

## SCHEDULE I

Regulations 4 and 6

### RULES FOR DETERMINATION OF SCHEDULES OF INSTALMENTS

#### PART I

##### PRINCIPAL AUTHORITIES

1.—(1) Subject to sub-paragraph (2), the schedule of instalments shall be determined so as to require any payments and transfers from a billing authority's collection fund to principal authorities to be made in at least 10 instalments the total of which will discharge that billing authority's liabilities within the financial year to which the schedule relates.

(2) The reference in sub-paragraph (1) to transfers from a billing authority's collection fund shall be construed, in the case of a liability under section 97(4) of the 1988 Act, as a reference to transfers from that authority's general fund to its collection fund.

(3) Any payments and transfers shall be made to each principal authority at the same times.

2.—(1) The schedule of instalments shall be determined so as to require the first instalment to be paid or transferred to principal authorities within 5 weeks of the start of the financial year and the final instalment to be so paid or transferred within 8 weeks prior to the end of the financial year.

(2) There shall be an equal number of days between each instalment in a financial year.

(3) For the purpose of the computation of days under sub-paragraph (2) a day which is a Saturday, Sunday, or bank holiday shall be excluded.

3. The schedule of instalments shall be determined so as to require the amount of each instalment which is to be paid or transferred to principal authorities, other than the last instalment in a financial year, to be a number of whole pounds.

4.—(1) The schedule of instalments shall be determined so as to require each instalment to represent the amount of the billing authority's undischarged liability to a principal authority, divided by the number of instalments remaining to be paid or transferred.

(2) The amount of the billing authority's undischarged liability to a principal authority is the amount of its liability to that authority for the financial year in which the instalment falls to be paid or transferred, less the amount, if any, by which that liability is treated as discharged under regulation 3.

(3) The number of instalments remaining to be paid or transferred means the number of instalments remaining to be paid or transferred immediately before the payment or transfer of the instalment in relation to which an amount is determined under sub-paragraph (1).

5.—(1) This paragraph applies where a billing authority determines its schedule of instalments otherwise than in accordance with the rules prescribed in paragraph 4.

(2) Subject to sub-paragraphs (4) and (6), the schedule of instalments shall be determined so as to require each instalment paid or transferred to a principal authority after it has issued a substitute precept under section 42(1) of the 1992 Act or made a substitute calculation to be the amount calculated in accordance with sub-paragraph (3).

(3) The amount calculated in accordance with this sub-paragraph shall be calculated by applying the formula—

$$A \times \frac{B}{C}$$

where—

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A is the amount which would have been paid or transferred on the date on which the instalment is paid or transferred had the substitute precept not been issued or the substitute calculation not been made (or, where there has been more than one such substitute precept or calculation, the latest such precept or calculation),

B is the amount payable or transferable in respect of the substitute precept or substitute calculation or the latest such precept or calculation,

C is the amount payable or transferable in respect of the previous precept or calculation or the last one to be issued or made before the substitute precept or calculation.

(4) If the amount payable or transferable in respect of the substitute precept or calculation is greater than the amount payable or transferable in respect of the previous precept or calculation or the last one to be issued or made before the substitute precept or calculation, the amount paid or transferred to the principal authority which issued or made that substitute precept or calculation shall in the first instalment paid or transferred to that authority after the issue of that substitute precept or making of that substitute calculation be required to include the additional amount described in sub-paragraph (5).

(5) For the purposes of sub-paragraph (4), the additional amount is the difference between—

(a) the total of

(i) the amount paid or transferred for the financial year to the principal authority before the issue or making of the substitute precept or calculation, and

(ii) the amount of the instalment calculated in accordance with sub-paragraph (3), and

(b) the amount which would have been paid or transferred for the financial year to the principal authority on and before the day of the payment or transfer to that authority of the first instalment after the issue of the substitute precept or making of the substitute calculation, had the amount payable or transferable in respect of the previous precept or calculation or the last one to be issued or made before the substitute precept or calculation was issued or made been the same as the amount payable or transferable in respect of the substitute precept or calculation.

(6) If the amount payable or transferable in respect of the substitute precept or calculation is less than the amount payable or transferable in respect of the previous precept or calculation or the last one to be issued or made before the substitute precept or calculation, the amount paid or transferred to the principal authority in an instalment paid or transferred to that authority after the issue of the substitute precept or making of the substitute calculation by that authority shall not be required to be an amount greater than the amount described in sub-paragraph (7).

