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# Local Government Finance Act 1992

## 1992 CHAPTER 14

### PART I **E+W**

#### COUNCIL TAX: ENGLAND AND WALES

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

- C1 Pt. I (ss. 1-69) modified (6.3.1992) by Local Government Act 1992 (c. 19), s. 18(1)(a)(b).
- C2 Pt. I (ss. 1-69) modified (31.3.1992) by S.I. 1992/549, art.3.
- C3 Pt. I (ss. 1-69) modified (31.3.1992) by S.I. 1992/550, arts. 3, 4  
Pt. I (ss. 1-69) modified (28.11.1994) by S.I. 1994/2825, reg. 3

### CHAPTER I **E+W**

#### MAIN PROVISIONS

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

- C4 Pt. I Chapter I amended (28.11.1994) by S.I. 1994/2825, regs. 44, 49

#### *Preliminary*

### 1 Council tax in respect of dwellings. **E+W**

(1) As regards the financial year beginning in 1993 and subsequent financial years, each billing authority shall, in accordance with this Part, levy and collect a tax, to be called council tax, which shall be payable in respect of dwellings situated in its area.

[<sup>F1</sup>(2) In this Part “billing authority” means—

- (a) in relation to England, a district council or London borough council, the Common Council or the Council of the Isles of Scilly, and

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- (b) in relation to Wales, a county council or county borough council.]
- (3) For the purposes of this Part the Secretary of State may make regulations containing rules for treating a dwelling as situated in a billing authority's area if part only of the dwelling falls within the area.

#### Textual Amendments

**F1** S. 1(2) substituted (3.4.1995 subject to art. 6(2) of the commencing S.I.) by 1994 c. 19, s. 35(5) (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, arts. 6(1)(2)

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

**C5** S. 1(3) modified (W.) (1.7.1999) by S.I. 1999/672, art. 5, Sch. 2

## 2 Liability to tax determined on a daily basis. **E+W**

- (1) Liability to pay council tax shall be determined on a daily basis.
- (2) For the purposes of determining for any day—
- whether any property is a chargeable dwelling;
  - which valuation band is shown in the billing authority's valuation list as applicable to any chargeable dwelling;
  - the person liable to pay council tax in respect of any such dwelling; or
  - whether any amount of council tax is subject to a discount and (if so) the amount of the discount,

it shall be assumed that any state of affairs subsisting at the end of the day had subsisted throughout the day.

### *Chargeable dwellings*

## 3 Meaning of "dwelling". **E+W**

- (1) This section has effect for determining what is a dwelling for the purposes of this Part.
- (2) Subject to the following provisions of this section, a dwelling is any property which—
- by virtue of the definition of hereditament in section 115(1) of the <sup>M1</sup>General Rate Act 1967, would have been a hereditament for the purposes of that Act if that Act remained in force; and
  - is not for the time being shown or required to be shown in a local or a central non-domestic rating list in force at that time; and
  - is not for the time being exempt from local non-domestic rating for the purposes of Part III of the <sup>M2</sup>Local Government Finance Act 1988 ("the 1988 Act");
- and in applying paragraphs (b) and (c) above no account shall be taken of any rules as to Crown exemption.
- (3) A hereditament which—
- is a composite hereditament for the purposes of Part III of the 1988 Act; and
  - would still be such a hereditament if paragraphs (b) to (d) of section 66(1) of that Act (domestic property) were omitted,

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is also, subject to subsection (6) below, a dwelling for the purposes of this Part.

- (4) Subject to subsection (6) below, none of the following property, namely—
- (a) a yard, garden, outhouse or other appurtenance belonging to or enjoyed with property used wholly for the purposes of living accommodation; or
  - (b) a private garage which either has a floor area of not more than 25 square metres or is used wholly or mainly for the accommodation of a private motor vehicle; or
  - (c) private storage premises used wholly or mainly for the storage of articles of domestic use,
- is a dwelling except in so far as it forms part of a larger property which is itself a dwelling by virtue of subsection (2) above.
- (5) The Secretary of State may by order provide that in such cases as may be prescribed by or determined under the order—
- (a) anything which would (apart from the order) be one dwelling shall be treated as two or more dwellings; and
  - (b) anything which would (apart from the order) be two or more dwellings shall be treated as one dwelling.
- (6) The Secretary of State may by order amend any definition of “dwelling” which is for the time being effective for the purposes of this Part.

#### Marginal Citations

- M1 1967 c. 9.  
M2 1988 c. 41.

## 4 Dwellings chargeable to council tax. **E+W**

- (1) Council tax shall be payable in respect of any dwelling which is not an exempt dwelling.
- (2) In this Chapter—
- “chargeable dwelling” means any dwelling in respect of which council tax is payable;
  - “exempt dwelling” means any dwelling of a class prescribed by an order made by the Secretary of State.
- (3) For the purposes of subsection (2) above, a class of dwellings may be prescribed by reference to such factors as the Secretary of State sees fit.
- (4) Without prejudice to the generality of subsection (3) above, a class of dwellings may be prescribed by reference to one or more of the following factors—
- (a) the physical characteristics of dwellings;
  - (b) the fact that dwellings are unoccupied or are occupied for prescribed purposes or are occupied or owned by persons of prescribed descriptions.

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## 5 Different amounts for dwellings in different valuation bands. **E+W**

- (1) The amounts of council tax payable in respect of dwellings situated in the same billing authority's area (or the same part of such an area) and listed in different valuation bands shall be in the proportion—

6: 7: 8: 9: 11: 13: 15: 18

where 6 is for dwellings listed in valuation band A, 7 is for dwellings listed in valuation band B, and so on.

- (2) The valuation bands for dwellings in England are set out in the following Table—

<i>Range of values</i>	<i>Valuation band</i>
Values not exceeding £40,000	A
Values exceeding £40,000 but not exceeding £52,000	B
Values exceeding £52,000 but not exceeding £68,000	C
Values exceeding £68,000 but not exceeding £88,000	D
Values exceeding £88,000 but not exceeding £120,000	E
Values exceeding £120,000 but not exceeding £160,000	F
Values exceeding £160,000 but not exceeding £320,000	G
Values exceeding £320,000	H

- (3) The valuation bands for dwellings in Wales are set out in the following Table—

<i>Range of values</i>	<i>Valuation band</i>
Values not exceeding £30,000	A
Values exceeding £30,000 but not exceeding £39,000	B
Values exceeding £39,000 but not exceeding £51,000	C
Values exceeding £51,000 but not exceeding £66,000	D
Values exceeding £66,000 but not exceeding £90,000	E
Values exceeding £90,000 but not exceeding £120,000	F
Values exceeding £120,000 but not exceeding £240,000	G
Values exceeding £240,000	H

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- (4) The Secretary of State may by order, as regards financial years beginning on or after such date as is specified in the order—
- (a) substitute another proportion for that which is for the time being effective for the purposes of subsection (1) above;
  - (b) substitute other valuation bands for those which are for the time being effective for the purposes of subsection (2) or (3) above.
- (5) No order under subsection (4) above shall be made unless a draft of the order has been laid before and approved by resolution of the House of Commons.
- (6) Any reference in this Part to dwellings listed in a particular valuation band shall be construed as a reference to dwellings to which that valuation band is shown as applicable in the billing authority's valuation list.

### *Liability to tax*

## 6 Persons liable to pay council tax. **E+W**

- (1) The person who is liable to pay council tax in respect of any chargeable dwelling and any day is the person who falls within the first paragraph of subsection (2) below to apply, taking paragraph (a) of that subsection first, paragraph (b) next, and so on.
- (2) A person falls within this subsection in relation to any chargeable dwelling and any day if, on that day—
- (a) he is a resident of the dwelling and has a freehold interest in the whole or any part of it;
  - (b) he is such a resident and has a leasehold interest in the whole or any part of the dwelling which is not inferior to another such interest held by another such resident;
  - (c) he is both such a resident and a statutory [<sup>F2</sup>, secure or introductory tenant]of the whole or any part of the dwelling;
  - (d) he is such a resident and has a contractual licence to occupy the whole or any part of the dwelling;
  - (e) he is such a resident; or
  - (f) he is the owner of the dwelling.
- (3) Where, in relation to any chargeable dwelling and any day, two or more persons fall within the first paragraph of subsection (2) above to apply, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (4) Subsection (3) above shall not apply as respects any day on which one or more of the persons there mentioned fall to be disregarded for the purposes of discount by virtue of paragraph 2 of Schedule 1 to this Act (the severely mentally impaired) and one or more of them do not; and liability to pay the council tax in respect of the dwelling and that day shall be determined as follows—
- (a) if only one of those persons does not fall to be so disregarded, he shall be solely liable;
  - (b) if two or more of those persons do not fall to be so disregarded, they shall each be jointly and severally liable.
- (5) In this Part, unless the context otherwise requires—

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“owner”, in relation to any dwelling, means the person as regards whom the following conditions are fulfilled—

- (a) he has a material interest in the whole or any part of the dwelling; and
- (b) at least part of the dwelling or, as the case may be, of the part concerned is not subject to a material interest inferior to his interest;

“resident”, in relation to any dwelling, means an individual who has attained the age of 18 years and has his sole or main residence in the dwelling.

(6) In this section—

[<sup>F3</sup>“introductory tenant” means a tenant under an introductory tenancy within the meaning of Chapter I of Part V of the Housing Act 1996;]

“material interest” means a freehold interest or a leasehold interest which was granted for a term of six months or more;

“secure tenant” means a tenant under a secure tenancy within the meaning of Part IV of the <sup>M3</sup>Housing Act 1985;

“statutory tenant” means a statutory tenant within the meaning of the <sup>M4</sup>Rent Act 1977 or the <sup>M5</sup>Rent (Agriculture) Act 1976.

#### Textual Amendments

**F2** Words in s. 6(2)(c) substituted (12.7.1997) by S.I. 1997/74, art. 2, Sch. para. 8(a)

**F3** Definition of “introductory tenant” inserted in s. 6(6) (12.7.1997) by S.I. 1997/74, art. 2, Sch. para. 8(b)

#### Marginal Citations

**M3** 1985 c. 68.

**M4** 1977 c. 42.

**M5** 1976 c. 80.

## 7 Liability in respect of caravans and boats. **E+W**

- (1) Subsections (2) to (4) below shall have effect in substitution for section 6 above in relation to any chargeable dwelling which consists of a pitch occupied by a caravan, or a mooring occupied by a boat.
- (2) Where on any day the owner of the caravan or boat is not, but some other person is, a resident of the dwelling, that other person shall be liable to pay the council tax in respect of the dwelling and that day.
- (3) Where on any day subsection (2) above does not apply, the owner of the caravan or boat shall be liable to pay the council tax in respect of the dwelling and that day.
- (4) Where on any day two or more persons fall within subsection (2) or (3) above, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (5) Subsection (4) of section 6 above shall apply for the purposes of subsection (4) above as it applies for the purposes of subsection (3) of that section.
- (6) In this section “caravan” shall be construed in accordance with Part I of the <sup>M6</sup>Caravan Sites and Control of Development Act 1960.

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- (7) Any reference in this section to the owner of a caravan or boat shall be construed—
- (a) in relation to a caravan or boat which is subject to an agreement for hire-purchase or conditional sale, as a reference to the person in possession under the agreement;
  - (b) in relation to a caravan or boat which is subject to a bill of sale or mortgage, as a reference to the person entitled to the property in it apart from the bill or mortgage.

#### Marginal Citations

M6 1960 c. 62.

## 8 Liability in prescribed cases. **E+W**

- (1) Subsections (3) and (4) below shall have effect in substitution for section 6 or (as the case may be) section 7 above in relation to any chargeable dwelling of a class prescribed for the purposes of this subsection.
- (2) Subsections (3) and (4) below shall have effect in substitution for section 6 or (as the case may be) section 7 above in relation to any chargeable dwelling of a class prescribed for the purposes of this subsection, if the billing authority so determines in relation to all dwellings of that class which are situated in its area.
- (3) Where on any day this subsection has effect in relation to a dwelling, the owner of the dwelling shall be liable to pay the council tax in respect of the dwelling and that day.
- (4) Where on any day two or more persons fall within subsection (3) above, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (5) Subsection (4) of section 6 above shall apply for the purposes of subsection (4) above as it applies for the purposes of subsection (3) of that section.
- (6) Regulations prescribing a class of chargeable dwellings for the purposes of subsection (1) or (2) above may provide that, in relation to any dwelling of that class, subsection (3) above shall have effect as if for the reference to the owner of the dwelling there were substituted a reference to the person falling within such description as may be prescribed.
- (7) Subsections (3) and (4) of section 4 above shall apply for the purposes of subsections (1) and (2) above as they apply for the purposes of subsection (2) of that section.

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

C6 S. 8(3) modified (31.3.1992) by S.I. 1992/551, art.3.

## 9 Liability of spouses. **E+W**

- (1) Where—
  - (a) a person who is liable to pay council tax in respect of any chargeable dwelling of which he is a resident and any day is married to another person; and

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- (b) that other person is also a resident of the dwelling on that day but would not, apart from this section, be so liable,
- those persons shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (2) Subsection (1) above shall not apply as respects any day on which the other person there mentioned falls to be disregarded for the purposes of discount by virtue of paragraph 2 of Schedule 1 to this Act (the severely mentally impaired).
- (3) For the purposes of this section two persons are married to each other if they are a man and a woman—
- (a) who are married to each other; or
  - (b) who are not married to each other but are living together as husband and wife.

#### *Amounts of tax payable*

### 10 Basic amounts payable. **E+W**

- (1) Subject to sections 11 to 13 below, a person who is liable to pay council tax in respect of any chargeable dwelling and any day shall, as respects the dwelling and the day, pay to the billing authority for the area in which the dwelling is situated an amount calculated in accordance with the formula—

$$\frac{A}{D}$$

where—

A is the amount which, for the financial year in which the day falls and for dwellings in the valuation band listed for the dwelling, has been set by the authority for its area or (as the case may be) the part of its area in which the dwelling is situated;

D is the number of days in the financial year.

- (2) For the purposes of this Part the Secretary of State may make regulations containing rules for ascertaining in what part of a billing authority's area a dwelling is situated (whether situated in the area in fact or by virtue of regulations made under section 1(3) above).

### 11 Discounts. **E+W**

- (1) The amount of council tax payable in respect of any chargeable dwelling and any day shall be subject to a discount equal to the appropriate percentage of that amount if on that day—
- (a) there is only one resident of the dwelling and he does not fall to be disregarded for the purposes of discount; or
  - (b) there are two or more residents of the dwelling and each of them except one falls to be disregarded for those purposes.



