STATUTORY INSTRUMENTS

# 2017 No. 1321

# RATING AND VALUATION, ENGLAND

## The Non-Domestic Rating (Rates Retention) (Amendment) Regulations 2017

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| *Made - - - -* | *21st December 2017* |
| *Laid before Parliament* | *22nd December 2017* |
| *Coming into force - -* | *19th January 2018* |

The Secretary of State for Communities and Local Government makes the following Regulations in exercise of the powers conferred by sections 97(2A) and (2B) and 143(1) and (2) of, and paragraphs 6 to 8 of Schedule 7B to, the Local Government Finance Act 1988(**1**) ("the 1988 Act").

These Regulations are made with the consent of the Treasury in accordance with paragraph 8(3) of Schedule 7B to the 1988 Act.

### Citation and commencement

**1.**—(1) These Regulations may be cited as the Non-Domestic Rating (Rates Retention) (Amendment) Regulations 2017.

(2) These Regulations come into force on 19th January 2018.

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

**2.** The Non-Domestic Rating (Rates Retention) Regulations 2013(**2**) are amended as follows.

### Amendment of regulation 4

**3.** In regulation 4 (payment to the Secretary of State in respect of the central share) for paragraph (1)(c) substitute—

"(c) for a relevant year beginning on 1st April 2017, its estimate of the amount specified by paragraph 2(1) of Schedule 2A for that year (if applicable);

(**1**) 1988 c. 41. Schedule 7B was inserted into the Local Government Finance Act 1988 by section 1 of, and Schedule 1 to, the Local Government Finance Act 2012 (c. 17). Section 97 was substituted by section 104 of, and paragraph 22 of Schedule 10 to, the Local Government Finance Act 1992 (c. 14) and subsections (2A) and (2B) were inserted by section 5 of, and paragraph 25(2) of Schedule 3 to, the Local Government Finance Act 2012.

(**2**) S.I. 2013/452; amended by S.I. 2014/96, 2015/628, 2016/1268 and 2017/496.

(d) for a relevant year beginning on or after 1st April 2017, its estimate of the amount specified by paragraph 2 of Schedule 2B for that year (if applicable); and

(e) for a relevant year beginning on or after 1st April 2018, its estimate of the amount specified by paragraph 2(1) of Schedule 2C for that year (if applicable).".

**Amendment of regulation 9**

**4.** In regulation 9 (end of year calculations) after paragraph (1)(bc) insert—

"(bd) calculate the amount specified by paragraph 2(1) of Schedule 2C for the relevant year (if applicable);".

**Insertion of regulation 9B**

**5.** After regulation 9A (special provision for end of year calculations for relevant year beginning on 1st April 2015) insert—

"**Special provision for end of year calculations for relevant year beginning on 1st April 2016**

**9B.**—(1) This regulation applies in relation to the relevant year beginning on 1st April 2016 to a billing authority to which Schedule 2C applies.

(2) In addition to the calculations made under regulation 9(1) for that year, the billing authority must calculate the amount specified by paragraph 2(1) of Schedule 2C for that year (if applicable) on or before 2nd February 2018.

(3) The billing authority must—

(a) notify the Secretary of State on or before 2nd February 2018 of the amount calculated; and

(b) arrange for the calculation and amount to be certified in accordance with such arrangements as the Secretary of State may direct.

(4) The person certifying the calculation and amount must send the certification to the Secretary of State and notify the billing authority of the amount so certified.".

**Amendment of regulation 11**

**6.**—(1) Regulation 11 (reconciliation of amount deducted from central share payment) is amended as follows.

(2) In paragraph (2A)—

(a) for "a relevant year beginning on or after 1st April 2017" substitute "the relevant year beginning on 1st April 2017"; and

(b) for "regulation 4(1)(c)(i)" substitute "regulation 4(1)(c)".

(3) In paragraph (2B) for "regulation 4(1)(c)(ii)" substitute "regulation 4(1)(d)".

(4) After paragraph (2B) insert—

"(2C) For a relevant year beginning on or after 1st April 2018, where the amount certified under regulation 9 as the amount specified by paragraph 2(1) of Schedule 2C for that year is different from the amount deducted under regulation 4(1)(e) from the central share payment for that year—

(a) if the certified amount is less than the deducted amount—

(i) the billing authority must pay to the Secretary of State an amount equal to the difference; and

(ii) the billing authority must transfer from its general fund to its collection fund an amount equal to the difference; or

(b) if the certified amount is more than the deducted amount—

(i) the Secretary of State must pay to the billing authority an amount equal to the difference; and

(ii) the billing authority must transfer from its collection fund to its general fund an amount equal to the difference.".

**Amendment of regulation 11B**

**7.**—(1) Regulation 11B (special provision for end of year payments in respect of relevant year beginning on 1st April 2016) is amended as follows.

(2) In paragraph (1) for "Schedule 2A or 2B" insert "Schedule 2A, 2B or 2C".

(3) After paragraph (3) insert—

"(3A) Where an amount is certified under regulation 9B as the amount specified by paragraph 2(1) of Schedule 2C for that year ("the certified amount")—

(a) the Secretary of State must pay to the billing authority an amount equal to the certified amount;

(b) the billing authority must transfer from its collection fund to its general fund an amount equal to the certified amount.".

**Insertion of regulation 11C**

**8.** After regulation 11B insert—

"**Special provision for end of year payments in respect of relevant year beginning on 1st April 2017**

**11C.**—(1) This regulation applies in relation to the relevant year beginning on 1st April 2017 to a billing authority to which Schedule 2C applies.

(2) Where an amount is certified under regulation 9 as the amount specified by paragraph 2(1) of Schedule 2C for that year ("the certified amount")—

(a) the Secretary of State must pay to the billing authority an amount equal to the certified amount; and

(b) the billing authority must transfer from its collection fund to its general fund an amount equal to the certified amount.

(3) An amount paid to an authority under this regulation is to be recognised by that authority in accordance with proper practices in a revenue account for that year.".

**Amendment of Schedule 2A**

**9.** In paragraph 1(1) of Schedule 2A (special provision for deduction from the central share payment) for "a relevant year beginning on or after 1st April 2015" substitute "relevant years beginning on 1st April 2015, 1st April 2016 and 1st April 2017".

**Insertion of Schedule 2C**

**10.** After Schedule 2B insert Schedule 2C which is set out in the Schedule to these Regulations.

We consent

*David Rutley*
*Heather Wheeler*
Two of the Lords Commissioners of Her Majesty's Treasury

20th December 2017

Signed by authority of the Secretary of State for Communities and Local Government

*Marcus Jones*
Parliamentary Under Secretary of State
Department for Communities and Local Government

21st December 2017