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SCHEDULES

[^{F1}SCHEDULE 7B

LOCAL RETENTION OF NON-DOMESTIC RATES

Textual Amendments

- F1** Sch. 7B inserted (with effect in accordance with s. 1(6) of the amending Act) by [Local Government Finance Act 2012 \(c. 17\)](#), s. 1(4), [Sch. 1](#)

PART 7

LEVY PAYMENTS, SAFETY NET PAYMENTS AND DISTRIBUTION OF REMAINING BALANCE

Regulations about calculation of levy payments

- 22 (1) The Secretary of State may by regulations make provision for calculating—
- (a) whether a relevant authority is required to make a payment under this Part of this Schedule (a “levy payment”) to the Secretary of State for a year, and
 - (b) if so, the amount of the levy payment.
- (2) The regulations must make provision for calculations for a year to be made after the end of that year.
- (3) The regulations may, in particular, make provision for calculations in relation to a relevant authority to be made—
- (a) if the relevant authority is a billing authority, by reference to the total payable to it in respect of the year under sections 43 and 45, subject to such adjustments as may be specified in the regulations;
 - (b) if the relevant authority is a major precepting authority, by reference to the total of the amounts payable in respect of the year under those sections to the billing authorities that are required to make payments to it for the year under regulations under paragraph 9, subject to such adjustments as may be specified in the regulations;
 - (c) by reference to payments of a kind specified in the regulations made to the authority by the Secretary of State;
 - (d) by reference to such other factors as may be specified in the regulations.
- (4) The regulations may, in particular, make provision for adjustments to an amount calculated under provision made under sub-paragraph (3) by reference to changes affecting the calculation of such an amount for an earlier year but not taken into account in that calculation.

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Calculation of levy payments

- 23 (1) The Secretary of State must calculate in relation to each relevant authority—
- (a) whether it is required to make a levy payment for a year, and
 - (b) if so, the amount of that payment.
- (2) The calculation must be made—
- (a) as soon as is reasonably practicable after the end of the year, or
 - (b) if the authority is subject to a requirement imposed by a direction under paragraph 43 (direction to make calculations or supply information) or by or under regulations under paragraph 44 (regulations about calculations and supply of information) for the purposes of this paragraph, as soon as is reasonably practicable after the time for compliance with that requirement, whichever is the later.
- (3) The calculation must be made in accordance with regulations under paragraph 22.
- (4) As soon as is reasonably practicable after making a calculation in relation to a relevant authority, the Secretary of State must notify that authority of—
- (a) whether, in accordance with the calculation, it is required to make a levy payment for the year, and
 - (b) if so, the amount of that payment in accordance with the calculation.

Modifications etc. (not altering text)

C1 Sch. 7B para. 23 modified (17.2.2014) by [The Non-Domestic Rating \(Designated Areas\) Regulations 2014 \(S.I. 2014/98\)](#), regs. 1, 5, [Sch. 2](#)

Levy payments following calculations

- 24 (1) If a calculation under paragraph 23 shows that a levy payment is to be made to the Secretary of State by a relevant authority, the authority must make that payment to the Secretary of State.
- (2) The levy payment—
- (a) must be made on or before such day and in such manner as the Secretary of State may specify, and
 - (b) if not made on or before that day, is recoverable in a court of competent jurisdiction.

Regulations about calculation of safety net payments

- 25 (1) The Secretary of State may by regulations make provision for calculating—
- (a) whether the Secretary of State is required to make a payment under this Part of this Schedule (a “safety net payment”) to a relevant authority for a year, and
 - (b) if so, the amount of the payment.
- (2) The regulations must make provision for calculations for a year to be made after the end of that year.
- (3) The regulations may, in particular, make provision for calculations in relation to a relevant authority to be made—

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- (a) if the relevant authority is a billing authority, by reference to the total payable to it in respect of the year under sections 43 and 45, subject to such adjustments as may be specified in the regulations;
 - (b) if the relevant authority is a major precepting authority, by reference to the total of the amounts payable in respect of the year under those sections to the billing authorities that are required to make payments to it for the year under regulations under paragraph 9, subject to such adjustments as may be specified in the regulations;
 - (c) by reference to payments of a kind specified in the regulations made to the authority by the Secretary of State;
 - (d) by reference to such other factors as may be specified in the regulations.
- (4) The regulations may, in particular, make provision for adjustments to an amount calculated under provision made under sub-paragraph (3) by reference to changes affecting the calculation of such an amount for an earlier year but not taken into account in that calculation.

