EXPLANATORY MEMORANDUM TO

THE CENTRAL RATING LIST (ENGLAND) (AMENDMENT) REGULATIONS 2013

2013 No. 408

1. This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The Central Rating List (England) (Amendment) Regulations 2013 ("the Amending Regulations") amend the Central Rating List (England) Regulations 2005 ("the Central Rating List Regulations"), which describe the hereditaments[1] to be listed on the central rating list and designate the persons who are treated as occupying (or if unoccupied, owning) centrally listed hereditaments ("designated persons"). The Amending Regulations delete 2 persons designated in relation to electricity distribution and electricity meters hereditaments.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Context

4.1 Most non-domestic hereditaments in England appear on the local rating list for the local authority area in which they are situated and rates are paid to that local authority. However, some hereditaments appear on a central rating list and rates are paid to the Secretary of State for Communities and Local Government. These hereditaments include canals, railways and communication networks. The Central Rating List Regulations, which are made under section 53 of the Local Government Finance Act 1988, stipulate those hereditaments which must appear on the central list rather than any local list and designate the person who is in occupation of them for the purposes of rating.

4.2 Regulation 2 of the Amending Regulations deletes 2 designated persons from Part 8 (electricity distribution hereditaments) and Part 9 (electricity meter hereditaments) of the Schedule to the Central Rating List Regulations to reflect the nature of the hereditaments they occupy.

5. Territorial Extent and Application

This instrument applies in England.

6. European Convention on Human Rights

[1] A hereditament is the unit of property which is the subject of rating. The statutory definition can be found in section 64 of the Local Government Finance Act 1988.

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

- ***Independent electricity distribution network operators***

7.2 The Amending Regulations remove from the central list 2 designated persons (Laing Energy Limited and Independent Power Networks Limited). These companies operate small scale and local independent electricity distribution networks and have requested that the Secretary of State remove them from the central rating list. Following consideration of the nature, use and size of the property, the Secretary of State has decided that the hereditaments of both designated persons can be suitable assessed on local rating lists. They will fall to be assessed on local lists once removed from the central list. This will be consistent with the position for similar businesses operating independent electricity distribution networks in England.

- ***Consolidation***

7.3 Whilst the Central Rating List Regulations have been amended on a number of previous occasions in the most part they remain unchanged. The Department does not, therefore, intend to consolidate the 2005 Regulations.

8. Consultation outcome

8.1 There was no general consultation as the changes relate only to 2 ratepayers. Consultation did take place with those businesses affected by the amending regulations and the independent electricity distribution network industry.

9. Guidance

9.1 No guidance is required as the addition of these businesses to the list of designated persons does not alter the rating system.

10. Impact

10.1 There is no impact on business except to the extent that the amendments ensure that where the hereditament concerned should more properly appear in the local rating list it does.

10.2 There is no impact on charities or voluntary bodies.

10.3 There is no impact on the public sector.

10.4 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 There are no plans to monitor or review the names of designated businesses for the central list, apart from when a change in trading name or occupier requires a further alteration.

13. Contact

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