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- (2) Subject to section 12 below, the amount of council tax payable in respect of any chargeable dwelling and any day shall be subject to a discount equal to twice the appropriate percentage of that amount if on that day—
  - (a) there is no resident of the dwelling; or
  - (b) there are one or more residents of the dwelling and each of them falls to be disregarded for the purposes of discount.
- (3) In this section and section 12 below “the appropriate percentage” means 25 per cent. or, if the Secretary of State by order so provides in relation to the financial year in which the day falls, such other percentage as is specified in the order.
- (4) No order under subsection (3) above shall be made unless a draft of the order has been laid before and approved by resolution of the House of Commons.
- (5) Schedule 1 to this Act shall have effect for determining who shall be disregarded for the purposes of discount.

VALID FROM 18/11/2003

**[<sup>F4</sup>11A Discounts: special provision for England E+W**

- (1) The Secretary of State may for any financial year by regulations prescribe one or more classes of dwelling in England for the purposes of subsection (3) or (4) below.
- (2) A class of dwellings may be prescribed under subsection (1) above by reference to such factors as the Secretary of State sees fit and may, in particular, be prescribed by reference to—
  - (a) the physical characteristics of dwellings, or
  - (b) the fact that dwellings are unoccupied.
- (3) For any financial year for which a class of dwellings is prescribed for the purposes of this subsection, a billing authority in England may by determination provide in relation to all dwellings of that class in its area, or in such part of its area as it may specify in the determination, that the discount under section 11(2)(a) shall be such lesser percentage of at least 10 as it may so specify.
- (4) For any financial year for which a class of dwellings is prescribed for the purposes of this subsection, a billing authority in England may by determination provide in relation to all dwellings of that class in its area, or in such part of its area as it may specify in the determination—
  - (a) that the discount under section 11(2)(a) above shall not apply, or
  - (b) that the discount under that provision shall be such lesser percentage as it may so specify.
- (5) A billing authority may make a determination varying or revoking a determination under subsection (3) or (4) for a financial year, but only before the beginning of the year.
- (6) A billing authority which makes a determination under this section shall publish a notice of it in at least one newspaper circulating in its area and do so before the end of the period of 21 days beginning with the date of the determination.

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(7) Failure to comply with subsection (6) above shall not affect the validity of a determination.]

#### Textual Amendments

F4 S. 11A inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\)](#), s. 75(1)

## 12 Discounts: special provision for Wales. **E+W**

- (1) Where any class of dwellings in Wales is prescribed for the purposes of this section for any financial year, a Welsh billing authority may determine that for the year subsection (2) or (3) below shall have effect in substitution for section 11(2)(a) above in relation to all dwellings of that class which are situated in its area.
- (2) Where this subsection has effect for any year in relation to any class of dwellings, the amount of council tax payable in respect of—
  - (a) any chargeable dwelling of that class; and
  - (b) any day in the year on which there is no resident of the dwelling,
 shall be subject to a discount equal to the appropriate percentage of that amount.
- (3) Where this subsection has effect for any year in relation to any class of dwellings, the amount of council tax payable in respect of—
  - (a) any chargeable dwelling of that class; and
  - (b) any day in the year on which there is no resident of the dwelling,
 shall not be subject to a discount.
- (4) A determination under subsection (1) above for a financial year may be varied or revoked at any time before the year begins.
- (5) Subsections (3) and (4) of section 4 above shall apply for the purposes of subsection (1) above as they apply for the purposes of subsection (2) of that section.
- (6) A billing authority which has made a determination under subsection (1) above shall, before the end of the period of 21 days beginning with the day of doing so, publish a notice of the determination in at least one newspaper circulating in the authority's area.
- (7) Failure to comply with subsection (6) above does not make the making of the determination invalid.

## 13 Reduced amounts. **E+W**

- (1) The Secretary of State may make regulations as regards any case where—
  - (a) a person is liable to pay an amount to a billing authority in respect of council tax for any financial year which is prescribed; and
  - (b) prescribed conditions are fulfilled.
- (2) The regulations may provide that the amount he is liable to pay shall be an amount which—
  - (a) is less than the amount it would be apart from the regulations; and
  - (b) is determined in accordance with prescribed rules.

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- (3) This section applies whether the amount mentioned in subsection (1) above is determined under section 10 above or under that section read with section 11 or 12 above.
- (4) The conditions mentioned in subsection (1) above may be prescribed by reference to such factors as the Secretary of State thinks fit; and in particular such factors may include the making of an application by the person concerned and all or any of—
  - (a) the factors mentioned in subsection (5) below; or
  - (b) the factors mentioned in subsection (6) below.
- (5) The factors referred to in subsection (4)(a) above are—
  - (a) community charges for a period before 1st April 1993;
  - (b) the circumstances of, or other matters relating to, the person concerned;
  - (c) an amount relating to the authority concerned and specified, or to be specified, for the purposes of the regulations in a report laid, or to be laid, before the House of Commons;
  - (d) such other amounts as may be prescribed or arrived at in a prescribed manner.
- (6) The factors referred to in subsection (4)(b) above are—
  - (a) a disabled person having his sole or main residence in the dwelling concerned;
  - (b) the circumstances of, or other matters relating to, that person;
  - (c) the physical characteristics of, or other matters relating to, that dwelling.
- (7) The rules mentioned in subsection (2) above may be prescribed by reference to such factors as the Secretary of State thinks fit; and in particular such factors may include all or any of the factors mentioned in subsection (5) or subsection (6)(b) or (c) above.
- (8) Without prejudice to the generality of section 113(2) below, regulations under this section may include—
  - (a) provision requiring the Secretary of State to specify in a report, for the purposes of the regulations, an amount in relation to each billing authority;
  - (b) provision requiring him to lay the report before the House of Commons;
  - (c) provision for the review of any prescribed decision of a billing authority relating to the application or operation of the regulations;
  - (d) provision that no appeal may be made to a valuation tribunal in respect of such a decision, notwithstanding section 16(1) below.
- (9) To the extent that he would not have power to do so apart from this subsection, the Secretary of State may—
  - (a) include in regulations under this section such amendments of any social security instrument as he thinks expedient in consequence of the regulations under this section;
  - (b) include in any social security instrument such provision as he thinks expedient in consequence of regulations under this section.
- (10) In subsection (9) above “social security instrument” means an order or regulations made, or falling to be made, by the Secretary of State under the Social Security Acts, that is to say, the <sup>M7</sup>Social Security Contributions and Benefits Act 1992 and the <sup>M8</sup>Social Security Administration Act 1992.

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

- C7** S. 13(5) modified (W.) (7.2.1996) by [S.I.1996/56](#), art, 2(1)  
 S. 13(5) modified (E.) (22.2.1996) by [S.I. 1996/176](#), [reg. 4](#) (as modified by [S.I. 1998/214](#), [reg. 11](#), [Sch. 4](#))  
 S. 13(5) modified (E.) (25.2.1997) by [S.I. 1997/215](#), [reg. 4](#) (as modified by [S.I. 1998/214](#), [reg. 11](#), [Sch. 5](#))  
 S. 13(5) modified (E.) (27.2.1998) by [S.I. 1998/214](#), [reg. 4](#)  
 S. 13(5) modified (26.2.1999) by [S.I. 1999/259](#), [reg. 4](#)

#### Marginal Citations

- M7** 1992 c. 4.  
**M8** 1992 c. 5.

VALID FROM 18/11/2003

#### [<sup>F5</sup>13A Billing authority's power to reduce amount of tax payable **E+W**

- (1) Where a person is liable to pay council tax in respect of any chargeable dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.
- (2) The power under subsection (1) above includes power to reduce an amount to nil.
- (3) The power under subsection (1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.]

#### Textual Amendments

- F5** [S. 13A](#) inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\)](#), [s. 76](#)

VALID FROM 18/11/2003

#### [<sup>F6</sup>13B Transitional arrangements **E+W**

- (1) The Secretary of State may by regulations make provision for the purpose of smoothing changes in council tax liability resulting from the coming into force in relation to a billing authority in England of—
  - (a) an order under section 5 above, or
  - (b) a list under section 22B below.
- (2) The National Assembly for Wales may by regulations make provision for the purpose of smoothing changes in council tax liability resulting from the coming into force in relation to a billing authority in Wales of—
  - (a) an order under section 5 above, or
  - (b) a list under section 22B below.

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- (3) Regulations under this section may, in particular—
- (a) make provision about the circumstances in which changes are to be smoothed;
  - (b) make provision for changes to be smoothed over such one or more financial years as may be specified in the regulations;
  - (c) make provision for liability for any financial year to be determined in accordance with such rules as may be so specified, which may result in liability being the same as or different from what it would otherwise be.
- (4) Without prejudice to section 113(1) below, regulations under this section may make different provision for different financial years.
- (5) To the extent that he would not have power to do so apart from this subsection, the Secretary of State may—
- (a) include in regulations made by him under this section such amendments of any social security instrument as he thinks expedient in consequence of the regulations;
  - (b) include in any social security instrument such provision as he thinks expedient in consequence of regulations under this section.
- (6) In subsection (5) above, “social security instrument” has the meaning given by section 13(10) above.]

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#### Textual Amendments

**F6** S. 13B inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\), s. 79](#)

### *Administration and appeals*

#### **14 Administration, penalties and enforcement.** **E+W**

- (1) Schedule 2 to this Act (which contains provisions about administration, including collection) shall have effect.
- (2) Schedule 3 to this Act (which contains provisions about civil penalties) shall have effect.
- (3) Schedule 4 to this Act (which contains provisions about the recovery of sums due, including sums due as penalties) shall have effect.

#### **15 Valuation tribunals.** **E+W**

- (1) Valuation and community charge tribunals established under Schedule 11 to the 1988 Act shall be known as valuation tribunals.
- (2) Such tribunals shall exercise, in addition to the jurisdiction conferred on them by or under the 1988 Act, the jurisdiction conferred on them by—
  - (a) section 16 below;
  - (b) regulations made under section 24 below; and
  - (c) paragraph 3 of Schedule 3 to this Act.

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## 16 Appeals: general. **E+W**

- (1) A person may appeal to a valuation tribunal if he is aggrieved by—
  - (a) any decision of a billing authority that a dwelling is a chargeable dwelling, or that he is liable to pay council tax in respect of such a dwelling; or
  - (b) any calculation made by such an authority of an amount which he is liable to pay to the authority in respect of council tax.
- (2) In subsection (1) above the reference to any calculation of an amount includes a reference to any estimate of the amount.
- (3) Subsection (1) above shall not apply where the grounds on which the person concerned is aggrieved fall within such category or categories as may be prescribed.
- (4) No appeal may be made under subsection (1) above unless—
  - (a) the aggrieved person serves a written notice under this subsection; and
  - (b) one of the conditions mentioned in subsection (7) below is fulfilled.
- (5) A notice under subsection (4) above must be served on the billing authority concerned.
- (6) A notice under subsection (4) above must state the matter by which and the grounds on which the person is aggrieved.
- (7) The conditions are that—
  - (a) the aggrieved person is notified in writing, by the authority on which he served the notice, that the authority believes the grievance is not well founded, but the person is still aggrieved;
  - (b) the aggrieved person is notified in writing, by the authority on which he served the notice, that steps have been taken to deal with the grievance, but the person is still aggrieved;
  - (c) the period of two months, beginning with the date of service of the aggrieved person's notice, has ended without his being notified under paragraph (a) or (b) above.
- (8) Where a notice under subsection (4) above is served on an authority, the authority shall—
  - (a) consider the matter to which the notice relates;
  - (b) include in any notification under subsection (7)(a) above the reasons for the belief concerned;
  - (c) include in any notification under subsection (7)(b) above a statement of the steps taken.

### Modifications etc. (not altering text)

**C8** S. 16(1) restricted (1.4.1992) by [S.I. 1992/613](#), [reg.30](#).

## Miscellaneous

## 17 Completion of new dwellings. **E+W**

- (1) Subject to the provisions of this section, Schedule 4A to the <sup>M9</sup> 1988 Act (which makes provision with respect to the determination of a day as the completion day in relation

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- to a new building) shall, with the exception of paragraph 6, apply for the purposes of this Part as it applies for the purposes of Part III of that Act.
- (2) Any reference in this section to the Schedule is a reference to Schedule 4A to the 1988 Act as it applies for the purposes of this Part.
- (3) Where—
- (a) a completion notice is served under the Schedule; and
  - (b) the building to which the notice relates is not completed on or before the relevant day,
- any dwelling in which the building or any part of it will be comprised shall be deemed for the purposes of this Part to have come into existence on that day.
- (4) For the purposes of subsection (3) above the relevant day in relation to a completion notice is—
- (a) where an appeal against the notice is brought under paragraph 4 of the Schedule, the day stated in the notice; and
  - (b) where no appeal against the notice is brought under that paragraph, the day determined under the Schedule as the completion day in relation to the building to which the notice relates.
- (5) Where—
- (a) a day is determined under the Schedule as the completion day in relation to a new building; and
  - (b) the building is one produced by the structural alteration of a building which is comprised in one or more existing dwellings,
- the existing dwelling or dwellings shall be deemed for the purposes of this Part to have ceased to exist on that day.
- (6) Any reference in this section or the Schedule to a new building includes a reference to a building produced by the structural alteration of an existing building where—
- (a) the existing building or any part of it is comprised in a dwelling which, by virtue of the alteration, becomes, or becomes part of, a different dwelling or different dwellings; or
  - (b) neither the existing building nor any part of it is, except by virtue of the alteration, comprised in any dwelling.
- (7) Any reference in this section to a building includes a reference to a part of a building; and any reference in the Schedule to the valuation officer shall be construed as a reference to the listing officer.

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**Marginal Citations**

**M9** 1988 c.41

**18** **Death of persons liable.** **E+W**

- (1) The Secretary of State may make such regulations as he thinks fit to deal with any case where a person dies and at any time before his death—
- (a) he was (or is alleged to have been) liable to pay council tax under section 6, 7 or 8 above;

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- (b) he was (or is alleged to have been) so liable, as spouse, under section 9 above; or
  - (c) a penalty was imposed on him under paragraph 1 of Schedule 3 to this Act.
- (2) Nothing in the following provisions of this section shall prejudice the generality of subsection (1) above.
- (3) The regulations may provide that where before his death a sum has become payable by the deceased but has not been paid his executor or administrator shall be liable to pay the sum and may deduct out of the assets and effects of the deceased any payments made (or to be made).
- (4) The regulations may provide that where before his death a sum in excess of his liability has been paid (whether the excess arises because of his death or otherwise) and has not been repaid or credited his executor or administrator shall be entitled to the sum.
- (5) The regulations may provide for the recovery of any sum which is payable under the regulations and is not paid.
- (6) The regulations may provide that proceedings (whether by way of appeal or otherwise) may be instituted, continued or withdrawn by the deceased's executor or administrator.

