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DRAFT STATUTORY INSTRUMENTS

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**2021 No.**

**The Non-Domestic Rating (Designated Area) Regulations 2021**

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

**5.—**(1) The Non-Domestic Rating (Rates Retention) Regulations 2013<sup>(1)</sup> are amended as follows.

- (2) In regulation 3(1) (calculation of non-domestic rating income) after sub-paragraph (g) insert—
- “(h) the amount (if any) specified by regulation 7B(2).”.
- (3) After regulation 7A (payments with respect to shale oil or gas hereditaments) insert—

**“Payments with respect to designated area**

**7B.—**(1) The amount specified by this regulation is the proportion of Redcar and Cleveland Borough Council’s non-domestic rating income calculated in accordance with Part 1 of Schedule 2 to the Non-Domestic Rating (Designated Area) Regulations 2021<sup>(2)</sup>.

(2) For each year that the designation under those Regulations has effect Redcar and Cleveland Borough Council must make a payment to the Tees Valley Combined Authority equal to 50% of the amount (if any) estimated, in accordance with regulation 3, as the amount specified by this regulation.

(3) The payment must be made in the course of the relevant year in accordance with the schedule of instalments.”.

(4) In regulation 9(1)(c) (end of year calculations) after “7A(2)” insert “, 7B(2)”.

(5) In regulation 10 (reconciliation of disregarded amounts) after paragraph (3) insert—

“(3A) Where the difference relates to a hereditament situated within the area designated by Schedule 1 to the Non-Domestic Rating (Designated Area) Regulations 2021—

- (a) if the certified amount is less than the estimated amount—
- (i) the Tees Valley Combined Authority must pay an amount equal to 50% of the difference to Redcar and Cleveland Borough Council; and
- (ii) Redcar and Cleveland Borough Council must transfer an amount equal to 50% of the difference from its general fund to its collection fund; or
- (b) if the certified amount is more than the estimated amount—
- (i) Redcar and Cleveland Borough Council must pay an amount equal to 50% of the difference to the Tees Valley Combined Authority; and
- (ii) Redcar and Cleveland Borough Council must transfer an amount equal to 50% of the difference from its collection fund to its general fund.”.

(6) In Schedule 3 (transfer from collection fund to general fund), in the definition of “T”—

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

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(1) [S.I. 2013/452](#), amended by [S.I. 2014/96](#), [S.I. 2015/628](#), [2016/1268](#), [2017/496](#), [2017/1321](#), [2018/463](#), [2019/709](#), [2020/449](#) and [2020/1202](#).

(2) [S.I. 2021/X](#)

(b) at the end of paragraph (b) insert

“, and

(c) the Tees Valley Combined Authority in accordance with regulation 7B (payments with respect to designated area);”.