



# Local Government Act 1972

## 1972 CHAPTER 70

### PART VIII **E+W**

#### FINANCE

##### *Expenses and receipts*

#### **147 Expenses of principal councils. **E+W****

- (1) All expenses of a principal council shall be general expenses chargeable on the whole of their area except—
  - (a) those which by virtue of any enactment or instrument of a legislative character are special expenses chargeable only on part of their area; and
  - (b) in the case of expenses of a county council, expenses incurred under any enactment passed before 1st June 1934 and not declared, directed or ordered to be general expenses or expenses, including expenses of a specified description, for general county purposes.
- (2) In determining the amount of any expenses of a principal council, whether general or special, a proper proportion of the cost of the offices, buildings and establishment of the council may be added to those expenses.
- (3) A district council may by resolution declare any expenses incurred by them to be special expenses chargeable only on such part of their area as may be specified in the resolution, and any such resolution may be varied or revoked by a subsequent resolution of the council.
- (4) The expenses of a district council arising out of, or incidental to, the possession of property held by the council in trust for any rating district shall, so far as they fall to be defrayed out of rates, be special expenses chargeable only on that rating district, but without prejudice to the powers of the council under subsection (5) below.
- (5) Where any expenses of a principal council are payable as special expenses, the council may determine to contribute as part of their general expenses such sums as appear

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to them to be reasonable in or towards defraying those expenses, and to treat the remainder, if any, as special expenses.

- (6) Any order made under section 190(3) of the 1933 Act or any enactment replaced by that subsection and declaring expenses of any description to be separately chargeable on any contributory place, being an order in force immediately before 1st April 1974, shall on and after that date have effect as a resolution made under subsection (3) above by the council of the district in which that place is situated declaring the expenses to be special expenses chargeable only on the area of that place, and may be varied or revoked accordingly.

#### 148 Principal councils' funds and accounts. **E+W**

- (1) The council of each district and London borough shall keep a general rate fund, and references in any Act or instrument to any fund which by virtue of section 10 of the <sup>M1</sup>Rating and Valuation Act 1925 was amalgamated with the general rate fund of a borough or district shall, unless the context otherwise requires, be construed as references to the general rate fund of the district or borough.
- (2) The council of each county shall keep a fund to be known as the county fund . . . <sup>F1</sup>
- (3) Where any authority other than a rating authority receive income applicable to the relief of rates in some part of their area and the amount of the income so received in any financial year exceeds any expenditure incurred in connection with the income in that year and chargeable only on that part of the area, the authority shall pay the excess to the rating authority of the rating area in which that part is situated to be credited to that part.
- (4) All receipts of a principal council shall be carried to the appropriate fund, that is to say, the county fund in the case of a county . . . <sup>F1</sup> and the general rate fund in the case of a district or London borough, and all liabilities falling to be discharged by any such council shall be discharged out of the appropriate fund.
- (5) Accounts shall be kept of receipts carried to, and payments made out of, the appropriate fund and any account kept in respect of general expenses only of a principal area shall be called the general account of that area and any account kept in respect of any class of special expenses only of any such area shall be called a special account of that area.

##### Textual Amendments

**F1** Words repealed by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), ss. 1, 102, [Sch. 17](#)

##### Modifications etc. (not altering text)

**C1** [S. 148\(2\)](#) modified by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), s. [63\(2\)\(6\)](#)

##### Marginal Citations

**M1** [1925 c. 90.](#)

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## 149 Precepts and rates. **E+W**

- (1) A county council . . . <sup>F2</sup> may issue precepts to the appropriate rating authorities for the levying of rates to meet all liabilities falling to be discharged by the council for which provision is not otherwise made . . . <sup>F3</sup>
- (2) A precept issued by a county council . . . <sup>F2</sup> shall be so issued as to secure that the rate is levied—
  - (a) in the case of a rate to meet liabilities in respect of general expenses of the council, on the whole of the county . . . <sup>F2</sup>; and
  - (b) in the case of a rate to meet liabilities in respect of special expenses of the council, on the area chargeable therewith.
- (3) Amounts leviable by a district or London borough council by means of a rate shall be chargeable—
  - (a) in the case of amounts leviable to meet liabilities in respect of general expenses, on the whole of the district or borough; and
  - (b) in the case of amounts leviable to meet liabilities in respect of special expenses, on the part of the district or borough chargeable therewith.
- (4) A precept issued by a county council . . . <sup>F2</sup> shall include as separate items contributions in respect of general and special expenses respectively.