## 19 Exclusion of Crown exemption in certain cases. **E+W**

- (1) Subsection (2) below applies in the case of a dwelling provided and maintained by an authority mentioned in subsection (3) below for purposes connected with the administration of justice, police purposes or other Crown purposes.
- (2) Any rules as to Crown exemption which would have applied apart from this subsection shall not prevent—
- (a) the dwelling being a chargeable dwelling; or
  - (b) any person being liable to pay council tax in respect of the dwelling.
- (3) The authorities are—
- (a) a billing authority other than the Council of the Isles of Scilly;
  - (b) a county council;
  - [<sup>F7</sup>(c) a police authority established under [<sup>F8</sup>section 3 of the Police Act 1996]
  - [ the Service Authority for the National Criminal Intelligence Service;
  - <sup>F9</sup>(ca)
  - (cb) the Service Authority for the National Crime Squad;]]
  - (d) .....
  - (e) the Receiver for the Metropolitan Police District; <sup>F10</sup> . . .
  - <sup>F11</sup>(f) .....
  - [<sup>F12</sup>(g) The Residuary Body for Wales (Corff Gweddilliol Cymru).]
- (4) The Secretary of State may by order provide that subsection (2) above shall also apply in relation to any dwelling of a class prescribed by the order.
- (5) Subsections (3) and (4) of section 4 above shall apply for the purposes of subsection (4) above as they apply for the purposes of subsection (2) of that section.



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### Textual Amendments

- F7** S. 19(3)(c) substituted (1.10.1994 for certain purposes and 1.4.1995 otherwise) by 1994 c. 29, s. 43, **Sch. 4 para. 45**; S.I. 1994/2025, **art. 6(1)(2)(e)(g)** (subject to **art. 6(6)**); S.I. 1994/3262, **art. 4(1)**, **Sch.** (subject to **art. 5**)
- F8** Words in s. 19(3)(c) substituted (22.8.1996) by 1996 c. 16, s. 103, **Sch. 7**. Pt. I para. 1(2)(zf)
- F9** S. 19(3)(ca)(cb) substituted for the word “and” at the end of sub paragraph (c) (31.10.1997) by 1997 c. 50, s. 134(1), **Sch. 9 para. 66**; S.I. 1997/2390, **art. 2(u)(w)**
- F10** Word “and” in s. 19(3)(e) repealed (1.4.1995) by 1994 c. 29, s. 93, **Sch. 9 Pt. I**; S.I. 1994/3262, **art. 4(1)**, **Sch** (subject to **art. 5**)
- F11** S. 19(3)(f) repealed (1.4.1995) by 1994 c. 29, s. 93, **Sch. 9 Pt. I**; S.I. 1994/3262, **art. 4(1)**, **Sch**
- F12** S. 19(3)(g) inserted (5.7.1994) by 1994 c. 19, s. 39, **Sch. 13 para. 33**

## CHAPTER II **E+W**

### VALUATION LISTS

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

- C9** Pt. I Ch. II amended (28.11.1994) by S.I. 1994/2825, **reg. 47**

#### *Preliminary*

### **20** Listing officers. **E+W**

- (1) The Commissioners of Inland Revenue shall appoint a listing officer for each billing authority.
- (2) The remuneration of, and any expenses incurred by, listing officers in carrying out their functions (including the remuneration and expenses of persons, whether or not in the service of the Crown, to assist them) shall be paid out of money provided by Parliament.
- (3) Any reference in this Chapter to a listing officer’s or the Commissioners’ functions is a reference to the functions imposed or conferred on him or them by or under this Chapter.

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

- C10** S. 20 amended (28.11.1994) by S.I. 1994/2825, **reg. 20**

#### *The lists*

### **21** Valuations for purposes of lists. **E+W**

- (1) The Commissioners of Inland Revenue shall—
  - (a) carry out such valuations of dwellings in England and Wales;

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- (b) furnish listing officers with such information obtained in carrying out the valuations or in the exercise of the powers conferred by section 27 below; and
  - (c) disclose to such officers such contents of particulars delivered documents, as they consider necessary or expedient for the purpose of facilitating the compilation and maintenance by those officers of valuation lists in accordance with this Chapter.
- (2) The valuations shall be carried out by reference to 1st April 1991 and on such assumptions and in accordance with such principles as may be prescribed.
  - (3) Without prejudice to the generality of their powers, the Commissioners of Inland Revenue may appoint persons who are not in the service of the Crown to assist them in carrying out the valuations.
  - (4) For the purposes of the valuations the Commissioners of Inland Revenue may disclose to a person appointed under subsection (3) above—
    - (a) any survey report obtained for any purpose of rating, including non-domestic rating; and
    - (b) any information obtained in the exercise of the powers conferred by section 27 below.
  - (5) If any person to whom any report or information is disclosed by virtue of subsection (4) above uses or discloses the report or information, in whole or in part, otherwise than for the purposes of the valuations, he shall be liable—
    - (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine or both; and
    - (b) on summary conviction, to imprisonment for a term not exceeding six months or a fine not exceeding the statutory maximum or both.
  - (6) Except as provided by subsection (4) above, nothing in this section permits the disclosure to any person appointed under subsection (3) above of information which is subject to the rules of confidentiality applicable to the Commissioners of Inland Revenue.

## **22** **Compilation and maintenance of lists.** E+W

- (1) In accordance with this Chapter, the listing officer for a billing authority shall compile, and then maintain, a list for the authority (to be called its valuation list).
- (2) The list must be compiled on 1st April 1993 and shall come into force on that day.
- (3) Before the list is compiled the listing officer must take such steps as are reasonably practicable in the time available to ensure that it is accurately compiled on 1st April 1993.
- (4) Any valuation of a dwelling carried out by the listing officer in pursuance of subsection (3) above shall be carried out in accordance with section 21(2) above.
- (5) At the following times, namely—
  - (a) not later than 1st September 1992; and
  - (b) not earlier than 15th November 1992 and not later than 1st December 1992,
 the listing officer shall send to the billing authority a copy of the list which he proposes (on the information then before him) to compile.

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- (6) As soon as reasonably practicable after receiving the copy under subsection (5)(b) above the authority shall deposit it at its principal office and take such steps as it thinks most suitable for giving notice of it.
- (7) As soon as reasonably practicable after compiling a list the listing officer shall send a copy of it to the authority.
- (8) As soon as reasonably practicable after receiving the copy under subsection (7) above the authority shall deposit it at its principal office.
- (9) The list must be maintained for so long as is necessary for the purposes of this Part.

[<sup>F13</sup>22A **Amalgamated valuation lists for Welsh billing authorities.** **E+W**]

- (1) Every new listing officer shall, on 1st April 1996, compile a list (“the amalgamated list”) for the new billing authority for which he is appointed, based on the information provided for him under this section.
- (2) The amalgamated list shall contain the information which was included in the valuation lists compiled on 1st April 1993 for the old billing authorities (“the current lists”) so far as that information is relevant.
- (3) The amalgamated list shall also include the information which was included in any current list by way of an alteration, so far as that information is relevant.
- (4) A new listing officer’s amalgamated list shall be treated, for the purposes of this Act, as the valuation list for his new billing authority and shall be deemed to have come into force on 1st April 1993.
- (5) Where an amalgamated list contains information which is derived from any alteration made to any valuation list or lists from which it is derived, the amalgamated list shall be treated as having been varied on the date on which the alteration was made.
- (6) Subsections (2) to (8) of section 22 above shall not apply in relation to an amalgamated list.
- (7) Every listing officer shall—
  - (a) on or before 15th November 1995, provide the appropriate new listing officer with the information recorded in his valuation list as at 31st October 1995 so far as it is relevant; and
  - (b) on 31st March 1996, provide the appropriate new listing officer with the information recorded in his valuation list as at that date, so far as it is relevant.
- (8) A new listing officer receiving any information under subsection (7)(a) above shall send a copy of it to his new billing authority as soon as is reasonably practicable.
- (9) As soon as is reasonably practicable after compiling the amalgamated list, a new listing officer shall send a copy of it to his new billing authority.
- (10) A new billing authority receiving a copy of an amalgamated list under subsection (9) above shall, as soon as is reasonably practicable, deposit it at its principal office.
- (11) In this section—
  - “old authority” has the same meaning as in the Local Government (Wales) Act 1994;
  - “old billing authority” means a billing authority which is an old authority;

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“new billing authority” means a billing authority which is a new principal council;

“listing officer” means a listing officer for an old billing authority;

“new listing officer” means a listing officer for a new billing authority; and

“new principal council” has the same meaning as in the Local Government (Wales) Act 1994.

(12) For the purposes of this section—

- (a) references to a listing officer’s valuation list are references to the valuation list maintained by him under this Act;
- (b) a new listing officer’s area is the area of the new billing authority for which he is appointed;
- (c) the appropriate new listing officer, in relation to any information which relates to a dwelling is the new listing officer for the new billing authority in whose area the dwelling is situated; and
- (d) information is relevant in relation to a new listing officer, or his area, if it relates to a dwelling which is in his area.]

#### Textual Amendments

**F13** S. 22A inserted (3.4.1995 subject to arts. 6(2) to (5) of the commencing S.I.) by 1994 c. 19, s. 36 (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, art. 6(1)

VALID FROM 18/11/2003

#### [<sup>F14</sup>22B **Compilation and maintenance of new lists** **E+W**

- (1) The listing officer for a billing authority shall compile, and then maintain, new lists for the authority in accordance with this Chapter (each such list to be called its valuation list).
- (2) A new list must be compiled—
  - (a) in relation to billing authorities in England, on 1 April 2007, and
  - (b) in relation to billing authorities in Wales, on 1 April 2005.
- (3) After that, a new list must be compiled on the earlier of the tenth anniversary of the compilation of the previous list and 1 April in such year as may be specified—
  - (a) in relation to billing authorities in England, by order made by the Secretary of State, and
  - (b) in relation to billing authorities in Wales, by order made by the National Assembly for Wales.
- (4) A new list shall come into force on the day on which it is compiled and shall remain in force until the next such list is compiled.
- (5) The duty to maintain a list compiled under this section continues for so long as is necessary for the purposes of this Part and is not affected by the list ceasing to be in force.

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- (6) Before a list is compiled under this section, the listing officer must take such steps as are reasonably practicable in the time available to ensure that it is accurately compiled on the date on which it is to be compiled.
- (7) Where a list is to be compiled under this section, the listing officer for a billing authority shall send the authority a copy of the list he proposes to compile (on the information then before him) not later than 1st September before the date on which it is to be compiled.
- (8) As soon as reasonably practicable after receiving a copy list under subsection (7) above, a billing authority shall deposit it at its principal office and take such steps as it thinks most suitable for giving notice of it.
- (9) As soon as reasonably practicable after the listing officer for a billing authority has compiled a list under this section, he shall send a copy of it to the authority.
- (10) As soon as reasonably practicable after receiving a copy list under subsection (9) above, a billing authority shall deposit it at its principal office.
- (11) No order under subsection (3)(a) above may be made unless a draft of the order has been laid before, and approved by resolution of, the House of Commons.]

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#### Textual Amendments

**F14** S. 22B inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\), s. 77](#)

### 23 Contents of lists. **E+W**

- (1) A valuation list must show, for each day for which it is in force, each dwelling which is situated in the billing authority's area.
- (2) For each day on which a dwelling is shown in a list, the list must also show which of the valuation bands is applicable to the dwelling.
- (3) A list must also contain such information about dwellings shown in it as may be prescribed.
- (4) The omission from a list of any matter required to be included in it shall not of itself render the list invalid.
- (5) Any rules as to Crown exemption which would have applied apart from this subsection shall not prevent a list showing a dwelling, showing the valuation band applicable to a dwelling and containing any prescribed information about a dwelling.

### 24 Alteration of lists. **E+W**

- (1) The Secretary of State may make regulations about the alteration by listing officers of valuation lists which have been compiled under this Chapter; and subsections (2) to (10) below shall apply for the purposes of this subsection.
- (2) The regulations may include provision that where a listing officer intends to alter the list with a view to its being accurately maintained, he shall not alter it unless prescribed conditions (as to notice or otherwise) are fulfilled.

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- (3) The regulations may include provision that any valuation of a dwelling carried out in connection with a proposal for the alteration of the list shall be carried out in accordance with section 21(2) above.
- (4) The regulations may include provision that no alteration shall be made of a valuation band shown in the list as applicable to any dwelling unless—
- (a) since the valuation band was first shown in the list as applicable to the dwelling—
    - (i) there has been a material increase in the value of the dwelling and a relevant transaction has been subsequently carried out in relation to the whole or any part of it;
    - (ii) there has been a material reduction in the value of the dwelling;
    - (iii) the dwelling has become or ceased to be a composite hereditament for the purposes of Part III of the 1988 Act; or
    - (iv) in the case of a dwelling which continues to be such a hereditament, there has been an increase or reduction in its domestic use,
 and (in any case) prescribed conditions are fulfilled;
  - (b) the listing officer is satisfied that—
    - (i) a different valuation band should have been determined by him as applicable to the dwelling; or
    - (ii) the valuation band shown in the list is not that determined by him as so applicable; or
  - (c) an order of a valuation tribunal or of the High Court requires the alteration to be made.
- (5) The regulations may include provision—
- (a) as to who (other than a listing officer) may make a proposal for the alteration of the list with a view to its being accurately maintained;
  - (b) as to the manner and circumstances in which a proposal may be made and the information to be included in a proposal;
  - (c) as to the period within which a proposal must be made;
  - (d) as to the procedure for and subsequent to the making of a proposal;
  - (e) as to the circumstances in which and the conditions upon which a proposal may be withdrawn; and
  - (f) requiring the listing officer to inform other prescribed persons of the proposal in a prescribed manner.
- (6) The regulations may include provision that, where there is a disagreement between the listing officer and another person making a proposal for the alteration of a list—
- (a) about the validity of the proposal; or
  - (b) about the accuracy of the list,
- an appeal may be made to a valuation tribunal.
- (7) The regulations may include—
- (a) provision as to the period for which or day from which an alteration of a list is to have effect (including provision that it is to have retrospective effect);
  - (b) provision requiring a list to be altered so as to indicate the effect (retrospective or otherwise) of the alteration;
  - (c) provision requiring the listing officer to inform prescribed persons of an alteration within a prescribed period;

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- (d) provision requiring the listing officer to keep for a prescribed period a record of the state of the list before the alteration was made.
- (8) The regulations may include provision as to financial adjustments to be made as a result of alterations, including—
  - (a) provision requiring payments or repayments to be made; and
  - (b) provision as to the recovery (by deduction or otherwise) of sums due.
- (9) The regulations may include provision that where—
  - (a) the listing officer for a billing authority has informed the authority of an alteration of the list; and
  - (b) a copy of the list has been deposited by the authority under section 22(8) <sup>F15</sup> or 22A(10) above,the authority must alter the copy accordingly.
- (10) In this section—
  - “domestic use”, in relation to a dwelling, means use in such a manner as to constitute it domestic property for the purposes of Part III of the 1988 Act;
  - “material increase”, in relation to the value of a dwelling, means any increase which is caused (in whole or in part) by any building, engineering or other operation carried out in relation to the dwelling, whether or not constituting development for which planning permission is required;
  - “material reduction”, in relation to the value of a dwelling, means any reduction which is caused (in whole or in part) by the demolition of any part of the dwelling, any change in the physical state of the dwelling’s locality or any adaptation of the dwelling to make it suitable for use by a physically disabled person;
  - “relevant transaction” means a transfer on sale of the fee simple, a grant of a lease for a term of seven years or more or a transfer on sale of such a lease.