Calculation of safety net payments

- 26 (1) The Secretary of State must calculate in relation to each relevant authority—
- (a) whether the Secretary of State is required to make a safety net payment to the authority for the year, and
 - (b) if so, the amount of that payment.
- (2) The calculation must be made—
- (a) as soon as is reasonably practicable after the end of the year, or
 - (b) if the authority is subject to a requirement imposed by a direction under paragraph 43 (direction to make calculations or supply information) or by or under regulations under paragraph 44 (regulations about calculations and supply of information) for the purposes of this paragraph, as soon as is reasonably practicable after the time for compliance with that requirement, whichever is the later.
- (3) The calculation must be made in accordance with regulations under paragraph 25.
- (4) As soon as is reasonably practicable after making a calculation under this paragraph in relation to a relevant authority, the Secretary of State must notify that authority of—
- (a) whether, in accordance with the calculation, the Secretary of State is required to make a safety net payment to the authority for the year, and
 - (b) if so, the amount of that payment in accordance with the calculation.
- (5) This paragraph is subject to regulations under paragraph 28 (payments on account).

Modifications etc. (not altering text)

- C2 Sch. 7B para. 26 modified (17.2.2014) by [The Non-Domestic Rating \(Designated Areas\) Regulations 2014 \(S.I. 2014/98\)](#), regs. 1, 5, [Sch. 2](#)

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Safety net payments following calculations

- 27 (1) If a calculation under paragraph 26 shows that a safety net payment is to be made by the Secretary of State to a relevant authority, the Secretary of State must make that payment to the authority.
- (2) The safety net payment must be made in instalments of such amounts, and at such times, as the Secretary of State determines with the Treasury’s consent.
- (3) This paragraph is subject to regulations under paragraph 28 (payments on account).

Regulations about payments on account

- 28 (1) The Secretary of State may by regulations make provision—
- (a) for a relevant authority to request the Secretary of State to make a calculation before the end of a year of—
 - (i) whether the Secretary of State is likely to be required to make a safety net payment under paragraph 27 to the authority for the year, and
 - (ii) if so, the amount of the payment;
 - (b) about the time at which and the manner in which a request must be made, and the information that must be provided in connection with the request;
 - (c) about the circumstances in which the Secretary of State may or must make a calculation in response to a request;
 - (d) about the making of the calculation, including for the Secretary of State to make the calculation by reference to estimates of any of the amounts mentioned in paragraph 25(3).
- (2) The regulations may make provision—
- (a) about the timing of a calculation in response to a request;
 - (b) about the notification of the results of the calculation to the relevant authority to whom it relates;
 - (c) for the making, as a result of the calculation, of a payment (a “payment on account”) to the authority before the end of the year to which the calculation relates.
- (3) The regulations may, in particular—
- (a) make provision in relation to a calculation that is similar to that made by paragraph 26, or apply that paragraph with modifications in relation to such a calculation;
 - (b) make provision in relation to a payment on account that is similar to that made by paragraph 27, or apply that paragraph with modifications in relation to such a payment.
- (4) The regulations may make provision—
- (a) about the calculation under paragraph 26 to be made in relation to a relevant authority for a year where a payment on account has been made to the authority for the year;
 - (b) for the making of a further payment by the Secretary of State to the authority, or of a payment by the authority to the Secretary of State, as a result of that calculation.

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Calculation of remaining balance on levy account

- 29 (1) The Secretary of State must, in each year other than the first year for which the levy account is kept, calculate whether there is a remaining balance on the levy account for the year in accordance with sub-paragraphs (2) to (4).
- (2) The calculation must be made as soon as is reasonably practicable after—
- (a) all of the calculations required by paragraph 23(1) (calculations of levy payments) have been made for the previous year,
 - (b) all of the calculations required by paragraph 26(1) (calculations of safety net payments) have been made for the previous year, and
 - (c) all of the calculations required by regulations under paragraph 28 (calculations of safety net payments on account) have been made for the year.
- (3) The calculation must be made as follows—
- Step 1*
Calculate the aggregate of the amounts of all of the levy payments calculated for the previous year under paragraph 23(1).
- Step 2*
Add any amount credited to the levy account for the year in accordance with paragraph 21(2) (credit from previous year) to the amount found under step 1, or subtract any amount debited to that account in accordance with paragraph 21(3) (debit from previous year) from the amount found under step 1.
- Step 3*
Add to the amount found under steps 1 and 2 any amount credited to the levy account for the year in accordance with paragraph 20(2) (credit in accordance with local government finance report).
- Step 4*
Subtract from the amount found under steps 1 to 3 the aggregate of the amounts of all the safety net payments calculated for the previous year under paragraph 26(1).
- Step 5*
Subtract from the amount found under steps 1 to 4 the aggregate of all the payments to be made by the Secretary of State under regulations under paragraph 28(4)(b) (adjustments following safety net payment on account).
- Step 6*
Add to the amount found under steps 1 to 5 the aggregate of all the payments to be made to the Secretary of State under regulations under paragraph 28(4)(b).
- Step 7*
Subtract from the amount found under steps 1 to 6 the aggregate of all the payments on account to be made in the year under regulations under paragraph 28.
- (4) If the amount found under step 7 in sub-paragraph (3) is a positive amount, that is the remaining balance on the levy account for the year.
- (5) Sub-paragraph (6) applies if, in the first year for which the levy account is kept—
- (a) an amount is credited to the levy account for the year in accordance with paragraph 20(2), and
 - (b) that amount exceeds the aggregate of all the payments on account to be made in the year under regulations under paragraph 28.

