
STATUTORY INSTRUMENTS

2023 No. 268

The Non-Domestic Rating (Rates Retention: Miscellaneous Amendments) Regulations 2023

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Non-Domestic Rating (Rates Retention: Miscellaneous Amendments) Regulations 2023.

(2) Subject to paragraph (3), these Regulations come into force on the day after the day on which they are made.

(3) Regulation 10(2)(b) and (e) and (3)(b) come into force on 1st April 2023.

(4) These Regulations extend to England and Wales.

Amendment of the Non-Domestic Rating (Transitional Protection Payments) Regulations 2013

2.—(1) The Non-Domestic Rating (Transitional Protection Payments) Regulations 2013⁽¹⁾ are amended as follows.

(2) In regulation 2(2) (rules for calculation of deemed rating income), after sub-paragraph (d) insert—

“(e) section 43(4I) (public lavatories relief) of the 1988 Act⁽²⁾ does not apply”.

(3) In regulation 3(2) (rules for calculation of actual rating income), after sub-paragraph (d) insert—

“(e) section 43(4I) (public lavatories relief) of the 1988 Act does not apply”.

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

3. In the Non-Domestic Rating (Rates Retention) Regulations 2013⁽³⁾, for paragraph 1(2)(b) of Schedule 1 (non-domestic rating income) substitute—

“(b) X, where the value of X—

(i) for the financial year beginning on 1st April 2013 is £10,538,000;

(ii) for the financial year beginning on 1st April 2023 is £12,515,000;

(iii) for any other year is determined by the formula—

$$X_1 \times (S_2 / S_1)$$

Where—

X₁ is the value of X for the preceding year;

(1) [S.I. 2013/106](#), to which there are amendments not relevant to these Regulations.

(2) “The 1988 Act” is defined in regulation 1 of [S.I. 2013/106](#) as the Local Government Finance Act 1988. Section 43(4I) was inserted by the Non-Domestic Rating (Public Lavatories) Act [2021 \(c. 13\)](#).

(3) [S.I. 2013/452](#), to which there are amendments not relevant to these Regulations.

S₂ is the small business non-domestic rating multiplier for the relevant year;

S₁ is the small business non-domestic rating multiplier for the preceding year.”.

Amendment of the Non-Domestic Rating (Levy and Safety Net) Regulations 2013

4. The Non-Domestic Rating (Levy and Safety Net) Regulations 2013(4) are amended in accordance with regulations 5 to 9.

Amendment to regulation 4

5. In regulation 4(1) (meaning of retained rates income for purposes of levy and safety net calculations), for “and paragraph 4 of Schedule 1B”(5) substitute “, paragraph 4 of Schedule 1B and Schedule 7.”(6).

Amendment to regulation 5

6. For regulation 5(3) (business rates baseline and baseline funding level) substitute—

“(3) Unless paragraph (3ZA), (3ZB) or (3ZC) applies, the baseline funding level for an authority for—

(a) the years commencing on 1st April 2014, 1st April 2015, 1st April 2016 and the years commencing on or after 1st April 2018, other than as provided for by subparagraph (b), is the amount calculated in accordance with the formula—

$$A \times (B_2/B_1)$$

(b) the year commencing on 1st April 2023 is the amount calculated in accordance with the formula—

$$A \times 1.03742203742204$$

Where—

A is the baseline funding level for the year immediately preceding the relevant 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.”.

Amendment to Schedule 1

7.—(1) Schedule 1 (calculation of retained rates income) is amended as follows.

(2) In paragraph 1(1)—

(a) for the formula which appears immediately after the opening words substitute—

$$K(L + N - M - O + T + U + Y + S) + (P - Q) ,,,$$

(4) [S.I. 2013/737](#), amended by [S.I. 2014/822](#), [2015/617](#), [2015/2039](#), [2017/496](#), [2018/463](#), [2019/709](#), [2020/1357](#), [2022/189](#).

(5) These words were inserted by [S.I. 2022/189](#).

(6) Schedule 7 is inserted by regulation 9 of these Regulations.