#### Textual Amendments

- F15** Words in s. 24(9)(b) inserted (3.4.1995 subject to art. 9(2)-(5) of the commencing S.I.) by 1994 c. 19, s. 66(6), **Sch. 16 para. 96** (with ss. 54(5)(7), 55(5), **Sch. 17 paras. 22(1), 23(2)**); S.I. 1995/852, **art. 9(1) Sch. 5**

## 25 **Compilation and maintenance of new lists.** **E+W**

- (1) This section applies where the Secretary of State makes an order under subsection (4) (b) of section 5 above providing that, as regards financial years beginning on or after such date as is specified in the order, valuation bands so specified shall be substituted for those for the time being effective for the purposes of subsection (2) or (3) of that section.
- (2) For the purpose of—
  - (a) requiring listing officers to compile, and then maintain, new valuation lists for those financial years; and
  - (b) facilitating the compilation and maintenance by those officers of those lists,the provisions of this Chapter shall have effect with the modifications mentioned in subsection (3) below.

*Status: Point in time view as at 27/07/1999. This version of this part contains provisions that are not valid for this point in time.*

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(3) The modifications are—

- (a) for the date specified in section 22(2) and (3) above there shall be substituted the date specified in the order; and
- (b) for the dates specified in sections 21(2) and 22(5) above there shall be substituted such dates as are specified in an order made by the Secretary of State under this subsection.

### *Supplemental*

## 26 Powers of entry. **E+W**

- (1) If a valuation officer needs to value a dwelling for the purpose of carrying out any of his functions, he and any servant of the Crown authorised by him in writing may enter on, survey and value the dwelling if subsections (2) and (3) below are fulfilled.
- (2) At least three clear days' notice in writing of the proposed exercise of the power must be given; and there shall be disregarded for this purpose any day which is—
  - (a) a Saturday, a Sunday, Christmas Day or Good Friday; or
  - (b) a day which is a bank holiday under the <sup>M10</sup>Banking and Financial Dealings Act 1971 in England and Wales.
- (3) In a case where a person authorised by a valuation officer proposes to exercise the power, that person must if required produce his authority.
- (4) If a person intentionally delays or obstructs a person in the exercise of a power under this section, he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (5) In this section and section 27 below “valuation officer” means any listing officer and any other officer of the Commissioners of Inland Revenue who is for the time being appointed by them to carry out any of their functions.

#### **Marginal Citations**

**M10** 1971 c. 80.

## 27 Information about properties. **E+W**

- (1) In any case where—
  - (a) a notice is served by a listing officer or the Commissioners of Inland Revenue on a charging or billing authority, a community charges registration officer or any other person prescribed for the purposes of this subsection;
  - (b) the notice requests the supply of information of a description specified in the notice; and
  - (c) the information relates to property and is information which the listing officer or the Commissioners reasonably believe will assist him or them in carrying out any of his or their functions,

the authority, officer or other person shall supply the information requested, and shall do so in such form and manner and at such time as the listing officer or the Commissioners specify in the notice.



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- (2) For the purpose of carrying out any of his functions, a valuation officer may serve on a person who is or has been an owner or occupier of any dwelling a notice—
  - (a) requesting him to supply to the officer information which is of a description specified in the notice; and
  - (b) stating that the officer believes the information requested will assist him in carrying out his functions.
- (3) A person on whom a notice is served under subsection (2) above shall supply the information requested if it is in his possession or control, and shall do so in such form and manner as is specified in the notice and within the period of 21 days beginning with the day on which the notice is served.
- (4) If a person on whom a notice has been served under subsection (2) above fails without reasonable excuse to comply with subsection (3) above, he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (5) If, in supplying information in purported compliance with subsection (3) above, a person on whom a notice has been served under subsection (2) above—
  - (a) makes a statement which he knows to be false in a material particular; or
  - (b) recklessly makes a statement which is false in a material particular,he shall be liable on summary conviction to imprisonment for a term not exceeding three months or a fine not exceeding level 3 on the standard scale or both.
- (6) If in the course of the exercise of its functions any information comes to the notice of a charging or billing authority which it considers would assist a listing officer in carrying out any of his functions, it shall be the authority's duty to inform the listing officer.
- (7) In carrying out any of his or their functions, a listing officer or the Commissioners of Inland Revenue may also take into account any other information available to him or them, whatever its source and whether or not obtained under a provision contained in or made under this or any other Act.
- (8) In this section—

“charging authority” shall be construed in accordance with section 144(1) of the 1988 Act;

“community charges registration officer” shall be construed in accordance with section 26 of that Act.

## 28 Information about lists. **E+W**

- (1) A person may require a listing officer to give him access to such information as will enable him to establish what is the state of a list, or has been its state at any time since it came into force, if—
  - (a) the officer is maintaining the list; and
  - (b) the list is in force or has been in force at any time in the preceding five years.
- (2) A person may require a billing authority to give him access to such information as will enable him to establish what is the state of a copy of a list, or has been its state at any time since it was deposited, if—
  - (a) the authority has deposited the copy under section 22(8) [<sup>F16</sup>or 22A(10)] above; and
  - (b) the list is in force or has been in force at any time in the preceding five years.

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- (3) A person may require a billing authority to give him access to such information as will enable him to establish what is the state of a copy of a proposed list if—
  - (a) the authority has deposited the copy under section 22(6) above; and
  - (b) the list itself is not yet in force.
- (4) A requirement under subsection (1), (2) or (3) above must be complied with at a reasonable time and place and without payment being sought; but the information may be in documentary or other form, as the person or authority of whom the requirement is made thinks fit.
- (5) Where access is given under this section to information in documentary form the person to whom access is given may—
  - (a) make copies of (or of extracts from) the document;
  - (b) require a person having custody of the document to supply to him a photographic copy of (or of extracts from) the document.
- (6) Where access is given under this section to information in a form which is not documentary the person to whom access is given may—
  - (a) make transcripts of (or of extracts from) the information;
  - (b) require a person having control of access to the information to supply to him a copy in documentary form of (or of extracts from) the information.
- (7) If a reasonable charge is required for a facility under subsection (5) or (6) above, the subsection concerned shall not apply unless the person seeking to avail himself of the facility pays the charge.
- (8) If without reasonable excuse a person having custody of a document containing, or having control of access to, information access to which is sought under this section—
  - (a) intentionally obstructs a person in exercising a right under subsection (1), (2), (3), (5)(a) or (6)(a) above; or
  - (b) refuses to comply with a requirement under subsection (5)(b) or (6)(b) above, he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.

#### Textual Amendments

**F16** Words in s. 28(2)(a) inserted (3.4.1995) by 1994 c. 19, s. 66(6), **Sch. 16 para. 97** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/825, art. 9(1), **Sch. 5**

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

**C11** S. 28(2) applied (28.11.1994) by S.I. 1994/2825, **reg. 48**

## 29 Information about proposals and appeals. **E+W**

- (1) A person may, at a reasonable time and without making payment, inspect any proposal made or notice of appeal given under regulations made under section 24 above, if made or given as regards a list which is in force when inspection is sought or has been in force at any time in the preceding five years.
- (2) A person may—

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- (a) make copies of (or of extracts from) a document mentioned in subsection (1) above; or
  - (b) require a person having custody of such a document to supply to him a photographic copy of (or of extracts from) the document.
- (3) If a reasonable charge is required for a facility under subsection (2) above, that subsection shall not apply unless the person seeking to avail himself of the facility pays the charge.
- (4) If without reasonable excuse a person having custody of a document mentioned in subsection (1) above—
  - (a) intentionally obstructs a person in exercising a right under subsection (1) or (2)(a) above; or
  - (b) refuses to supply a copy to a person entitled to it under subsection (2)(b) above,he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.

### CHAPTER III **E+W**

#### SETTING OF COUNCIL TAX

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

- C12** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 4\(2\)](#)  
Pt. 1 Ch. 3 (ss. 30-38) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 3\(4\)](#)  
Pt. 1 Ch. 3 (ss. 30-38) applied (with modifications) (E.) (15.2.1995) by [S.I. 1995/161, art. 3\(3\)](#)  
Pt. 1 Ch. 3 (ss. 30-38) excluded (E.) (1.8.1995) by [S.I. 1995/1748, reg. 6\(1\)](#)  
Pt. 1 Ch. 3 amended (28.11.1994) by [S.I. 1994/2825, reg. 49](#)  
Pt. 1 Ch. 3 modified (W.) (2.5.2002) by [The Bridgend \(Cynffig, Cornelly and Pyle Communities\) \(Electoral Changes\) Order 2002 \(S.I. 2002/1129\), art. 5\(4\)](#)

##### *Setting of amounts*

### **30** Amounts for different categories of dwellings. **E+W**

- (1) For each financial year and each category of dwellings in its area, a billing authority shall, in accordance with subsection (2) below, set an amount of council tax.
- (2) An amount so set shall be calculated by taking the aggregate of—
  - (a) the amount which, in relation to the year and the category of dwellings, has been calculated (or last calculated) by the authority in accordance with sections 32 to 36 below; and
  - (b) any amounts which, in relation to the year and the category of dwellings, have been calculated in accordance with sections 43 to 47 below and have been stated (or last stated) in accordance with section 40 below in precepts issued to the authority by major precepting authorities.
- (3) Where the aggregate amount given by subsection (2) above is a negative amount, the amount set shall be nil.

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- (4) Dwellings fall within different categories for the purposes of subsections (1) and (2) above according as different calculations have been made in relation to them in accordance with sections 32 to 36 below or sections 43 to 47 below or both.
- (5) A billing authority shall assume for the purposes of subsections (1) and (2) above that each of the valuation bands is shown in its valuation list as applicable to one or more dwellings situated in its area or (as the case may be) each part of its area as respects which different calculations have been so made.
- (6) Any amount must be set before 11th March in the financial year preceding that for which it is set, but is not invalid merely because it is set on or after that date.
- (7) No amount may be set before the earlier of the following—
  - (a) 1st March in the financial year preceding that for which the amount is set;
  - (b) the date of the issue to the authority of the last precept capable of being issued to it (otherwise than by way of substitute) by a major precepting authority for the financial year for which the amount is set.
- (8) No amount may be set unless the authority has made in relation to the year the calculations required by this Chapter.
- (9) A purported setting of an amount, if done in contravention of subsection (7) or (8) above, shall be treated as not having occurred.

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

**C13** Pt. I Ch. III (ss. 30-38) modified (E.) (1.2.1993) by S.I. 1993/22, art. 3(4)

**C14** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

**31 Substituted amounts. E+W**

- (1) Where a billing authority has set amounts for a financial year under section 30 above and at any later time—
  - (a) it makes substitute calculations under section 37 [<sup>F17</sup>, 52I or 52T] below; or
  - (b) it is issued with a precept for the year (originally or by way of substitute) by a major precepting authority,
 it shall as soon as reasonably practicable after that time set amounts in substitution so as to give effect to those calculations or that precept.
- (2) Any amount set in substitution under subsection (1) above must be set in accordance with section 30 above, but subsection (6) of that section shall be ignored for this purpose.
- (3) Where a billing authority sets any amount in substitution under subsection (1) above (a new amount), anything paid to it by reference to the amount for which it is substituted (the old amount) shall be treated as paid by reference to the new amount.
- (4) If the old amount exceeds the new amount, the following shall apply as regards anything paid if it would not have been paid had the old amount been the same as the new amount—
  - (a) it shall be repaid if the person by whom it was paid so requires;

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- (b) in any other case it shall (as the billing authority determines) either be repaid or be credited against any subsequent liability of the person to pay in respect of any council tax set by the authority in accordance with section 30 above.
- (5) Where an authority sets amounts in substitution under subsection (1)(b) above, it may recover from the major precepting authority administrative expenses incurred by it in, or in consequence of, so doing.

#### Textual Amendments

**F17** Words in s. 31 substituted (27.7.1999) by 1999 c. 27, s. 30, Sch. 1 Pt. II para. 3

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

**C15** Pt. 1 Ch. 3 (ss. 30-38) modified (E.) (1.2.1993) by S.I. 1993/22, art. 3(4)

**C16** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

### *The requisite calculations*

## **32 Calculation of budget requirement. E+W**

- (1) In relation to each financial year a billing authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
- (a) the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year;
  - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;
  - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure;
  - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for; and
  - <sup>F18</sup>(e) any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under subsection (5) of section 98 of the 1988 Act and charged to a revenue account for the year, other than (in the case of an authority in England) any amounts which it estimates will be so transferred pursuant to a direction under that subsection relating to the difference between amounts in respect of community charges credited and charged to a revenue account for any earlier financial year.]
- (3) The authority must calculate the aggregate of—
- (a) the sums which it estimates will be payable for the year into its general fund <sup>F19</sup>[or, as the case may be) council fund] and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of redistributed non-domestic rates, revenue support grant <sup>F20</sup>, additional grant <sup>F21</sup>[or relevant special grant or (in the case of the Common Council only) police grant;];
  - <sup>F22</sup>(b) any amounts which it estimates will be transferred from its collection fund to its general fund pursuant to a direction under subsection (4) of section 98 of the 1988 Act and credited to a revenue account for the year, other than (in

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the case of an authority in England) any amounts which it estimates will be so transferred—

- (i) pursuant to a direction under that subsection relating to the difference between amounts in respect of community charges credited and charged to a revenue account for any earlier financial year; and
  - (ii) in the case of the Common Council, pursuant to a direction under that subsection in respect of an amount calculated by reference to the provisional amount of its non-domestic rating contribution under Part II of Schedule 8 to that Act; and]
- (c) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a), (b) and (e) of subsection (2) above.

[<sup>F23</sup>(3A) In the case of any billing authority in Wales, subsection (3)(a) above does not require the estimation of sums payable into their council fund in respect of council tax or [<sup>F24</sup>non-domestic rates or the grant paid to them under section 88A of the Local Government Finance Act 1988].]

(4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.

(5) In making the calculation under subsection (2) above the authority must ignore—

- (a) payments which must be met from its collection fund under section 90(2) of the 1988 Act or from a trust fund; and
- (b) subject to subsection (2)(e) above, sums which have been or are to be transferred from its general fund to its collection fund.