(7) For the purposes of sub-paragraph (6), the amount is that necessary for the amount paid or transferred to the principal authority for the financial year on and before the day of the instalment to equal the amount which would have been so paid or transferred had the amount payable or transferable in respect of the previous precept or calculation or the last one to be issued or made before the substitute precept or calculation been the same as the amount payable or transferable in respect of the substitute precept or calculation.

(8) In this paragraph any reference (however framed) to an amount payable in respect of a precept or transferable in respect of a calculation—

(a) in the case of an amount payable in respect of a precept, is a reference to the amount stated in a precept issued to the billing authority under section 40(2)(b) of the 1992 Act, and

(b) in the case of an amount transferable in respect of a calculation, is a reference to the amount which a billing authority which has made calculations in accordance with sections 32 to 36 of the 1992 Act is required to transfer from its collection fund to its general fund under section 97(1) of the 1988 Act.

## PART II

### RELEVANT LOCAL PRECEPTING AUTHORITIES

**6.** A schedule of instalments so far as it relates to relevant local precepting authorities shall be determined in accordance with this Part of this Schedule.

**7.** The schedule of instalments shall be determined so as to require the amount of each instalment which is to be paid from a billing authority's general fund to relevant local precepting authorities, other than the last instalment in a financial year, to be a number of whole pounds.

**8.—(1)** Paragraph 9 shall apply in relation to a relevant local precepting authority where the amount referred to in sub-paragraph (3) for the financial year to which a schedule of instalments relates is 5 per cent. or less of the amount referred to in sub-paragraph (4).

(2) In any other case paragraph 10 shall apply.

(3) The amount referred to in this sub-paragraph is the amount of the liability of the billing authority in respect of a precept which has been issued to it by the relevant local precepting authority in question for the financial year to which the schedule of instalments relates.

(4) The amount referred to in this sub-paragraph is the amount which the billing authority first calculated under section 32(4) of the 1992 Act for the financial year to which the schedule of instalments relates.

**9.—(1)** In a case to which this paragraph applies, the schedule of instalments shall be determined so as to require that if the relevant local precepting authority has issued a precept before the start of the financial year in respect of which the precept was issued—

(a) at least 50 per cent. of the billing authority's liability to that authority will be paid to that authority within 1 month of the start of the financial year in respect of which the precept was issued, and

(b) the remainder of the billing authority's liability to that authority will be paid to that authority within 6 months of the start of that financial year.

(2) In any other case to which this paragraph applies, the schedule of instalments shall be determined so as to require that—

(a) at least 50 per cent. of the billing authority's liability to the relevant local precepting authority will be paid to that authority within 1 month of the issue to the billing authority of a precept by the relevant local precepting authority, and

(b) the remainder of the billing authority's liability to that authority will be paid to that authority within 6 months of the issue to the billing authority of that precept,

provided that the whole of the billing authority's liability to the relevant local precepting authority under this sub-paragraph is paid to that authority by the end of the financial year in respect of which the precept was issued.

**10.—(1)** In a case to which this paragraph applies, the schedule of instalments shall be determined so as to require that if the relevant local precepting authority has issued a precept before the start of the financial year in respect of which the precept was issued—

(a) at least 50 per cent. of the billing authority's liability to that authority will be paid to that authority within 3 months of the start of the financial year in respect of which the precept was issued, and

(b) the remainder of the billing authority's liability to that authority will be paid to that authority within 9 months of the start of that financial year.

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(2) In any other case to which this paragraph applies, the schedule of instalments shall be determined so as to require that—

- (a) at least 50 per cent. of the billing authority's liability to the relevant local precepting authority will be paid to that authority within 3 months of the issue to the billing authority of a precept by the relevant local precepting authority, and
- (b) the remainder of the billing authority's liability to that authority will be paid to that authority within 9 months of the issue to the billing authority of that precept,

provided that the whole of the billing authority's liability to the relevant local precepting authority under this sub-paragraph is paid to that authority by the end of the financial year in respect of which the precept was issued.

**11.** The schedule of instalments shall be determined so as to provide that if—

- (a) a relevant local precepting authority issues a substitute precept for a financial year which is greater than the amount of the previous precept to be issued or the last one to be issued, and
- (b) that substitute precept was issued on or after the last day of a 1 or 3 month period which is prescribed in paragraph 9 or 10 and which applies to that relevant local precepting authority in that financial year, the difference between the liability in respect of that substitute precept and the liability in respect of the previous precept to be issued or the last one to be issued shall not be taken into account for the purpose of determining the amount of the liability to that relevant local precepting authority to be paid in that 1 or 3 month period.