
Changes to legislation: There are currently no known outstanding effects for the
Local Government Finance Act 2012, Part 2. (See end of Document for details)

SCHEDULES

SCHEDULE 3

LOCAL RETENTION OF NON-DOMESTIC RATES: FURTHER AMENDMENTS

PART 2

OTHER AMENDMENTS

LGFA 1988

- 23 The LGFA 1988 is amended as follows.
- 24 (1) Section 90 (payments to and from collection funds) is amended as follows.
- (2) In subsection (1)(b), after “major precepting authority” insert “ or the Secretary of State ”.
- (3) In subsection (1), for paragraph (d) (and the “and” at the end of that paragraph) substitute—
- “ (d) sums received by the authority under any of the following provisions of Schedule 7B (local retention of non-domestic rates) that are of a kind specified by the Secretary of State as falling to be paid into a billing authority's collection fund—
- (i) paragraph 14(2) (payments by Secretary of State following local government finance report);
- (ii) paragraph 14(9) or (10) (payments by Secretary of State following revised calculation);
- (iii) paragraph 17(7) or (8) (payments by Secretary of State following amending report),
- (da) sums received by the authority—
- (i) under provision made by regulations under paragraph 7 of Schedule 7B (regulations about administration of payments in respect of the central share),
- (ii) under provision made by regulations under paragraph 10 of that Schedule (administration of payments by billing authorities to major precepting authorities) by virtue of sub-paragraph (2)(e) or (f) of that paragraph (reconciliation payments),
- (iii) under provision made by regulations under paragraph 11 of that Schedule (regulations about payments by billing authorities to major precepting authorities out of deductions from the central share),
- (iv) under provision made by regulations under paragraph 33 of that Schedule (transitional protection payments),

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- (v) under provision made by regulations under paragraph 39 or 40 of that Schedule (designation of areas or classes of hereditament) by virtue of paragraph 41 of that Schedule (payments by billing authorities to relevant authorities), or
- (vi) under provision made by regulations under paragraph 42 of that Schedule (payments by Secretary of State following estimates of amounts relating to designated areas or classes), and”.

(4) In subsection (2)(b), after “major precepting authority” insert “ or the Secretary of State ”.

(5) In subsection (2), for paragraph (c) substitute—

“(c) payments to be made by the authority under any of the following provisions of Schedule 7B that are of a kind specified by the Secretary of State as falling to be met from a billing authority’s collection fund—

- (i) paragraph 14(1) (payments to Secretary of State following local government finance report);
- (ii) paragraph 14(6) or (7) (payments to Secretary of State following revised calculation);
- (iii) paragraph 17(4) or (5) (payments to Secretary of State following amending report),

(ca) payments made by the authority—

- (i) under paragraph 6, or under provision made by regulations under paragraph 7, of Schedule 7B (payments in respect of the central share),
- (ii) under provision made by regulations under paragraph 9 of that Schedule (payments by billing authorities to major precepting authorities),
- (iii) under provision made by regulations under paragraph 10 of that Schedule (administration of payments by billing authorities to major precepting authorities) by virtue of sub-paragraph (2)(e) or (f) of that paragraph (reconciliation payments),
- (iv) under provision made by regulations under paragraph 11 of that Schedule (regulations about payments by billing authorities to major precepting authorities out of deductions from the central share),
- (v) under provision made by regulations under paragraph 33 of that Schedule (transitional protection payments),
- (vi) under provision made by regulations under paragraph 39 or 40 of that Schedule (designation of areas or classes of hereditament) by virtue of paragraph 41 of that Schedule (payments by billing authorities to relevant authorities), or
- (vii) under provision made by regulations under paragraph 42 of that Schedule (payments to Secretary of State following estimates of amounts relating to designated areas or classes),”.

25 (1) Section 97 (principal transfers between funds) is amended as follows.