(6) In estimating under subsection (2)(a) above the authority shall take into account—

- (a) the amount of any precept issued to it for the year by a local precepting authority; and
- (b) the amount of any levy or special levy issued to it for the year;

but (except as provided by regulations under section 41 below or regulations under section 74 or 75 of the 1988 Act) shall not anticipate a precept, levy or special levy not issued.

[<sup>F25</sup>(6A) In estimating under subsection (2)(a) above, the Common Council shall take into account the amount of any levy issued to it under section 17 or 62 of the Police Act 1997 (levies issued by the Service Authority for the National Criminal Intelligence Service and the Service Authority for the National Crime Squad) for the year, but (except as provided by an order under either of those sections) shall not anticipate a levy not issued.]

(7) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—

- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely—
  - (i) sums which will be payable for the year into its general fund [<sup>F26</sup>or(as the case may be) council fund] and in respect of which amounts will be credited to a revenue account for the year; and

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- (ii) sums which will be transferred as regards the year from its collection fund to its general fund; and
  - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year.
- (8) In making the calculation under subsection (3) above the authority must ignore, subject to paragraph (b) of that subsection, sums which have been or are to be transferred from its collection fund to its general fund.
- [<sup>F27</sup>(8A) Subsections (2)(e), (3)(b), (7)(a)(ii) and (8) above do not apply in relation to a Welsh county council or county borough council.
- (8B) Subsection (5) above shall have effect in relation to a Welsh county council or county borough council as if for paragraphs (a) and (b) there were substituted—
  - (") payments which must be met from a trust fund;
  - (b) payments to be made to the Secretary of State under paragraph 5 of Schedule 8 to the 1988 Act or regulations made under paragraph 5(15) of that Schedule;
  - (c) payments to be made in respect of the amount of any precept issued by a major precepting authority under Part I of this Act (but not payments to be so made in respect of interest on such an amount); and
  - (d) payments to be made to another person in repaying, under regulations under the 1988 Act or Part I of this Act, excess receipts by way of non-domestic rates or council tax."]
- (9) The Secretary of State may by regulations do one or both of the following—
  - (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
  - (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) to [<sup>F28</sup>(8B)] above, or any of them, or by adding other provisions, or by a combination of those methods).
- (10) Calculations to be made in relation to a particular financial year under this section must be made before 11th March in the preceding financial year, but they are not invalid merely because they are made on or after that date.
- (11) References in this section to expenditure incurred by an authority shall be construed in accordance with section 41(3) of the <sup>M11</sup>Local Government and Housing Act 1989.
- [<sup>F29</sup>(12) In this section and section 33 below—
  - “police grant” means so much of the grant payable in accordance with paragraph 3.1 of the relevant police grant report as excludes the amounts shown in columns (b) and (c) of the Table set out below that paragraph;
  - “relevant special grant” means any of the following grants, that is to say—
    - (i) the special grant payable in accordance with paragraphs 4 and 6 of the special grant report for England (Special Grant Report (No. 31)) approved by a resolution of the House of Commons pursuant to section 88B of the 1988 Act <sup>F30</sup> on 5th February 1998; and
    - (ii) the special grant payable in accordance with paragraphs 5 and 7 of that special grant report;

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and in this subsection “the relevant police grant report” means the police grant report (The Police Grant Report (England and Wales) 1998/99) approved by a resolution of the House of Commons pursuant to section 46 of the Police Act 1996<sup>F31</sup> on 4th February 1998.]

#### Textual Amendments

- F18** S. 32(2)(e) substituted (8.2.1994) by S.I. 1994/246, **reg. 3(1)**
- F19** Words in s. 32(3)(a) inserted (3.4.1995 subject to art. 6(2)-(5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 4(2)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F20** Words in s. 32(3)(a) substituted (8.2.1994) by S.I. 1994/246, **reg.3(2)(a)**
- F21** Words in s. 32(3)(a) substituted (3.2.1995) by S.I. 1995/234, **reg. 2(1)**
- F22** S. 32(3)(b) substituted (8.2.1994) by S.I. 1994/246, **reg. 3(2)(b)**
- F23** S. 32(3A) inserted (3.4.1995 subject to art. 6(2)-(5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 4(3)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F24** Words in s. 32(3A) substituted (7.2.1996) by S.I. 1996/56, **art. 2(2)**
- F25** S. 32(6A) inserted (31.10.1997) by 1997 c. 50, s. 134(1), **Sch. 9 para. 67**; S.I. 1997/2390, **art. 2(2)(w)** (as amended (1.4.1998) by S.I. 1998/354, **art. 7**)
- F26** Words in s. 32(7)(a)(i) inserted (3.4.1995 subject to art. 6(2)-(5) of the commencing S.I.) by 1994 c. 19, s. 38(11), Sch. 12, para. 4(4) (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F27** S. 32(8A)(8B) inserted (3.4.1995 subject to art. 6(2)-(5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 4(5)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F28** Word in s. 32(9)(b) substituted (3.4.1995 subject to art. 6(2)-(5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 4(6)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F29** S. 32(12) substituted (7.2.1998) by S.I. 1998/213, **reg. 2**
- F30** 1988 c.41; **section 88B** was substituted by paragraph 18 of Schedule 10 to the 1992 Act.
- F31** 1996 c.16.

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

- C17** Pt. I Ch. III (ss. 30-38) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 3(4)**
- C18** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**
- C19** S. 32 applied (with modifications) (E.) (15.2.1995) by S.I. 1995/161, **art. 3(2)(a)**
- C20** Power to modify conferred (25.6.1997) by 1997 c. 50, s. 62(4); S.I. 1997/1377, **art. 2(2)(e)**
- C21** S. 32 modified (E.) (6.2.1999) by S.I. 1999/228, **reg. 2**  
S. 32 modified (5.2.2000) by S.I. 2000/213, **reg. 2**

#### Marginal Citations

- M11** 1989 c. 42.

### 33 Calculation of basic amount of tax. **E+W**

(1) In relation to each financial year a billing authority shall calculate the basic amount of its council tax by applying the formula—



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**Status:** Point in time view as at 27/07/1999. This version of this part contains provisions that are not valid for this point in time.  
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$$\frac{R - P}{T}$$

where—

R is the amount calculated (or last calculated) by the authority under section 32(4) above as its budget requirement for the year;

P is the aggregate of the sums which the authority estimates will be payable for the year into its general fund [<sup>F32</sup>or (as the case may be) council fund] in respect of redistributed non-domestic rates, revenue support grant [<sup>F33</sup>, additional grant]<sup>F34</sup> or relevant special grant or (in the case of the Common Council only) police grant;];

T is the amount which is calculated by the authority as its council tax base for the year and, where one or more major precepting authorities have power to issue precepts to it, is notified by it to those authorities (“the major precepting authorities concerned”) within the prescribed period.

(2) Where the aggregate calculated (or last calculated) by the authority for the year under subsection (2) of section 32 above does not exceed that so calculated under subsection (3) of that section, the amount for item R in subsection (1) above shall be nil.

<sup>F35</sup>(3) The aggregate of the sums mentioned in item P in subsection (1) above shall be increased or reduced by the amount calculated in accordance with the following formula, according to whether that amount is positive or negative

$$W + X - (Y + Z)$$

where

W is the amount of any sum which the authority estimates will be transferred in the year from its collection fund to its general fund in accordance with section 97(3) of the 1988 Act;

X in the case of an authority in Wales is nil and, in the case of an authority in England, is (subject to subsection (3A) below) the amount of any sum which the authority estimates will be—

(i) transferred from its collection fund to its general fund pursuant to a direction under section 98(4) of that Act relating to the difference between amounts in respect of community charges credited and charged to a revenue account for any earlier financial year; and

(ii) credited to a revenue account for the year;

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Y is the amount of any sum which the authority estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of that Act;

Z in the case of an authority in Wales is nil and, in the case of an authority in England, is the amount of any sum which the authority estimates will be—

(i) transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of that Act relating to the difference between amounts in respect of community charges credited and charged to a revenue account for any earlier financial year; and

(ii) charged to a revenue account for the year.

[<sup>F36</sup>This subsection does not apply in relation to a Welsh county council or county borough council.]

(3A) In the case of the Common Council, item X in subsection (3) above shall also include the amount of any sum which the Common Council estimates will be—

(a) transferred from its collection fund to its City fund pursuant to a direction under section 98(4) of the 1988 Act in respect of an amount calculated by reference to the provisional amount of its non-domestic rating contribution under Part II of Schedule 8 to that Act; and

(b) credited to a revenue account for the year.]

[<sup>F37</sup>(3B) In the case of a Welsh county council or county borough council, the aggregate of the sums mentioned in item P in subsection (1) above shall be reduced by the amount calculated in accordance with the following formula—

$$(J + K) - L$$

J is the council's estimate of the amount by which the aggregate for the year of the chargeable amounts under Part III of the 1988 Act (non-domestic rating) will be less than it would be apart from section 47 of that Act (discretionary relief);

K is the council's estimate of the reductions and remittances which will be made for the year under section 49 of that Act (reduction or remission of liability);

L is the council's estimate of the deductions which, in pursuance of rules made by virtue of paragraph 4(5)(a) of Schedule 8 to that Act (non-domestic rating contributions), will be made for the year as regards the operation of sections 47 and 49 of that Act.]

[<sup>F38</sup>(3C) In the case of a Welsh county council or county borough council the aggregate of the sums mentioned in item P in subsection (1) above shall be reduced by an amount calculated by applying the formula—

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$$\frac{E \times B \times 0.5}{1 - B} - (E \times B \times 0.5)$$

where—*E* is the product of the formula set out in subsection (3D) below or, if that is a negative amount, is nil;

*B* is the proportion of council tax benefit prescribed for the authority for the year.

<sup>F38</sup>(3D) *E* is to be calculated by applying the formula—

$$\frac{R - LP - BX}{1 + (B \times 0.5)}$$

where—*R* has the same meaning as in subsection (1) above;

*LP* is the aggregate of the precepts for the year—

(a) issued to the council by local precepting authorities; or

(b) anticipated by the council in pursuance of regulations made under section 41(3) below; which were taken into account by the council in making the calculation required by section 32(2) above;

*BX* is the guideline budget requirement prescribed for the authority for the year.

*B* has the same meaning as in subsection (3C) above.]

- (4) Regulations under section 32(9) above may make such consequential alterations of the constituents of any calculation required by item P in subsection (1) above or subsection (3) above (whether by adding, deleting or amending items) as appear to the Secretary of State to be necessary or expedient.
- (5) The Secretary of State shall make regulations containing rules for making for any year the calculation required by item T in subsection (1) above; and a billing authority shall make the calculation for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (6) Regulations prescribing a period for the purposes of item T in subsection (1) above may provide that, in any case where a billing authority fails to notify its calculation to the major precepting authorities concerned within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.

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### Textual Amendments

- F32** Words in s. 33(1) inserted (3.4.1995 subject to art. 6(2) to (5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 5(2)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F33** In s. 33(1) the constituents of the calculation required by item P in subsection (1) of s. 33 are altered by the substitution of words (8.2.1994) by S.I. 1994/246, **art. 4(1)**
- F34** Words in item P of s. 33(1) substituted (3.2.1995) by S.I. 1995/234, **reg. 2(1)**
- F35** In s. 33(3) the constituents of the calculation required by item P in subsections (1) and (3) of s. 33 are altered by the substitution of s. 33(3)(3A) for s. 33(3) (8.2.1994) by S.I. 1994/246, **art. 4(2)**
- F36** Words in s. 33(3) inserted (3.4.1995 subject to art. 6(2) to (5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 5(3)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F37** S. 33(3B) inserted (21.2.1996) by S.I. 1996/335, **art. 2**
- F38** S. 33(3C)(3D) inserted (16.2.1999) by S.I. 1999/296, **reg. 2**

### Modifications etc. (not altering text)

- C22** Pt. I Ch. III (ss. 30-38) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 3(4)**
- C23** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**
- C24** S. 33(3) amended (30.11.1995) by S.I. 1995/2889, **art. 11(1)(a)**  
S. 33(3) amended (30.11.1995) by S.I. 1995/2889, **art. 11(1)(b)**  
S. 33(3) modified (E.) (6.2.1999) by S.I. 1999/228, **reg. 3**

## 34 Additional calculations where special items relate to part only of area. **E+W**

- (1) This section applies where for any financial year an item mentioned in section 35(1) below relates to a part only of a billing authority's area; and in this section "special item" means any such item which so relates and "the relevant part", in relation to such an item, means the part concerned.
- (2) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which no special item relates by applying the formula—

$$B - \frac{A}{T}$$

where—

B is the amount calculated (or last calculated) by the authority under section 33(1) above as the basic amount of its council tax;

A is the aggregate amount of all special items;

T is the amount determined for item T in section 33(1) above.

- (3) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which one or more special items relate by adding to the amount given by

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the formula in subsection (2) above the aggregate of the amounts which, in relation to each of those special items, are given by the formula—

$$\frac{S}{TP}$$

where—

S is (in each case) the amount of the special item;

TP is (in each case) the amount of the authority's council tax base for the relevant part as calculated by it for the year.

- (4) The Secretary of State shall make regulations containing rules for making for any year any calculation required by item TP in subsection (3) above; and a billing authority shall make the calculation for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.