### Textual Amendments

**F2** Words repealed by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), ss. 1, 102, [Sch. 17](#)

**F3** Words repealed by [Local Government Finance Act 1982 \(c. 32, SIF 81:1\)](#), s. 38, [Sch. 6 Pt. I](#)

## 150 Expenses of parish and community councils. **E+W**

- (1) The sums required to meet the expenses of a parish or community council or a parish or community meeting shall—
  - (a) in the case of a parish or community not grouped under a common parish . . . <sup>F4</sup> council, be chargeable on the parish . . . <sup>F4</sup>;
  - (b) in the case of a common parish . . . <sup>F5</sup> council for parishes . . . <sup>F5</sup> so grouped, be chargeable on the parishes . . . <sup>F5</sup> within the group;
  - (c) in the case of a parish meeting of a parish . . . <sup>F6</sup> so grouped, be chargeable only on that parish . . . <sup>F4</sup>.
  - [<sup>F7</sup>(d) in the case of a community council for a community not grouped under a common community council, be chargeable on the community;
  - (e) in the case of a common community council for communities so grouped, be chargeable on the communities within the group;
  - (f) in the case of a community meeting of a community having a separate community council, be chargeable on the community;
  - (g) in the case of a community meeting of a community grouped under a common community council, be chargeable on the communities within the group;
  - (h) in the case of a community meeting of a community not having a community council, whether separate or common, be chargeable on the district in which the community is situated:

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Provided that paragraph (h) shall not apply in any case in relation to which a resolution in accordance with section 33(4)(d) of the Local Government Finance Act 1988 (special expenses of a charging authority) is in force]

- (2) In a parish having a separate parish council or in a community having a council, whether separate or common, the expenses of the parish meeting or any community meeting shall be paid by the parish or community council.
- (3) In a community not having a community council, whether separate or common, the expenses of any community meeting shall be paid by the council of the district in which the community is situated.
- (4) For the purpose of obtaining sums necessary to meet the expenses of a parish or community council or a parish or community meeting, the parish or community council, or the chairman of the parish meeting of a parish not having a separate parish council, shall issue precepts to the council of the district in which the parish or community is situated.
- (5) Every cheque or other order for the payment of money by a parish or community council shall be signed by two members of the council.
- (6) Every parish or community council and the chairman of the parish meeting for a parish not having a separate parish council shall keep such accounts as may be prescribed of the receipts and payments of the council or parish meeting, as the case may be.
- (7) References in this section to the expenses of a parish or community meeting include references to the expenses of any poll consequent on a parish or community meeting.

#### Textual Amendments

- F4** Words repealed by S.I. 1990/776, **art. 8**, Sch. 3 para. 16(a)
- F5** Words repealed by S.I. 1990/776, **art. 8**, **Sch. 3 para. 16(b)**
- F6** Words repealed by S.I. 1990/776, **art. 8**, **Sch. 3 para. 16(c)**
- F7** S. 150(1)(d)–(h) and words inserted by S.I. 1990/776, **art. 8**, **Sch. 3 para. 16(d)**

## 151 Financial administration. **E+W**

Without prejudice to section 111 above, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.

#### Modifications etc. (not altering text)

- C2** S. 151 amended (28.11.1994) by S.I. 1994/2825, **reg. 26(1)**  
S. 151 applied (*temp.* from 4.5.1995 to 31.3.1996) by S.I. 1995/1042, **art. 4(1)**  
S. 151 extended (19.9.1995) by 1995 c. 25, ss. 63(5), 125(2), **Sch. 7 para. 13(6)** (with ss. 7(6), 115, 117)
- C3** S. 151 applied (22.7.2004) by The Cotswolds Area of Outstanding Natural Beauty (Establishment of Conservation Board) Order 2004 (S.I. 2004/1777), **art. 23(1)**  
S. 151 applied (22.7.2004) by The Chilterns Area of Outstanding Natural Beauty (Establishment of Conservation Board) Order 2004 (S.I. 2004/1778), **art. 23(1)**
- C4** S. 151 applied (1.4.2009) by The Charter Trustees Regulations 2009 (S.I. 2009/467), **reg. 14(1)**

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**152 Revenues from undertakings. E+W**

Nothing in sections 147 to 150 above shall be construed as requiring or authorising a local authority to apply or dispose of the surplus revenue arising from any undertaking carried on by them otherwise than in accordance with any enactment or instrument applicable to the undertaking.

**<sup>F8</sup>153 Application of capital money on disposal of land. E+W**

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**Textual Amendments**

**F8** S. 153 repealed (the repeal being subject to savings in S.I. 1990/431, **Sch. 1 para. 1(a)**) by Local Government and Housing Act 1989 (c. 42, SIF 81:1), s. 194(2), **Sch. 12 Pt. I**

**<sup>F9</sup>154–167 ..... E+W**

**Textual Amendments**

**F9** Ss. 154–167 repealed by Local Government Finance Act 1982 (c. 32, SIF 81:1), s. 38(5), **Sch. 6 Pt. IV**

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