
DRAFT STATUTORY INSTRUMENTS

2024 No.

The Non-Domestic Rating (Rates Retention: Miscellaneous Amendments) Regulations 2024

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

2.—(1) The Non-Domestic Rating (Rates Retention) Regulations 2013⁽¹⁾ are amended as follows.

(2) In regulation 2(1)—

(a) in the definition of “small business non-domestic rating multiplier”, for “determined under Part 1 of” substitute “calculated by the Secretary of State under”;

(b) in the appropriate places, insert the following definitions—

““Hartlepool MDC Order” means the Hartlepool Development Corporation (Functions) Order 2023⁽²⁾”;

““Middlesbrough MDC Order” means the Middlesbrough Development Corporation (Functions) Order 2023⁽³⁾”;

““non-domestic rating multiplier” in relation to a year means the non-domestic rating multiplier for the year calculated by the Secretary of State under Schedule 7 to the 1988 Act”;

““small business hereditament” means a hereditament for which on 1st April 2023 a rateable value of less than £51,000 is shown on a local non-domestic rating list”;

““standard hereditament” means a hereditament for which on 1st April 2023 a rateable value greater than £50,999 is shown on a local non-domestic rating list”.

(3) In regulation 5 (payments by billing authorities to major precepting authorities in respect of share of income)—

(a) after paragraph (2), insert—

“(2A) Where a billing authority has received an MDC payment for the year, it must make a payment for the year to each of its relevant precepting authorities of the amount that is that authority’s share of the MDC payment.”;

(b) in paragraph (4), for “payment” substitute “payments”;

(c) after paragraph (4), insert—

“(5) In this regulation, an “MDC payment” means a payment from a Mayoral development corporation⁽⁴⁾ made in accordance with Part 4 of the Middlesbrough MDC Order or Part 4 of the Hartlepool MDC Order.”.

(4) After regulation 12 (reconciliation of amounts where authority has failed to act diligently), insert—

(1) [S.I. 2013/452](#); relevant amending instruments are [S.I. 2016/1268](#), [2017/496](#), [2018/463](#), [2019/709](#) and [2023/268](#).

(2) [S.I. 2023/446](#).

(3) [S.I. 2023/447](#).

(4) A Mayoral development corporation is a corporation established under section 198 of the Localism Act 2011 (c. 20).

“Reconciliation of MDC payments

12A.—(1) This regulation applies to an authority in relation to which there is a deficit or a surplus.

(2) Any deficit or surplus shall belong to or be borne by the billing authority and any relevant precepting authorities in accordance with the shares set out in regulation 5.

(3) A relevant precepting authority must pay its share of a surplus to the billing authority.

(4) A billing authority must pay to the relevant precepting authority that authority’s share of the deficit.

(5) Any payments under this regulation must be made before the end of the period of 28 days beginning with the certification date.

(6) In this regulation—

“certification date” means the date on which the billing authority’s certified non-domestic rating income for the relevant year is certified under regulation 9;

“deficit” and “surplus” have the meanings given in article 2 of the Middlesbrough MDC Order or article 2 of the Hartlepool MDC Order (as the case may be).”.

(5) In paragraph 1(2) of Schedule 1 (non-domestic rating income)—

(a) in paragraph (a), for “Part 1” substitute “Part A1(5)”;

(b) after paragraph (b)(ii), insert—

“(ia) for a financial year beginning on or after 1st April 2024 is determined by the formula—

$$X1 \times \frac{D \times B2 + E \times C2}{D \times B1 + E \times C1}$$

where—

X1 is the value of X for the preceding year;

B2 is the small business non-domestic rating multiplier for the relevant year;

B1 is the small business non-domestic rating multiplier for the preceding year;

C2 is the non-domestic rating multiplier for the relevant year;

C1 is the non-domestic rating multiplier for the preceding year;

D is the sum of the total rateable value of all small business hereditaments shown in the authority’s list on 1st April 2023;

E is the sum of the total rateable value of standard hereditaments shown in the authority’s list on 1st April 2023;”.