- (b) in the definition of P(7)—
- (i) in paragraph (a), for “or (g)” substitute “, (g) or (h)”;
 - (ii) after paragraph (g), insert—

“(h) where the billing authority is listed in the table in Schedule 7, for the relevant year beginning on 1st April 2023 the amount specified in column B of that table,”;
- (c) in the definition of Q(8)—
- (i) in paragraph (a), for “or (g)” substitute “, (g) or (h)”;
 - (ii) after paragraph (g), insert—

“(h) where the billing authority is listed in the table in Schedule 7, for the relevant year beginning on 1st April 2023 the amount specified in column C of that table,”;
- (d) after the definition of Q, insert—

“S is the amount calculated in accordance with sub-paragraph (4D) in respect of the years commencing on or after 1st April 2021;”

(e) in the definition of Y, in paragraph (b) after the words “paragraph (c)” insert “or (d)”.

(3) After paragraph 1(4C), insert—

“(4D) The amount calculated in accordance with this sub-paragraph is the amount which is the difference between—

 - (a) (i) the total of the amounts credited to the billing authority’s collection fund income and expenditure account in the relevant year in accordance with proper practices in respect of non-domestic rates payable under sections 43 and 45 of the 1988 Act in respect of—
 - (aa) a day in that year, and
 - (bb) a day in a previous year where the amount was not credited in a previous year; less
 - (ii) the total of the amounts charged to the billing authority’s collection fund income and expenditure account in the relevant year in accordance with proper practices in respect of non-domestic rates payable under sections 43 and 45 of the 1988 Act in respect of—
 - (aa) a day in that year, and
 - (bb) a day in a previous year where the amount was not charged in a previous year; and

(b) the amount that would have been calculated under paragraph (a) if section 43(4I) were omitted.”.

(4) In paragraph 2—

 - (a) for sub-paragraphs (a) and (b) substitute—

“ S (R + U + V + Z + W + Y) + (P - Q) ,”
 - (b) in the definition of W, after paragraph (b) insert—

“(c) for the relevant year beginning on 1st April 2022, the sum of the amounts of relief awarded under section 47 of the 1988 Act by all the billing authorities

(7) The definition of “P” was amended by [S.I. 2017/496, 2018/463, 2019/709, 2020/1357, 2022/189](#).

(8) The definition of “Q” was amended by [S.I. 2017/496, 2018/463, 2019/709, 2020/1357, 2022/189](#).

required to make payments to the major precepting authority for the relevant year under Part 4 of Schedule 7B to the 1988 Act, where the relief has been awarded in accordance with the following guidance issued by the Secretary of State—

- (i) “COVID-19 Additional Relief Fund (CARF): Local Authority Guidance” published on 15th December 2021(9);
- (ii) “2022/23 Retail, Hospitality and Leisure Relief Scheme: local authority guidance” published on 20th December 2021(10);
- (iii) “Extension of Transitional Relief and Supporting Small Business Relief for small and medium properties” published on 20th December 2021(11);
- (d) for the relevant year beginning on 1st April 2023, the sum of the amounts of relief awarded under section 47 of the 1988 Act by all the billing authorities required to make payments to the major precepting authority for the relevant year under Part 4 of Schedule 7B to the 1988 Act, where the relief has been awarded in accordance with the following guidance issued by the Secretary of State—
 - (i) “Business Rates Relief: 2023/24 Retail, Hospitality and Leisure Scheme” published on 21 December 2022(12), and
 - (ii) “Business Rates Relief: 2023 Supporting Small Business Relief, local authority guidance” published on 21 December 2022(13);
- (c) after the definition of W insert—

“Y is the sum of the amounts specified as S for the relevant year in accordance with paragraph 1(1) for each of the billing authorities that is required to make payments to the major precepting authority for the relevant year under Part 4 of Schedule 7B to the 1988 Act.”.

