire County Council	10% for Hertfordshire County Council	10% for Hertfordshire County Council	35%	40%	40%
Billing Authorities listed in Part 26 of Schedule 5	25%	50%	50%	1.5% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	73.5%	49%	49%
Billing Authorities listed in Part 27	25%	50%	50%	17.5% for Lancashire County Council	9% for Lancashire County Council	9% for Lancashire County Council	56%	40%	40%

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of Schedule 5				Council and 1.5% for a fire and rescue authority	and 1% for a fire and rescue authority	and 1% for a fire and rescue authority			
Billing Authorities listed in Part 28 of Schedule 5	25%	50%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%
Billing Authorities listed in Part 29 of Schedule 5	25%	50%	50%	36.5% for Leicestershire County Council and 1% for a fire and rescue authority	9% for Leicestershire County Council and 1% for a fire and rescue authority	9% for Leicestershire County Council and 1% for a fire and rescue authority	37.5%	40%	40%
Billing Authorities listed in Part 30 of Schedule 5	25%	50%	50%	32.5% for Norfolk County Council	10% for Norfolk County Council	10% for Norfolk County Council	42.5%	40%	40%
Billing Authorities listed in Part 31 of Schedule 5	25%	50%	50%	34% for Northampton County Council and 1% for a fire and rescue authority	9% for Northampton County Council and 1% for a fire and rescue authority	9% for Northampton County Council and 1% for a fire and rescue authority	40%	40%	40%
Billing Authorities listed in Part 32 of Schedule 5	25%	50%	50%	21.5% for North Yorkshire County Council and 1% for a fire and rescue authority	9% for North Yorkshire County Council and 1% for a fire and rescue authority	9% for North Yorkshire County Council and 1% for a fire and rescue authority	52.5%	40%	40%

Authority	K	L	M	N	O	P	Q	R	S
Billing Authorities listed in Part 33 of Schedule 5	25%	50%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%
Billing Authorities listed in Part 34 of Schedule 5	25%	50%	50%	N/A	N/A	N/A	75%	50%	50%
Billing Authorities listed in Part 35 of Schedule 5	25%	50%	50%	30% for Somerset County Council and 1% for a fire and rescue authority	9% for Somerset County Council and 1% for a fire and rescue authority	9% for Somerset County Council and 1% for a fire and rescue authority	44%	40%	40%
Billing Authorities listed in Part 36 of Schedule 5	25%	50%	50%	1% for a fire and rescue authority	1% for a fire and rescue authority	1% for a fire and rescue authority	74%	49%	49%
Billing Authorities listed in Part 37 of Schedule 5	25%	50%	50%	34% for Staffordshire County Council and 1% for a fire and rescue authority	9% for Staffordshire County Council and 1% for a fire and rescue authority	9% for Staffordshire County Council and 1% for a fire and rescue authority	40%	40%	40%
Billing Authorities listed in Part 38 of Schedule 5	25%	50%	50%	55% for West Sussex County Council	10% for West Sussex County Council	10% for West Sussex County Council	20%	40%	40%
Billing Authorities listed in Part 39 of Schedule 5	25%	50%	50%	74% for Worcestershire County Council and 1% for a	9% for Worcestershire County Council and 1% for a	9% for Worcestershire County Council and 1% for a	0%	40%	40%”

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Authority	K	L	M	N	O	P	Q	R	S
				fire and rescue authority	fire and rescue authority	fire and rescue authority			