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- (6) The amount of the excess is to be treated as the remaining balance on the levy account for the year.

Distribution of remaining balance

- 30 (1) The Secretary of State may determine that an amount equal to the whole or part of the remaining balance on a levy account for a year is to be distributed among one or more relevant authorities (rather than being treated in accordance with paragraph 21(2)).
- (2) The Secretary of State may by regulations make provision about the basis (“the basis of distribution”) on which an amount referred to in sub-paragraph (1) is to be distributed.
- (3) If the Secretary of State makes a determination under sub-paragraph (1), the Secretary of State must calculate what amount (if any) falls to be paid to each relevant authority as its share of the amount referred to in that sub-paragraph.
- (4) The calculations must be made—
- (a) as soon as is reasonably practicable after the determination is made, and
 - (b) in accordance with the basis of distribution specified in the regulations.
- (5) As soon as is reasonably practicable after making the calculations, the Secretary of State must notify each relevant authority of—
- (a) whether a payment is to be made by the Secretary of State to the authority out of the amount referred to in sub-paragraph (1), and
 - (b) if such a payment is to be made, the amount of the payment.
- (6) If the calculations show that a payment is to be made by the Secretary of State to a relevant authority, the Secretary of State must make that payment to the authority.
- (7) A payment from the Secretary of State to a relevant authority under this paragraph must be made—
- (a) at such time, or
 - (b) in instalments of such amounts and at such times,
- as the Secretary of State determines with the Treasury’s consent; but any such time must fall within the year to which the remaining balance relates.

Modifications etc. (not altering text)

- C3** Sch. 7B para. 30 modified (17.2.2014) by [The Non-Domestic Rating \(Designated Areas\) Regulations 2014 \(S.I. 2014/98\)](#), regs. 1, 5, [Sch. 2](#)

Relationship with other provisions

- 31 This Part is subject to Parts 9 (pooling of authorities) and 10 (designation of areas and classes of hereditament).]

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by S.I. 2024/414 art. 5Sch. 1 para. 7

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 44A(2A) inserted by 2023 c. 53 Sch. para. 2(b)
- s. 44A(5)(e) inserted by 2023 c. 53 Sch. para. 2(c)
- s. 52A inserted by 2023 c. 53 s. 8
- s. 54(7A) inserted by 2023 c. 53 Sch. para. 34
- s. 57A(7A) inserted by 2023 c. 53 Sch. para. 4(d)
- s. 63A(1A) inserted by 2023 c. 53 s. 12(1)
- s. 63E inserted by 2023 c. 53 s. 12(2)
- s. 67(1A) inserted by 2023 c. 53 Sch. para. 7(a)
- s. 67(8A)(8B) inserted by 2023 c. 53 Sch. para. 37(a)
- s. 143(7A)-(7F) inserted by 2023 c. 53 Sch. para. 8(c)
- s. 143(9AZB) inserted by 2023 c. 53 Sch. para. 39(a)
- Sch. 4ZA inserted by 2023 c. 53 s. 1(3)
- Sch. 4ZB inserted by 2023 c. 53 s. 2(4)
- Sch. 5A para. 8 inserted by 2023 c. 53 Sch. para. 38
- Sch. 5A inserted by 2023 c. 53 s. 3(3)
- Sch. 9 para. 4B-4H and cross-heading inserted by 2023 c. 53 s. 13(2)
- Sch. 9 para. 4I-4M and cross-heading inserted by 2023 c. 53 s. 13(3)
- Sch. 9 para. 5BA-5BC and cross-heading inserted by 2023 c. 53 s. 13(6)
- Sch. 9 para. 5BD-5BF and cross-heading inserted by 2023 c. 53 s. 13(7)
- Sch. 9 para. 5CA and cross-heading inserted by 2023 c. 53 Sch. para. 46
- Sch. 9 para. 5CB inserted by 2023 c. 53 Sch. para. 47
- Sch. 9 para. 5F(1A)(1B) inserted by 2023 c. 53 Sch. para. 49(c)
- Sch. 9 para. 5F(A1) inserted by 2023 c. 53 Sch. para. 49(a)
- Sch. 9 para. 5FA inserted by 2023 c. 53 Sch. para. 50
- Sch. 9 para. 5FB inserted by 2023 c. 53 Sch. para. 51
- Sch. 9 para. 5ZA5ZB and cross-heading inserted by 2023 c. 53 s. 13(4)
- Sch. 9 para. 5ZC-5ZF and cross-heading inserted by 2023 c. 53 s. 13(5)
- Sch. 9 para. 7B inserted by 2023 c. 53 s. 10