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

**C25** Pt. 1 Ch. 3 (ss. 30-38) modified (1.2.1993) by [S.I. 1993/22, art. 3\(4\)](#)

**C26** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 4\(2\)](#)

**35 Special items for purposes of section 34. E+W**

- (1) The items referred to in section 34(1) above are—
- (a) any precept issued to or anticipated by the authority which is or is believed to be applicable to a part of its area and was taken into account by it in making the calculation (or last calculation) in relation to the year under section 32(2) above; and
  - (b) any expenses of the authority which are its special expenses and were taken into account by it in making that calculation.
- (2) For the purposes of subsection (1) above—
- (a) provided a resolution of a billing authority to the following effect is in force, the expenses of meeting a levy or special levy issued to or anticipated by it are its special expenses or (if the resolution relates to some only of those expenses) those to which the resolution relates are its special expenses;
  - (b) any expenses which a billing authority believes will have to be met out of amounts transferred or to be transferred from its collection fund to its general fund, and which arise out of its possession of property held in trust for a part of its area, are its special expenses;
  - (c) any expenses which a billing authority believes will have to be met out of amounts transferred or to be transferred from its collection fund to its general fund, and which relate to a part of its area, are its special expenses provided that expenses of the same kind which relate to another part of its area are to be met out of property held in trust for that part;

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- (d) any expenses incurred by a billing authority in performing in a part of its area a function performed elsewhere in its area by the sub-treasurer of the Inner Temple, the under-treasurer of the Middle Temple, a parish or community council or the chairman of a parish meeting are the authority’s special expenses unless a resolution of the authority to the contrary effect is in force; and
  - (e) provided a resolution of a billing authority to the following effect is in force, the expenses incurred by it in performing in a part of its area a function performed elsewhere in its area by a body with power to issue a levy or special levy to it are its special expenses or (if the resolution relates to some only of those expenses) those to which the resolution relates are its special expenses.
- (3) The following rules shall apply to the making of a resolution under subsection (2)(e) above by a billing authority—
- (a) no such resolution may be made unless the body mentioned in subsection (2) (e) above is one in relation to which the billing authority has made under subsection (2)(a) above a resolution which is in force;
  - (b) the resolution under subsection (2)(e) above may not be made so as to be in force at any time when that under subsection (2)(a) above is not in force;
  - (c) the fact that the resolution under subsection (2)(a) above relates to all the expenses concerned does not mean that the resolution under subsection (2)(e) above must relate to all the expenses concerned; and
  - (d) the fact that the resolution under subsection (2)(a) above relates to part of the expenses concerned does not mean that the resolution under subsection (2)(e) above must relate to part, or any particular part, of the expenses concerned.
- [<sup>F39</sup>(4) Subsection (2) above shall have effect in relation to a Welsh county council or county borough council as if for paragraphs (b) and (c) there were substituted—
- (") any expenses incurred by a billing authority and arising in connection with property which it holds in trust for a part of its area are its special expenses;
  - (c) any expenses incurred by a billing authority which relate to a part of its area and which are of the same kind as expenses which—
    - (i) relate to another part of its area; and
    - (ii) are to be met out of property held in trust for that part; are its special expenses;"
- (5) Expenses of a billing authority are not to be treated as its special expenses for the purposes of subsection (1) above if they are expenses of meeting a levy issued to it by, or anticipated by it from—
- <sup>F40</sup>(a) . . . . .
  - <sup>F40</sup>(b) . . . . . [<sup>F41</sup> or
  - <sup>F41</sup>(c) a National Park authority in relation to a National Park in Wales.]]

**Textual Amendments**

**F39** S. 35(4)(5) inserted (3.4.1995 subject to art. 6(2) to (5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 6** (with ss. 54(7), 55(5), Sch. 17 paras. 21(1), 23(2)); S.I. 1995/852, **art. 6(1)**

**F40** S. 35(5)(a)(b) repealed (1.4.1997) by 1995 c. 25, ss. 120(3), Sch. 10 para. 35, **Sch. 24** (with ss. 7(6), 115, 117, Sch. 8 para. 7); S.I. 1996/2560, art. 2, **Sch.**

**F41** Word “or” and s. 35(5)(c) inserted (23.11.1995) by 1995 c. 25, s. 78, **Sch. 10 para. 35** (with ss. 7(6), 115, 117, Sch. 8 para. 7); S.I. 1995/2950, **art. 2(1)**

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

- C27** Pt. 1 Ch. 3 (ss. 30-38) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 3\(4\)](#)  
**C28** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 4\(2\)](#)  
**C29** S. 35(2)(a) applied (30.12.1992) by [S.I. 1992/3079](#), [reg. 11\(7\)](#).

**36 Calculation of tax for different valuation bands. E+W**

- (1) The amount to be taken into account under section 30(2)(a) above for any financial year in respect of a category of dwellings listed in a particular valuation band shall be calculated by applying the formula—

$$A \times \frac{N}{D}$$

where—

A is the amount calculated (or last calculated) by the billing authority for that year under section 33(1) above or, where section 34 above applies, the amount calculated (or last calculated) by it for that year under subsection (2) or (3) of that section in relation to that category of dwellings;

N is the number which, in the proportion set out in section 5(1) above, is applicable to dwellings listed in that valuation band;

D is the number which, in that proportion, is applicable to dwellings listed in valuation band D.

- (2) Dwellings fall within different categories for the purposes of this section according as different calculations have been made in relation to them under section 34 above.

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

- C30** Pt. 1 Ch. 3 (ss. 30-38) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 3\(4\)](#)  
Pt. 1 Ch. 3 (ss. 30-38) applied (with modifications) (E.) (15.2.1995) by [S.I. 1995/161](#), [art.3\(3\)](#)  
Pt. 1 Ch. 3 (ss. 30-38) excluded (1.8.1995) by [S.I. 1995/1748](#), [reg. 6\(1\)](#)  
**C31** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 4\(2\)](#)

**37 Substitute calculations. E+W**

- (1) An authority which has made calculations in accordance with sections 32 to 36 above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with those sections, ignoring section 32(10) above for this purpose.

- (2) None of the substitute calculations shall have any effect if—

- (a) the amount calculated under section 32(4) above, or any amount calculated under section 33(1) or 34(2) or (3) above as the basic amount of council tax

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- applicable to any dwelling, would exceed that so calculated in the previous calculations; or
- (b) the billing authority fails to comply with subsection (3) below in making the substitute calculations.
- (3) In making substitute calculations under section 33(1) or 34(3) above, the billing authority must use any amount determined in the previous calculations for item P or T in section 33(1) above or item TP in section 34(3) above.
- (4) For the purposes of subsection (2)(a) above, one negative amount shall be taken to exceed another if it is closer to nil (so that minus £1 shall be taken to exceed minus £2).
- (5) For the purposes of subsection (3) above, the billing authority may treat any amount determined in the previous calculations for item P in section 33(1) above as increased by the amount of any sum which—
- (a) it estimates will be payable for the year into its general fund [<sup>F42</sup>or (as the case may be) council fund] in respect of additional grant; and
- (b) was not taken into account by it in making those calculations.
- (6) Subsections (2) and (3) above shall not apply if the previous calculations have been quashed because of a failure to comply with sections 32 to 36 above in making the calculations.

#### Textual Amendments

**F42** Words inserted in s. 37(5)(a) (3.4.1995 subject to art. 6(2) to (5) of the commencing S.I.) by 1994 c. 19, s. 38(11), **Sch. 12 para. 7** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 21(1), 23(2)); S.I. 1995/852, **art. 6(1)**

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

**C32** Pt. 1 Ch. 3 (ss. 30-38) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 3(4)**

**C33** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**

### Supplemental

#### 38 Information for purposes of Chapter III. **E+W**

- (1) If the Secretary of State so requires by regulations, a precepting authority shall supply prescribed information within a prescribed period to any billing authority to which it has power to issue a precept.
- (2) A billing authority which has set amounts in accordance with section 30 above (originally or by way of substitute) shall, before the end of the period of 21 days beginning with the day of doing so, publish a notice of the amounts in at least one newspaper circulating in the authority's area.
- (3) Failure to comply with subsection (2) above does not make the setting of amounts invalid.

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

**C34** Pt. 1 Ch. 3 (ss. 30-38) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 3(4)**



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**C35** Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**

## CHAPTER IV **E+W**

### PRECEPTS

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

- C36** Pt. 1 Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**  
Pt. 1 Ch. IV amended (28.11.1994) by S.I. 1994/2825, **reg. 49**  
Pt. 1 Ch. IV (ss. 39-52) excluded (1.8.1996) by S.I. 1996/1748, **reg. 6(2)**  
Pt. 1 Ch. IV (ss. 39-52) restricted (12.7.1995) by S.I. 1995/1771, **art. 4(3)(b)(i)**  
Pt. 1 Ch. IV (ss. 39-52) restricted (12.7.1995) by S.I. 1995/1772, **art. 4(3)(b)(i)**  
Pt. 1 Ch. IV (ss. 39-52) restricted (12.7.1995) by S.I. 1995/1773, **art. 4(3)(b)(i)**  
Pt. 1 Ch. IV (ss. 39-52) restricted (12.7.1995) by S.I. 1995/1774, **art. 4(3)(b)(i)**

#### *Preliminary*

### **39** Precepting and precepted authorities. **E+W**

- (1) Each of the following is a major precepting authority for the purposes of this Part, namely—
- (a) a county council [<sup>F43</sup>in England];
  - [<sup>F44</sup>(b) a police authority established under [<sup>F45</sup>section 3 of the Police Act 1996];
  - (d) a metropolitan county fire and civil defence authority;
  - (e) the London Fire and Civil Defence Authority; and
  - (f) the Receiver for the Metropolitan Police District.
- (2) Each of the following is a local precepting authority for the purposes of this Part, namely—
- (a) the sub-treasurer of the Inner Temple;
  - (b) the under-treasurer of the Middle Temple;
  - (c) a parish or community council;
  - (d) the chairman of a parish meeting; and
  - (e) charter trustees.
- (3) A precept may only be issued to an appropriate billing authority.
- (4) If the whole or part of a billing authority's area falls within a precepting authority's area, it is an appropriate billing authority in relation to the precepting authority to the extent of the area which so falls.

#### Textual Amendments

- F43** Words in s. 39(1)(a) inserted (3.4.1995 subject to art. 6(2) to (5) of the commencing S.I.) by 1994 c. 19, s. 35(6) (with ss. 54(5)(7), 55(5), Sch. 17 para. 22(1), 23(2)); S.I. 1995/852, **art. 6(1)**
- F44** S. 39(1)(b) substituted (1.11.1994 for certain purposes as specified in S.I. 1994/2025, **art. 7(3)(4)**) for sub paragraphs (b)(c) by 1994 c. 29, s. 27(1); S.I. 1994/2025, **art. 7(2)**
- F45** Words in s. 39(1)(b) substituted (22.8.1996) by 1996 c. 16, ss. 103, 104(1), **Sch. 7 Pt. I para. 1(2)(zf)**

*Status: Point in time view as at 27/07/1999. This version of this part contains provisions that are not valid for this point in time.*

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

**C37** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**

*Issue of precepts*

**40 Issue of precepts by major precepting authorities. E+W**

- (1) For each financial year a major precepting authority shall issue a precept or precepts in accordance with this section.
- (2) A precept issued to a billing authority under this section must state—
  - (a) the amount which, in relation to the year and each category of dwellings in the billing authority's area, has been calculated (or last calculated) by the precepting authority in accordance with sections 43 to 47 below; and
  - (b) the amount which has been calculated (or last calculated) by the precepting authority in accordance with section 48 below as the amount payable by the billing authority for the year.
- (3) Dwellings fall within different categories for the purposes of subsection (2) above according as different calculations have been made in relation to them in accordance with sections 43 to 47 below.
- (4) A major precepting authority shall assume for the purposes of subsection (2) above that each of the valuation bands is shown in the billing authority's valuation list as applicable to one or more dwellings situated in its area or (as the case may be) each part of its area as respects which different calculations have been so made.
- (5) A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date.
- (6) No such precept may be issued to a billing authority before the earlier of the following—
  - (a) the earliest date on which, for the financial year for which the precept is issued, each of the periods prescribed for the purposes of item T in section 33(1) above, item T in section 44(1) below and item TP in section 45(3) below has expired;
  - (b) the earliest date on which, for that year, each billing authority has notified its calculations for the purposes of those items to the precepting authority.
- (7) No such precept may be issued unless the precepting authority has made in relation to the year the calculations required by this Chapter.
- (8) A purported issue of such a precept, if done in contravention of subsection (6) or (7) above, shall be treated as not having occurred.

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

**C38** S. 40 restricted (1.11.1994 for certain specified purposes subject to S.I. 1994/2025, **art. 7(4)**) by 1994 c. 19, **s. 28(1)(a)**; S.I. 1994/2025, **art. 7(1)(2)(c)** (subject to **art. 7(3)(4)**)

S. 40 restricted (22.8.1996) by 1996 c. 16, **ss. 19(a)**, 104(1)

**C39** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**

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#### 41 Issue of precepts by local precepting authorities. **E+W**

- (1) For each financial year a local precepting authority may issue a precept in accordance with this section.
- (2) A precept issued to a billing authority under this section must state, as the amount payable by that authority for the year, the amount which has been calculated (or last calculated) by the precepting authority under section 50 below as its budget requirement for the year.
- (3) The Secretary of State may by regulations make provision that a billing authority making calculations in accordance with section 32 above (originally or by way of substitute) may anticipate a precept under this section; and the regulations may include provision as to—
  - (a) the amounts which may be anticipated by billing authorities in pursuance of the regulations;
  - (b) the sums (if any) to be paid by such authorities in respect of amounts anticipated by them; and
  - (c) the sums (if any) to be paid by such authorities in respect of amounts not anticipated by them.
- (4) A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date.

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

- C40** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 4\(2\)](#)
- C41** S. 41 modified (E.) (1.2.1993) by [S.I. 1993/22, art. 3\(2\)](#)
- C42** S. 41 applied (with modifications) (15.2.1995) by [S.I. 1995/161, art. 3\(1\)](#)
- C43** S. 41 modified (4.6.1996) by [S.I. 1996/263, reg. 13\(2\)](#)  
S. 41 modified (W.) (2.5.2002) by [The Bridgend \(Cynffig, Cornelly and Pyle Communities\) \(Electoral Changes\) Order 2002 \(S.I. 2002/1129\), art. 5\(2\)](#)
- C44** S. 41(4) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 3\(3\)\(b\)](#)
- C45** S. 41(4) applied (with modifications) (15.2.1995) by [S.I. 1995/161, art. 3\(2\)\(b\)](#)
- C46** S. 41(4) modified (4.6.1996) by [S.I. 1996/263, reg. 13\(3\)\(b\)](#)  
S. 41(4) modified (E.) (20.2.1998) by [S.I. 1998/119, art. 5\(2\)](#)  
S. 41(4) modified (W.) (2.5.2002) by [The Bridgend \(Cynffig, Cornelly and Pyle Communities\) \(Electoral Changes\) Order 2002 \(S.I. 2002/1129\), art. 5\(3\)\(b\)](#)

#### 42 Substituted precepts. **E+W**

- (1) Where—
  - (a) a precepting authority has issued a precept or precepts for a financial year (originally or by way of substitute); and
  - (b) at any later time it makes substitute calculations under section 49 [<sup>F46</sup>, 52J or 52U] or (as the case may be) section 51 below,it shall as soon as reasonably practicable after that time issue a precept or precepts in substitution so as to give effect to those calculations.

*Status: Point in time view as at 27/07/1999. This version of this part contains provisions that are not valid for this point in time.*

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- (2) Any precept issued in substitution under subsection (1) above must be issued in accordance with section 40 or (as the case may be) section 41 above, but subsection (5) of section 40 and subsection (4) of section 41 shall be ignored for this purpose.
- (3) Where a precepting authority issues a precept in substitution (a new precept) anything paid to it by reference to the precept for which it is substituted (the old precept) shall be treated as paid by reference to the new precept.
- (4) If the amount stated in the old precept exceeds that of the new precept, the following shall apply as regards anything paid if it would not have been paid had the amount of the old precept been the same as that of the new precept—
  - (a) it shall be repaid if the billing authority by whom it was paid so requires;
  - (b) in any other case it shall (as the precepting authority determines) either be repaid or be credited against any subsequent liability of the billing authority in respect of any precept of the precepting authority.
- (5) Any reference in subsection (4) above to the amount stated in a precept shall be construed, in relation to a precept issued by a major precepting authority, as a reference to the amount stated in the precept in accordance with section 40(2)(b) above.