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- (2) After subsection (2) insert—
- “(2A) The Secretary of State may by regulations make provision requiring a billing authority to transfer from its collection fund to its general fund such amounts as may be specified in or determined in accordance with the regulations by reference to—
- (a) sums received by the authority in respect of non-domestic rates under this Act, and
 - (b) sums received by the authority under or by virtue of Schedule 7B (local retention of non-domestic rates) and required to be paid into its collection fund by virtue of provision made by or under section 90(1)(d) or (da).
- (2B) The Secretary of State may by regulations make provision requiring a billing authority to transfer from its general fund to its collection fund such amounts as may be specified in or determined in accordance with the regulations by reference to sums received by the authority in respect of non-domestic rates under this Act.”
- (3) Omit subsection (4A).
- 26 (1) Section 99 (regulations about funds) is amended as follows.
- (2) In subsection (1)(b), for “97(1), (3) or (4A) above” substitute “ 97(1) or (3) or regulations under section 97(2A) above ”.
- (3) In subsection (1)(c), after “97(2) or (4) above” insert “ or regulations under section 97(2B) above ”.
- (4) In subsection (3)—
- (a) in paragraph (b)(i), for “major precepting authorities” substitute “ one or more relevant authorities ”,
 - (b) in paragraph (c), for “any major precepting authorities” substitute “ prescribed relevant authorities ”, and
 - (c) in each of paragraphs (d) and (f), for “major precepting authority” substitute “ relevant authority ”.
- (5) Omit subsections (3A) and (3B).
- (6) Before subsection (4) insert—
- “(3C) In subsection (3) “relevant authority” means—
- (a) a major precepting authority, or
 - (b) the Secretary of State.
- (3D) Regulations under subsection (3) may make separate provision in relation to council tax and non-domestic rates, with the effect that—
- (a) more than one estimate is to be made by a billing authority of whether there is a deficit or surplus in its collection fund for a financial year and, if so, of the amount of the deficit or surplus,
 - (b) each estimate takes into account different amounts to be paid into or met from that fund, and

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(c) each estimate has different consequences as to the payments to be made, or other functions to be exercised, by the billing authority, major precepting authorities or the Secretary of State.”

27 In section 140(2) (separate administration of Parts 3 and 4 in England and Wales)—
(a) at the end of paragraph (a) insert “, and”, and
(b) omit paragraphs (c) and (e).

28 (1) Section 141 (payments to and from authorities) is amended as follows.
(2) In subsection (5)(c), after “such as” insert “ paragraph 2 of Schedule 7B or ”.
(3) In subsection (7), before “paragraph 5(10) and 14 of Schedule 8 below” insert “ regulations under section 99(3) above, regulations made under paragraph 7 of Schedule 7B below, paragraphs 14(2), (9) and (10), 17(7) and (8) and 27(1) of that Schedule, regulations made under paragraph 28 of that Schedule, paragraph 30(6) of that Schedule, regulations made under paragraph 33 of that Schedule, regulations made under paragraph 42 of that Schedule, ”.
(4) In subsection (8), before “paragraph 5 of Schedule 8 below” insert “ regulations under section 99(3) above, paragraph 6 of Schedule 7B below, regulations made under paragraph 7 of that Schedule, paragraphs 14(1), (6) and (7), 17(4) and (5) and 24(1) of that Schedule, regulations made under paragraph 28 of that Schedule, regulations made under paragraph 33 of that Schedule, regulations made under paragraph 42 of that Schedule, ”.

29 In section 144(2) (definition of “billing authority” etc), at the end insert “ ; but, in the case of references to a billing authority in Part 2 of Schedule 8, this is subject to paragraph 3A of that Schedule. ”

LGFA 1992

30 In Schedule 13 to the LGFA 1992 (minor and consequential amendments) omit paragraph 78(2).

Audit Commission Act 1998 (c. 18)

F131

Textual Amendments
F1 Sch. 3 para. 31 repealed (1.4.2015) by [Local Audit and Accountability Act 2014 \(c. 2\)](#), s. 49(1), [Sch. 1 Pt. 2](#); S.I. 2015/841, art. 3(a) (with arts. 5-8, Sch.) (as amended (27.6.2016) by S.I. 2016/675, art. 2)

Local Government Act 2003 (c. 26)

32 The Local Government Act 2003 is amended as follows.
33 In section 70 (local retention of rates) omit subsections (4) to (6).
34 In Schedule 7 (minor and consequential amendments) omit paragraph 22(a).

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