
STATUTORY INSTRUMENTS

2022 No. 189

The Non-Domestic Rating (Levy and Safety Net) (Amendment) Regulations 2022

Citation, commencement, extent and application

1.—(1) These Regulations may be cited as the Non-Domestic Rating (Levy and Safety Net) (Amendment) Regulations 2022 and come into force on the day after the day on which they are made.

(2) These Regulations extend to England and Wales.

(3) These Regulations apply in relation to England only.

Amendment of the Non-Domestic Rating (Levy and Safety Net) Regulations 2013

2. The Non-Domestic Rating (Levy and Safety Net) Regulations 2013(1) are amended as follows.

Amendment of regulation 2

3. In regulation 2(1) (interpretation), in the definition of “business rates baseline”—

(a) at the end of sub-paragraph (b) omit “and”;

(b) after sub-paragraph (c) insert—

“and

(d) for a year commencing on or after 1st April 2021, the amount specified with respect to an authority by regulation 5 and Schedule 6;”.

Amendment of regulation 4

4. In regulation 4 (meaning of retained rates income for purposes of levy and safety net calculations)—

(a) in paragraph (1) for the words from “paragraphs 1 and 1A of Schedule 1” to the end substitute “paragraphs 1 and 1A of Schedule 1, paragraphs 3 and 4 of Schedule 1A and paragraph 4 of Schedule 1B”;

(b) in paragraph (2) for the words from “paragraph 2 of Schedule 1” to the end substitute “paragraph 2 of Schedule 1, paragraphs 5, 6, 7 and 8 of Schedule 1A and paragraph 5 of Schedule 1B”.

Amendment of regulation 5

5. In regulation 5 (business rates baseline and baseline funding level)—

(a) after paragraph (1B) insert—

(1) S.I. 2013/737, amended by S.I. 2014/822, S.I. 2015/617, S.I. 2015/2039, S.I. 2017/496, S.I. 2018/463, S.I. 2019/709 and S.I. 2020/1357.

“(1C) For a year commencing on a date listed in column B of the table in Schedule 6, the business rates baseline of an authority listed in column A of that table is the amount specified with respect to that authority in column C of that table.”;

- (b) in paragraph (3) for “or (3ZB)” substitute “, (3ZB) or (3ZC)”;
- (c) after paragraph (3ZB) insert—

“(3ZC) For a year commencing on a date listed in column B of the table in Schedule 6, the baseline funding level for an authority listed in column A of that table is the amount specified with respect to that authority in column D of that table.”.

Amendment of regulation 6

6. In regulation 6 (individual levy rates and safety net thresholds)—

- (a) in paragraph (2A), for “or (2F)” substitute “, (2F), (2H) or (2I)”;
- (b) after paragraph (2G) insert—

“(2H) For an authority listed in Part 2 of Schedule 3, the individual levy rate for a relevant year beginning on or after 1st April 2021 is zero.

(2I) For an authority listed in column A of the table in Schedule 6, for a relevant year beginning on or after the date specified with respect to that authority in column B of that table, the authority’s individual levy rate is 0.5 or the figure calculated in accordance with the formula in paragraph (2J), whichever is less.

(2J) The formula is—

$$1 - G/H$$

where—

G is the authority’s baseline funding level listed in column D of the table in Schedule 6; and

H is the authority’s business rates baseline listed in column C of that table.”.

Amendment of Schedule 1

7.—(1) Schedule 1 (calculation of retained rates income) is amended as follows.

(2) In paragraph 1(1)—

(a) in the definition of P—

(i) in paragraph (a), for “or (e)” substitute “, (e), (f) or (g)”;

(ii) after paragraph (e), insert—

“(f) where the billing authority is listed in Parts 2 to 8 of Schedule 3, for the relevant year beginning on 1st April 2021, the amount calculated for that authority in accordance with the formula—

$$A \times B/C$$

where—

A is the amount specified for that authority in column E of the table in Schedule 4;

B is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2021; and

C is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2018;

- (g) where the billing authority is listed in Parts 2 to 8 of Schedule 3, for the relevant year beginning on 1st April 2022, the amount calculated for that authority in accordance with the formula—

$$A \times B/C$$

where—

A is the amount specified for that authority in column E of the table in Schedule 4;

B is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2022; and

C is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2018;”;

- (b) in the definition of Q—

(i) in paragraph (a), for “or (e)” substitute “, (e), (f) or (g)”;

(ii) after paragraph (e), insert—

- “(f) where the billing authority is listed in Parts 2 to 8 of Schedule 3, for the relevant year beginning on 1st April 2021, the amount calculated for that authority in accordance with the formula—

$$A \times B/C$$

where—

A is the amount specified for that authority in column F of the table in Schedule 4;

B is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2021; and

C is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2018;