#### Textual Amendments

**F46** Words in s. 42 substituted (27.7.1999) by 1999 c. 27, s. 30, **Sch. 1 Pt. II para. 4**

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

**C47** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**

**C48** S. 42(2) modified (E.) (20.2.1998) by S.I. 1998/119, **reg. 5(3)**

### *Calculations by major precepting authorities*

#### **43 Calculation of budget requirement. E+W**

- (1) In relation to each financial year a major precepting authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
  - (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year, other than expenditure which it estimates will be so incurred in pursuance of regulations under section 99(3) of the 1988 Act;
  - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;
  - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure; and
  - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—

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- (a) the sums which it estimates will be payable to it for the year and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable
  - [<sup>F47</sup>(i) in respect of redistributed non-domestic rates, revenue support grant, additional grant, relevant special grant or police grant;
  - (ii) in respect of any precept issued by it; or
  - (iii) in pursuance of regulations under section 99(3) of the 1988 Act; and]
  - (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.
- (5) In estimating under subsection (2)(a) above an authority which is a county council shall take into account the amount of any levy issued to it for the year but (except as provided by regulations under section 74 of the 1988 Act) shall not anticipate a levy not issued.
- [<sup>F48</sup>(5A) In estimating under subsection (2)(a) above—
- (a) a police authority established under section 3 of the <sup>M12</sup>Police Act 1996 (authorities for areas outside London), and
  - (b) the Receiver for the Metropolitan Police District,
- shall take into account the amount of any levy issued to it under section 17 or 62 of the Police Act 1997 (levies issued by the Service Authority for the National Criminal Intelligence Service and the Service Authority for the National Crime Squad) for the year, but (except as provided by an order under either of those sections) shall not anticipate a levy not issued.]
- (6) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely, sums—
    - (i) which will be payable to it for the year; and
    - (ii) in respect of which amounts will be credited to a revenue account for the year; and
  - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year.
- [<sup>F49</sup>(6A) [<sup>F50</sup>Subject to subsections (6B) and (6C) below, in]this section and section 44 below, "police grant" and "relevant special grant" have the meanings given by section 32(12) above.]
- [<sup>F51</sup>(6B) Subsection (6A) above does not apply in relation to a major precepting authority in Wales.
- (6C) In relation to a major precepting authority in Wales in this section and section 44 below "police grant" means so much of the grant payable in accordance with paragraph 3.1

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of the relevant police grant report as excludes the amounts shown in column (b) of the Table set out below that paragraph.

(6D) In subsection (6C) above “the relevant police grant report” means the police grant report (Police Grant Report (England and Wales) 1999/2000) approved by a resolution of the House of Commons pursuant to section 46 of the Police Act 1996<sup>F52</sup> on 4th February 1999.]

(7) The Secretary of State may by regulations do one or both of the following—

- (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
- (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) [<sup>F53</sup>, (5A)] and (6) above, or either of them, or by adding other provisions, or by a combination of those methods).

(8) References in this section to expenditure incurred by an authority shall be construed in accordance with section 41(3) of the<sup>M13</sup> Local Government and Housing Act 1989.

#### Textual Amendments

- F47** S. 43(3)(a)(i)(ii)(iii) substituted for words in s. 43(3)(a) (3.2.1995) by S.I. 1995/234, **reg. 4(1)**
- F48** S. 43(5A) inserted (31.10.1997 subject to transitional provisions in art. 3 of the commencement S.I.) by 1997 c. 50, s. 134(1), **Sch. 9 para. 68(2)**; S.I. 1997/2390, **arts. 2(2)(w)**, 3
- F49** S. 43(6A) substituted (3.2.1995) by S.I. 1995/234, **art. 4(2)**
- F50** Words in s. 43(6A) substituted (16.2.1999) by S.I. 1999/296, **reg. 3(2)**
- F51** S. 43(6B)-(6D) inserted (16.2.1999) by S.I. 1999/296, **reg. 3(3)**
- F52** 1996 c. 16.
- F53** Words in s. 43(7)(b) inserted (31.10.1997 subject to transitional provisions in art. 3 of the commencement S.I.) by 1997 c. 50, s. 134(1), **Sch. 9 para. 68(3)**; S.I. 1997/2390, **arts. 2(2)(w)**, 3

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

- C49** S. 43 excluded (12.1.2000 subject to the transitional provisions set out in Schedule 1 Table 1 of the commencing S.I.) by 1999 c. 29, **s. 85(1)** (with Sch. 12 para. 9(1)); S.I. 1999/3434, **art. 2**
- C50** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, **art. 4(2)**  
S. 43 modified (12.1.2000) by S.I. 1999/3435, **art. 3**, Table 2
- C51** Ss. 40, 43 restricted (1.11.1994 for the purposes of any financial year beginning on or after 1.4.1995) by 1994 c. 29, **s. 28(1)(b)**; S.I. 1994/2025, **art. 7(2)(c)**(subject to arts. 7(3)(4))
- C52** S. 43 restricted (22.8.1996) by 1996 c. 16, **ss 19(1)(b)**, 104(1)
- C53** Power to modify s. 43 conferred (25.6.1997) by 1997 c. 50, **ss. 62(4)(b)**; S.I. 1997/1377, **art. 2(2)(e)**
- C54** S. 43(2) modified (E.) (6.2.1999) by S.I. 1999/228, **regs. 4, 6, Sch.**
- C55** S. 43(2)(a) amended (30.11.1995) by S.I. 1995/2889, **reg. 11(2)**
- C56** S. 43(a)(iii) amended (30.11.1995) by S.I. 1995/2889, **reg. 11(2)**

#### Marginal Citations

- M12** 1996 c. 16.  
**M13** 1989 c. 42.

## 44 Calculation of basic amount of tax. **E+W**

(1) In relation to each financial year a major precepting authority shall calculate the basic amount of its council tax by applying the formula—

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$$\frac{R - P}{T}$$

where—

R is the amount calculated (or last calculated) by the authority under section 43(4) above as its budget requirement for the year;

P is the aggregate of the sums which the authority estimates will be payable to it for the year in respect of redistributed non-domestic rates, revenue support grant [<sup>F54</sup>, additional grant [<sup>F55</sup>, relevant special grant or police grant;]]

T is the aggregate of the amounts which are calculated by the billing authorities to which the authority issues precepts (“the billing authorities concerned”) as their council tax bases for the year for their areas, or (as the case may require) for the parts of their areas falling within the authority’s area, and are notified by them to the authority within the prescribed period.

- (2) Where the aggregate calculated (or last calculated) by the authority for the year under subsection (2) of section 43 above does not exceed that so calculated under subsection (3) of that section, the amount for item R in subsection (1) above shall be nil.
- (3) The aggregate of the sums mentioned in item P in subsection (1) above shall be—
  - (a) increased by the aggregate amount of any sums which the authority estimates will be paid to it in the year by billing authorities in accordance with regulations under section 99(3) of the 1988 Act; and
  - (b) reduced by the aggregate amount of any sums which the authority estimates will be paid by it in the year to billing authorities in accordance with such regulations.
- (4) Regulations under section 43(7) above may make such consequential alterations of the constituents of any calculation required by item P in subsection (1) above or subsection (3) above (whether by adding, deleting or amending items) as appear to the Secretary of State to be necessary or expedient.
- (5) The Secretary of State shall make regulations containing rules for making for any year the calculations required by item T in subsection (1) above; and the billing authorities concerned shall make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (6) Regulations prescribing a period for the purposes of item T in subsection (1) above may provide that, in any case where a billing authority fails to notify its calculation to the precepting authority within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.
- (7) Any negative amount given by a calculation under subsection (1) above shall be assumed to be nil for the purposes of this Chapter.

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### Textual Amendments

**F54** Words in s. 44(1) substituted (8.2.1994) by [S.I. 1994/246, reg. 4\(1\)](#)

**F55** Words in s. 44(1) substituted (3.2.1995) by [S.I. 1995/234, reg. 5](#)

### Modifications etc. (not altering text)

**C57** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 4\(2\)](#)

**C58** S. 44 excluded (12.1.2000 subject to transitional provisions in Schedule 1, Table 1 of the commencing S.I.) by [1999 c. 29, s. 88](#) (with [Sch. 12 para. 9\(1\)](#)); [S.I. 1999/3434, art. 2](#)

**C59** S. 44(1) modified (W.) (28.2.2007 with application as mentioned in reg. 1(3) of the amending S.I.) by [The Local Authorities \(Alteration of Requisite Calculations\) \(Wales\) Regulations 2007 \(S.I. 2007/571\), reg. 5](#)

**C60** S. 44(1) modified (E.) (6.2.2007 with application as mentioned in reg. 1(2)(3) of the amending S.I.) by [The Local Authorities \(Alteration of Requisite Calculations\) \(England\) Regulations 2007 \(S.I. 2007/227\), reg. 6](#)

**C61** S. 44(1) modified (12.1.2000 temp. from 1.4.2000 until 31.3.2001) by [S.I. 1999/3435, art. 3](#), Table 2  
S. 44(1) modified (E.) (7.2.2003) by [The Local Authorities \(Alteration of Requisite Calculations\) \(England\) Regulations 2003 \(S.I. 2003/195\), reg. 5](#)

S. 44(1) modified (7.2.2004) by [The Local Authorities \(Alteration of Requisite Calculations\) \(England\) 2004 \(S.I. 2004/243\), reg. 5](#)

S. 44(1) modified (25.2.2004) by [The Local Authorities \(Alteration of Requisite Calculations\) \(Wales\) Regulations 2004 \(S.I. 2004/451\), reg. 3](#)

S. 44(1) modified (E.) (5.2.2005) by [The Local Authorities \(Alteration of Requisite Calculations\) \(England\) Regulations 2005 \(No. 190\) \(S.I. 2005/190\)](#), {reg. 5}

S. 44(1) modified (W.) (15.2.2006) by [The Local Authorities \(Alteration of Requisite Calculations\) \(Wales\) Regulations \(S.I. 2006/344\)](#), {reg. 5}

S. 44(1) modified (E.) (8.2.2006 with effect as mentioned in reg. 1(3)) by [The Local Authorities \(Alteration of Requisite Calculations\) \(England\) Regulations \(S.I. 2006/247\)](#), {reg. 5}

**C62** S. 44(1) amended (E.) (1.2.2002 with application as mentioned in reg. 1(2)) [The Local Authorities \(Alteration of Requisite Calculations\) \(England\) Regulations 2002 \(S.I. 2002/155\), reg. 5](#)

**C63** S. 44(3) modified (E.) (6.2.1999) by [S.I. 1999/228, reg. 5](#)

S. 44(3) modified (5.2.2000) by [S.I. 2000/213, reg. 5](#)

S. 44(3) modified (2.2.2001 with effect as mentioned in reg. 1(3) of the amending S.I.) by [S.I. 2001/216, reg. 5](#)

**C64** S. 44(3)(a) amended (30.11.1995) by [1995 S.I. 1995/2889, reg. 11\(2\)](#)

## 45 Additional calculations where special items relate to part only of area. **E+W**

- (1) This section applies where for any financial year an item mentioned in section 46(1) below relates to a part only of a major precepting authority's area; and in this section "special item" means any such item which so relates and "the relevant part", in relation to such an item, means the part concerned.
- (2) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which no special item relates by applying the formula—



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$$B - \frac{A}{T}$$

where—

B is the amount calculated (or last calculated) by the authority under section 44(1) above as the basic amount of its council tax;

A is the aggregate amount of all special items;

T is the amount determined for item T in section 44(1) above.

- (3) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which one or more special items relate by adding to the amount given by the formula in subsection (2) above the aggregate of the amounts which, in relation to each of those special items, are given by the formula—

$$\frac{S}{TP}$$

where—

S is (in each case) the amount of the special item;

TP is (in each case) the aggregate of the amounts which are calculated by the billing authorities to which the authority has power to issue precepts as respects the special item (“the billing authorities concerned”) as their council tax bases for the year for their areas, or (as the case may require) for the parts of their areas falling within the relevant part, and are notified by them to the authority within the prescribed period.

- (4) The Secretary of State shall make regulations containing rules for making for any year the calculations required by item TP in subsection (3) above; and the billing authorities concerned shall make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (5) Regulations prescribing a period for the purposes of item TP in subsection (3) above may provide that, in any case where a billing authority fails to notify its calculation to the precepting authority within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.
- (6) Any negative amount given by a calculation under subsection (2) or (3) above shall be assumed to be nil for the purposes of this Chapter.

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

C65 Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

**Status:** Point in time view as at 27/07/1999. This version of this part contains provisions that are not valid for this point in time.

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**C66** S. 45 excluded (12.1.2000 subject to transitional provisions Schedule 1, Table 1 of the commencing S.I.) 1999 c. 29, s. 89 (with Sch. 12 para. 9(1)); S.I. 1999/3434, art. 2

#### 46 Special items for purposes of section 45. **E+W**

(1) The items referred to in section 45(1) above are any expenses of the major precepting authority which are its special expenses and were taken into account by it in making the calculation in relation to the year under section 43(2) above.

(2) For the purposes of subsection (1) above—

<sup>F56</sup>(a) . . . . .  
 (b) provided a resolution of a county council to the following effect is in force, the expenses of meeting a levy issued to or anticipated by it are its special expenses or (if the resolution relates to some only of those expenses) those to which the resolution relates are its special expenses;

<sup>F57</sup>(c) . . . . .  
 (d) the expenses of the Receiver for the Metropolitan Police District relating to the magistrates' courts in the inner London area and the probation service in that area are his special expenses.

(3) For the purposes of section 45(1) above—

<sup>F58</sup>(a) . . . . .  
 (b) expenses which are special by virtue of a resolution under subsection (2)(b) above relate to the part of the council's area in which the levying body carries out functions;

<sup>F59</sup>(c) . . . . .  
 (d) expenses which are special by virtue of subsection (2)(d) above relate to the inner London area.

(4) In this section—

“inner London area” has the same meaning as in [<sup>F60</sup>the Justices of the Peace Act 1997];

<sup>F61</sup>  
 . . .

and any reference to magistrates' courts in the inner London area includes references to domestic courts and to youth courts for that area and the City.