Amendment to Schedule 6

8. At the end of the table in Schedule 6 (table of authorities, business rates baselines, baseline funding levels and values of A and Y)(14) insert the following rows—

“North Yorkshire	1st April 2023	88,097,694	1,151,874	66%
Somerset	1st April 2023	85,420,958	954,805	67%
Cumberland	1st April 2023	62,937,929	480,778	64.8%
Westmorland and Furness	1st April 2023	40,604,197	497,735	64%
Cumbria Commissioner	1st April 2023	5,860,300	0	0”

(9) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1041468/CARF_LA_Guidance.pdf. See also the Explanatory Note.

(10) <https://www.gov.uk/government/publications/business-rates-guidance-202223-retail-hospitality-and-leisure-relief-scheme/202223-retail-hospitality-and-leisure-relief-scheme-local-authority-guidance>. See also the Explanatory Note.

(11) <https://www.gov.uk/government/publications/business-rates-guidance-extension-of-transitional-relief-and-supporting-small-business-relief-for-small-and-medium-properties/extension-of-transitional-relief-and-supporting-small-business-relief-for-small-and-medium-properties>. See also the Explanatory Note.

(12) [https://www.gov.uk/government/publications/business-rates-relief-202324-retail-hospitality-and-leisure-scheme/local-authority-guidance/business-rates-relief-202324-retail-hospitality-and-leisure-scheme](https://www.gov.uk/government/publications/business-rates-relief-202324-retail-hospitality-and-leisure-scheme-local-authority-guidance/business-rates-relief-202324-retail-hospitality-and-leisure-scheme). See also the Explanatory Note.

(13) <https://www.gov.uk/government/publications/business-rates-relief-2023-supporting-small-business-relief-local-authority-guidance/business-rates-relief-2023-supporting-small-business-relief-local-authority-guidance>. See also the Explanatory Note.

(14) Schedule 6 was inserted by [S.I. 2022/189](#).

Fire and Rescue Authority

Insertion of Schedule 7

9. After Schedule 6 insert Schedule 7 which is set out in the Schedule to these Regulations.

Amendment of the Non-Domestic Rating (Rates Retention and Levy and Safety Net) (Amendment) and (Levy Account: Basis of Distribution) Regulations 2019

10.—(1) In the Non-Domestic Rating (Rates Retention and Levy and Safety Net) (Amendment) and (Levy Account: Basis of Distribution) Regulations 2019(15), the table in Schedule 5 (table of authorities, values for B and C) is amended as follows.

(2) Under the heading “The council for the local government area of”—

- (a) omit the rows relating to—
 - (i) Corby;
 - (ii) Daventry;
 - (iii) East Northamptonshire;
 - (iv) Kettering;
 - (v) Northampton;
 - (vi) Northamptonshire;
 - (vii) South Northamptonshire;
 - (viii) Wellingborough;
- (b) omit the rows relating to—
 - (i) Allerdale;
 - (ii) Barrow-in-Furness;
 - (iii) Carlisle;
 - (iv) Copeland;
 - (v) Cumbria;
 - (vi) Eden;
 - (vii) South Lakeland;
- (c) in the row relating to Isle of Wight—
 - (i) for “43,031,069” substitute “40,601,927”;
 - (ii) for “28,627,393” substitute “27,011,351”;
- (d) in the appropriate places insert the following rows—

“North Northamptonshire	74,560,768	49,603,239
West Northamptonshire	65,840,725	43,802,034”

- (e) in the appropriate places insert the following rows—

“Cumberland	78,567,018	52,268,488
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(15) [S.I. 2019/709](#), relevant amending instruments are [S.I. 2019/709](#) (regulation 20 made amendments to Schedule 5 with effect from 1 April 2019) and 2020/1357.

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Westmorland and Furness	50,707,778	33,734,497"
(3) Under the heading "The fire and rescue authority for the area of"—		
(a) for the row relating to Hampshire substitute—		
"Hampshire and Isle of Wight 21,557,536 14,341,639"		
(b) after the row relating to Cleveland insert the following row—		
"Cumbria	9,192,835	6,115,742"

Signed by authority of the Secretary of State for Levelling Up, Housing and Communities

6th March 2023

Lee Rowley
Parliamentary Under Secretary of State
Department for Levelling Up, Housing and
Communities