

SCHEDULE

Regulations 4 and 6

RULES FOR DETERMINATION OF SCHEDULES OF INSTALMENTS

PART I

RELEVANT MAJOR PRECEPTING AUTHORITIES

1.—(1) A schedule of instalments so far as it relates to the relevant major precepting authority shall be determined in accordance with this Part of this Schedule.

(2) The schedule of instalments shall be determined so as to require any payments from a billing authority's council fund in respect of its liability to the relevant major precepting authority ("the liability") to be made in at least 12 instalments.

(3) The total of the instalments required to be paid by the schedule must discharge the liability within the financial year to which the schedule relates.

(4) The schedule of instalments shall be determined so as to specify—

- (a) the number of the instalments,
- (b) the amount which each instalment will be as a proportion of the amount of the liability, and
- (c) the date on which each instalment shall become payable.

2. Where the billing authority determines that 12 instalments are to be paid in discharge of the liability, the authority shall determine the schedule of instalments so as to require either—

- (a) that each instalment shall become payable on the last working day of a different month in the financial year, or
- (b) that each instalment shall become payable on the same working day of a different month in that financial year.

3. Where the billing authority determines that more than 12 instalments are to be paid in discharge of the liability, the authority shall determine the schedule of instalments so as to require that—

- (a) the authority shall pay the amount of the first instalment in the financial year within 4 weeks of the start of that financial year and the amount of the last instalment within 4 weeks prior to the end of that financial year, and
- (b) there shall be an equal number of working days between each instalment in that financial year.

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 the relevant major precepting authority, divided by the number of instalments remaining to be paid immediately before the payment of the instalment in question.

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

(3) This paragraph shall not apply where paragraph 5 applies.

5.—(1) This paragraph applies where the relevant major precepting authority has issued a substitute precept under section 42(1) of the 1992 Act, for the financial year to which the schedule of instalments relates.

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(2) Subject to sub-paragraphs (4) and (6), the schedule of instalments shall be determined so as to require each instalment paid to the relevant major precepting authority after it has issued a substitute precept 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—

A is the amount which would have been paid on the date on which the instalment is paid had the substitute precept not been issued,

B is the amount payable in respect of the substitute precept, and

C is the amount payable in respect of the previous precept.

(4) If the amount payable in respect of the substitute precept is greater than the amount payable in respect of the previous precept, the amount paid to the relevant major precepting authority shall in the first instalment paid after the issue of that substitute precept 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 for the financial year to the relevant major precepting authority before the issue of the substitute precept, and

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

(b) the amount which would have been paid for the financial year to the relevant major precepting authority on and before the day of the payment to that authority of the first instalment after the issue of the substitute precept, had the amount payable in respect of the previous precept been the same as the amount payable in respect of the substitute precept.

(6) If the amount payable in respect of the substitute precept is less than the amount payable in respect of the previous precept, the amount paid to the relevant major precepting authority in an instalment paid after the issue of the substitute precept 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 to the relevant major precepting authority for the financial year on and before the day of the instalment to equal the amount which would have been so paid had the amount payable in respect of the previous precept been the same as the amount payable in respect of the substitute precept.

(8) Where the relevant major precepting authority has issued more than one substitute precept for the financial year to which the schedule of instalments relates—

(a) references in this paragraph to a substitute precept shall be construed as references to the latest substitute precept, and

(b) references to the previous precept shall be construed as references to the last precept to be issued before the latest substitute precept.

(9) In this paragraph any reference (however framed) to 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.

PART II

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.—(1) The amount of a billing authority's liability to each relevant local precepting authority for a financial year shall be discharged by payment from the billing authority's council fund to be made in not more than 3 instalments, of the same number for each such liability, as determined by the authority, and payable on the same dates for each such liability, as determined by the authority in accordance with the rules prescribed in paragraph 8.

(2) The schedule of instalments shall be determined so as to specify—

- (a) the number of the instalments,
- (b) the amount which each instalment will be as a proportion of the amount of each such liability, and
- (c) the date in that financial year on which each instalment shall become payable.

(3) 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 working day of a month which is referred to in paragraph 8 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 month.

8.—(1) At least one third of the amount of a billing authority's liability to a relevant local precepting authority for a financial year shall become payable to that local precepting authority on or before—

- (a) the last working day of April in that financial year, or
- (b) the last working day of the month following the month in which a precept for that financial year was issued by that local precepting authority,

whichever is the later.

(2) At least two thirds of that amount shall become payable to that local precepting authority on or before—

- (a) the last working day of August in that financial year, or
- (b) the last working day of the fifth month following the month in which a precept for that financial year was issued by that local precepting authority,

whichever is the later.

(3) The remainder of that amount shall become payable to that local precepting authority on or before—

- (a) the last working day of December in that financial year, or
- (b) the last working day of the ninth month following the month in which a precept for that financial year was issued by that local precepting authority,

whichever is the later.

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(4) References in this paragraph to a precept for a financial year are references to the last such precept issued by the local precepting authority concerned.