- (g) where the billing authority is listed in Parts 2 to 8 of Schedule 3, for the relevant year beginning on 1st April 2022, the amount calculated for that authority in accordance with the formula—

$$A \times B/C$$

where—

A is the amount specified for that authority in column F of the table in Schedule 4

B is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2022; and

C is the small business non-domestic rating multiplier in relation to the year beginning on 1st April 2018;”;

- (c) in the definition of Y, after paragraph (c) insert—
- “**(d)** for an authority listed in column A of the table in Schedule 6, for a relevant year beginning on or after the date specified in respect of that authority in column B of that table, the amount specified for that authority in column F of that table.”;
- (3) In paragraph 1(4B)—
- (a) in sub-paragraph (b), for “or (d) applies” substitute “, (d) or (e) applies”;
- (b) after sub-paragraph (d) insert—
- “**(e)** for an authority listed in column A of the table in Schedule 6, for a relevant year beginning on or after the date specified in respect of that authority in column B of that table, the percentage specified for that authority in column E of that table.”.
- (4) In paragraph 2—
- (a) for the formula which appears immediately after the opening words substitute—
- “**(a)** subject to sub-paragraph (b)—

$$S(R + U + V + Z) + (P - Q)$$

- (b) for the relevant years beginning on 1st April 2020 and on 1st April 2021—

$$S(R + U + V + Z + W) + (P - Q)$$

”;

- (b) at the end of the definition of V, omit “and”;
- (c) after the definition of V, insert—
- “W is—
- (a) for the relevant year beginning on 1st April 2020, the amount calculated for that authority in accordance with the formula—

$$A - B$$

where—

A is the sum of the amounts of relief awarded under section 47 of the 1988 Act by all the billing authorities required to make payments to the major precepting authority for the relevant year under Part 4 of Schedule 7B to the 1988 Act, where the relief has been awarded in accordance with the following guidance issued by the Secretary of State—

- (i) “Expanded Retail Discount 2020/2021: Coronavirus Response – Local Authority Guidance” published on 2nd April 2020⁽²⁾, updating guidance published on 30th November 2018⁽³⁾;

(2) 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.

(3) <https://webarchive.nationalarchives.gov.uk/ukgwa/20200204131505/https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>. See also the Explanatory Note.

- (ii) “Nursery Discount 2020/2021: Coronavirus Response – Local Authority Guidance” published on 2nd April 2020(4), updating guidance published on 20th March 2020, excluding amounts of any such relief awarded in a designated area; and
- (iii) 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(5), extended until 31st March 2025 by a Written Ministerial Statement on 27 January 2020 from the Financial Secretary to the Treasury(6);

B is the sum of the estimates, made by all billing authorities required to make payments to the major precepting authority for the relevant year under Part 4 of Schedule 7B to the 1988 Act, as part of their calculation of non-domestic rating income for the year beginning 1st April 2020, of the amount of relief awarded under section 47 of the 1988 Act in accordance with the guidance issued by the Secretary of State entitled “Retail Discount 2020/21 – Local Authority Guidance” published on 27 January 2020(7);

- (b) for the relevant year beginning on 1st April 2021, the sum of the amounts of relief awarded under section 47 of the 1988 Act by all the billing authorities required to make payments to the major precepting authority for the relevant year under Part 4 of Schedule 7B to the 1988 Act, where the relief has been awarded in accordance with the following guidance issued by the Secretary of State—
 - (i) “Business rates: expanded retail discount 2021 to 2022 – local authority guidance” published on 4th March 2021(8);
 - (ii) “Business rates: nursery (childcare) discount 2021 to 2022 – local authority guidance” published on 4th March 2021(9); and
 - (iii) “COVID-19 Additional Relief Fund (CARF): Local Authority Guidance” published on 15th December 2021(10).”.

Insertion of Schedules 1B and 6

- 8.—(1) After Schedule 1A insert Schedule 1B which is set out in Schedule 1 to these Regulations.
- (2) After Schedule 5 insert Schedule 6 which is set out in Schedule 2 to these Regulations.

(4) 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.

(5) 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.

(6) <https://questions-statements.parliament.uk/written-statements/detail/2020-01-27/HCWS64>. See also the Explanatory Note.

(7) <https://webarchive.nationalarchives.gov.uk/20200304033723/https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>. See also the Explanatory Note.

(8) <https://www.gov.uk/government/publications/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance>. See also the Explanatory Note.

(9) <https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2021-to-2022-local-authority-guidance/business-rates-nursery-childcare-discount-2021-to-2022-local-authority-guidance>. See also the Explanatory Note.

(10) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1041383/CARF_LA_Guidance.pdf. See also the Explanatory Note.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Signed by authority of the Secretary of State for Levelling Up, Housing and Communities

Kemi Badenoch
Minister of State
Department for Levelling Up, Housing and
Communities

25th February 2022