#### Textual Amendments

**F56** S. 46(2)(a) repealed (1.4.1995) by 1994 c. 29, s. 93, Sch. 9 Pt. I; S.I. 1994/3262, art. 4(1), Sch.

**F57** S. 46(2)(c) omitted (7.1.1997) by virtue of S.I. 1996/3071, art. 2. Sch. para. 4(a)

**F58** S. 46(3)(a) repealed (1.4.1995) by 1994 c. 29, s. 93, Sch. 9 Pt. I; S.I. 1994/3262, art. 4(1), Sch.

**F59** S. 46(3)(c) omitted (7.1.1997) by virtue of S.I. 1996/3071, art. 2 Sch. para. 4(b)

**F60** Words in s. 46(4) substituted (19.6.1997) by 1997 c. 25, ss. 73(2), 74(1), Sch. 5 para. 30(b)

**F61** Definition of “library area” in s. 46(4) omitted (7.1.1997) by virtue of S.I. 1996/3071, art. 2 Sch. para. 4(c)

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

**C67** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

**Status:** Point in time view as at 27/07/1999. This version of this part contains provisions that are not valid for this point in time.

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**47 Calculation of tax for different valuation bands. E+W**

- (1) The amount to be stated under section 40(2)(a) above for any financial year in respect of any category of dwellings listed in a particular valuation band shall be calculated by applying the formula—

$$A \times \frac{N}{D}$$

where—

A is the amount calculated (or last calculated) by the major precepting authority for that year under section 44(1) above or, where section 45 above applies, the amount calculated (or last calculated) by it for that year under subsection (2) or (3) of that section in relation to that category of dwellings;

N is the number which, in the proportion set out in section 5(1) above, is applicable to dwellings listed in that valuation band;

D is the number which, in that proportion, is applicable to dwellings listed in valuation band D.

- (2) Dwellings fall within different categories for the purposes of this section according as different calculations have been made in relation to them under section 45 above.

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

C68 Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

**48 Calculation of amount payable by each billing authority. E+W**

- (1) This section makes provision for calculating the amount required by section 40(2)(b) above to be stated in a precept as the amount payable by a billing authority for any financial year.
- (2) Where an amount calculated (or last calculated) for the year under section 44(1) or 45(2) or (3) above applies to dwellings in the whole of the billing authority's area, the amount payable by that authority shall be calculated by applying the formula—

$$C \times T$$

where—

C is the amount so calculated;

T is the amount which, in relation to the billing authority, is determined for item T in section 33(1) above.

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- (3) Where an amount calculated (or last calculated) for the year under section 44(1) or 45(2) or (3) above applies to dwellings in a part of the billing authority's area, the amount payable by that authority shall be calculated by applying the formula—

$$CP \times TP$$

where—

CP is the amount so calculated;

TP is the amount which is calculated by the billing authority as its council tax base for the year for the part of its area concerned and is notified by it to the major precepting authority within the prescribed period.

- (4) Where different amounts calculated (or last calculated) for the year under section 45(2) or (3) above apply to dwellings in different parts of the billing authority's area, the amount payable by that authority shall be the aggregate of the amounts which, in relation to each of the amounts so calculated, are given by the formula—

$$CP \times TP$$

where—

CP is (in each case) the amount so calculated;

TP is (in each case) the amount which is calculated by the billing authority as its council tax base for the year for the part of its area concerned and is notified by it to the major precepting authority within the prescribed period.

- (5) The Secretary of State shall make regulations containing rules for making for any year the calculations required by item TP in subsection (3) or (4) above; and the billing authority shall make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (6) Regulations prescribing a period for the purposes of item TP in subsection (3) or (4) above may provide that, in any case where the billing authority fails to notify its calculation to the precepting authority within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.

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

C69 Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

**49 Substitute calculations. E+W**

- (1) A major precepting authority which has made calculations in accordance with sections 43 to 48 above in relation to a financial year (originally or by way of substitute)

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may make calculations in substitution in relation to the year in accordance with those sections.

- (2) None of the substitute calculations shall have any effect if—
  - (a) the amount calculated under section 43(4) above, or any amount calculated under section 44(1) or 45(2) or (3) above as the basic amount of council tax applicable to any dwelling, would exceed that so calculated in the previous calculations; or
  - (b) the authority fails to comply with subsection (3) below in making the substitute calculations.
- (3) In making substitute calculations under section 44(1) or 45(3) above, the authority must use any amount determined in the previous calculations for item P or T in section 44(1) above or item TP in section 45(3) above.
- (4) For the purposes of subsection (3) above, the authority may treat any amount determined in the previous calculations for item P in section 44(1) above as increased by the amount of any sum which—
  - (a) it estimates will be payable to it for the year in respect of additional grant; and
  - (b) was not taken into account by it in making those calculations.
- (5) Subsections (2) and (3) above shall not apply if the previous calculations have been quashed because of a failure to comply with sections 43 to 48 above in making the calculations.

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

C70 Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

*Calculations by local precepting authorities*

**50 Calculation of budget requirement. E+W**

- (1) In relation to each financial year a local precepting authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
  - (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year;
  - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;
  - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure; and
  - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—
  - (a) the sums which it estimates will be payable to it for the year and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of any precept issued by it; and

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- (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.
- (5) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely, sums—
- (i) which will be payable to it for the year; and
- (ii) in respect of which amounts will be credited to a revenue account for the year; and
- (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year.
- (6) References in this section to expenditure incurred by an authority shall be construed in accordance with section 41(3) of the <sup>M14</sup>Local Government and Housing Act 1989.

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

C71 Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

**Marginal Citations**

M14 1989 c. 42.

**51 Substitute calculations. E+W**

- (1) A local precepting authority which has made calculations in accordance with section 50 above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with that section.
- (2) None of the substitute calculations shall have any effect if the amount calculated under section 50(4) above would exceed that so calculated in the previous calculations.
- (3) Subsection (2) above shall not apply if the previous calculation under subsection (4) of section 50 above has been quashed because of a failure to comply with that section in making the calculation.

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

C72 Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

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### *Supplemental*

## **52 Information for purposes of Chapter IV. E+W**

If the Secretary of State so requires by regulations, a billing authority shall supply prescribed information within a prescribed period to any precepting authority which has power to issue a precept to the billing authority.

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

**C73** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22, art. 4\(2\)](#)

## **[<sup>F62</sup>CHAPTER IVA E+W**

### **LIMITATION OF COUNCIL TAX AND PRECEPTS**

### **Textual Amendments**

**F62** Chapter 4A (ss. 52A-52Z) inserted (27.7.1999 with effect as mentioned in [s. 30\(2\)](#) of the amending Act.) by [1999 c. 27, s. 30\(1\), Sch. 1 para. 1](#)

### *Introduction*

## **52A Interpretation. E+W**

- (1) In this Chapter a reference to an authority is to—
  - (a) a billing authority, or
  - (b) a major precepting authority.
- (2) Sections 52W and 52X below contain other interpretative provisions for the purposes of this Chapter.

### *Designation or nomination*

## **52B Power to designate or nominate authorities. E+W**

- (1) If in the Secretary of State's opinion the amount calculated by an authority as its budget requirement for a financial year (the year under consideration) is excessive, he may exercise his power to designate or nominate the authority under section 52D below.
- (2) The question whether the amount so calculated is excessive must be decided in accordance with a set of principles determined by the Secretary of State.
- (3) A set of principles—
  - (a) may contain one principle or two or more principles;
  - (b) must constitute or include a comparison falling within subsection (4) below or comparisons each of which falls within subsection (4).
- (4) A comparison falls within this subsection if—

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- (a) it is between the amount calculated by the authority as its budget requirement for the year under consideration and the amount calculated by it as its budget requirement for a financial year falling before the year under consideration;
  - (b) the earlier financial year in the comparison does not fall before that beginning with 1st April 1998.
- (5) If for the purposes of this section the Secretary of State determines categories of authorities for the year under consideration—
- (a) any principles determined for the year must be such that the same set is determined for all authorities (if more than one) falling within the same category;
  - (b) as regards an authority which does not fall within any of the categories, the Secretary of State may not exercise his power to designate or nominate the authority under section 52D below by reference to the excessiveness of its budget requirement for the year.
- (6) If he does not determine such categories, any principles determined for the year under consideration must be such that the same set is determined for all authorities.
- (7) In determining categories of authorities for the year under consideration the Secretary of State shall take into account any information he thinks is relevant.
- (8) In applying this section the Secretary of State shall ignore any calculation for which another has been substituted at the time designation or nomination is proposed.

**52C Alternative notional amounts. E+W**

- (1) The Secretary of State may make a report specifying in relation to—
- (a) any year under consideration (within the meaning of section 52B above), and
  - (b) any authority,
- an amount which in his opinion should be used as the basis of any comparison in applying that section in place of the amount calculated by the authority as its budget requirement for a financial year falling before the year under consideration.
- (2) References in this section to the alternative notional amount are to the amount so specified.
- (3) A report under this section—
- (a) may relate to two or more authorities;
  - (b) may be amended by a subsequent report under this section;
  - (c) shall contain such explanation as the Secretary of State thinks desirable of the calculation by him of the alternative notional amount;
  - (d) shall be laid before the House of Commons.
- (4) If a report under this section is approved by resolution of the House of Commons section 52B above shall have effect, as regards the year under consideration and any authority to which the report relates, as if the reference in subsection (4) to the amount calculated by the authority as its budget requirement for a financial year falling before the year under consideration were to the alternative notional amount for the year so falling.



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## **52D Designation or nomination. E+W**

- (1) This section applies if in the Secretary of State's opinion (reached after applying section 52B above) the amount calculated by an authority as its budget requirement for the year under consideration is excessive.
- (2) In such a case he may—
  - (a) designate the authority as regards the year under consideration, or
  - (b) nominate the authority.
- (3) The Secretary of State may proceed under different paragraphs of subsection (2) above in relation to different authorities.

### *Designation for year under consideration*

## **52E Designation. E+W**

- (1) This section applies if the Secretary of State designates an authority under section 52D(2)(a) above as regards the year under consideration.
- (2) He shall notify the authority in writing of—
  - (a) the designation;
  - (b) the set of principles determined for the authority under section 52B above;
  - (c) the category in which the authority falls (if he determines categories under section 52B above);
  - (d) the amount which he proposes should be the maximum for the amount calculated by the authority as its budget requirement for the year;
  - (e) the target amount for the year, that is, the maximum amount which he proposes the authority could calculate as its budget requirement for the year without the amount calculated being excessive;
  - (f) the financial year as regards which he expects the amount calculated by the authority as its budget requirement for that year to be equal to or less than the target amount for that year (assuming one to be determined for that year).
- (3) A designation under section 52D(2)(a) above—
  - (a) is invalid unless subsection (2) above is complied with;
  - (b) shall be treated as made at the beginning of the day on which the authority receives a notification under that subsection.
- (4) If—
  - (a) an authority has been designated under section 52D(2)(a) above, and
  - (b) after the designation is made the authority makes substitute calculations in relation to the year,

the substitute calculations shall be invalid unless they are made in accordance with section 52I or 52J below (as the case may be).
- (5) Before the end of the period of 21 days beginning with the day it receives a notification under this section, an authority may inform the Secretary of State by notice in writing that—
  - (a) for reasons stated in the notice, it believes the maximum amount stated under subsection (2)(d) above should be such as the authority states in its notice, or
  - (b) it accepts the maximum amount stated under subsection (2)(d) above.

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## **52F Challenge of maximum amount. E+W**

- (1) This section applies if an authority designated under section 52D(2)(a) above informs the Secretary of State by notice in writing under section 52E(5)(a) above.
- (2) After considering any information falling within subsection (3) below the Secretary of State shall either—
  - (a) proceed under subsection (4) below (in which case subsections (5) to (10) below shall also apply), or
  - (b) proceed under subsection (11) below.
- (3) Information falling within this subsection is—
  - (a) information which is supplied by the authority and is of a kind and provided in a form specified by the Secretary of State for the purposes of this section;
  - (b) any other information he thinks is relevant.
- (4) If he proceeds under this subsection the Secretary of State—
  - (a) shall make an order stating the amount which the amount calculated by the authority as its budget requirement for the year is not to exceed;
  - (b) may alter the target amount for the year.
- (5) The following paragraphs apply for the purposes of subsection (4) above—
  - (a) the amount stated under subsection (4)(a) above may not exceed the amount already calculated by the authority as its budget requirement for the year unless in the Secretary of State's opinion the authority failed to comply with section 32 or 43 above (as the case may be) in making the calculation;
  - (b) subject to paragraph (a) above, the amount stated under subsection (4)(a) above may be the same as, or greater or smaller than, that stated in the notice under section 52E(2)(d) above;
  - (c) the Secretary of State may alter the target amount for the year under subsection (4)(b) above only if the amount stated under subsection (4)(a) above is greater or smaller than that stated in the notice under section 52E(2)(d) above.
- (6) In the application of subsection (5)(a) above in relation to the Greater London Authority—
  - (a) for the reference to section 43 above there shall be substituted a reference to sections 70 and 71 of the Greater London Authority Act 1999, and
  - (b) at the end there shall be added the words "or he has issued a direction for the year under section 80 of the Greater London Authority Act 1999".
- (7) An order under this section—
  - (a) shall not be made unless a draft of it has been laid before and approved by resolution of the House of Commons;
  - (b) may relate to two or more authorities.
- (8) As soon as is reasonably practicable after an order under this section is made the Secretary of State shall serve on the authority (or each authority) a notice stating—
  - (a) the amount stated in the case of the authority concerned in the order;
  - (b) the altered target amount for the year (if he alters it in the case of the authority concerned).

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- (9) When he serves a notice under subsection (8) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.
- (10) In applying subsection (5)(a) above the Secretary of State shall ignore any calculation for which another has been substituted at the time of designation.
- (11) If the Secretary of State proceeds under this subsection he shall—
  - (a) cancel the designation of the authority under section 52D(2)(a) above as regards the year and notify the authority in writing of the cancellation, and
  - (b) nominate the authority under section 52D(2)(b) above;and in such a case the designation under section 52D(2)(a) above and the notification under section 52E above shall be treated as not having been made.

**52G Acceptance of maximum amount. E+W**

- (1) This section applies if an authority designated under section 52D(2)(a) above informs the Secretary of State by notice in writing under section 52E(5)(b) above.
- (2) As soon as is reasonably practicable after he receives the notice the Secretary of State shall serve on the authority a notice stating the amount which the amount calculated by it as its budget requirement for the year is not to exceed; and the amount stated shall be that stated in the notice under section 52E(2)(d) above.
- (3) When he serves a notice under subsection (2) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

**52H No challenge or acceptance. E+W**

- (1) This section applies if the period mentioned in section 52E(5) above ends without an authority designated under section 52D(2)(a) above informing the Secretary of State by notice in writing under paragraph (a) or (b) of section 52E(5).
- (2) As soon as is reasonably practicable after the period ends the Secretary of State shall make an order stating the amount which the amount calculated by the authority as its budget requirement for the year is not to exceed; and the amount stated shall be that stated in the notice under section 52E(2)(d) above.
- (3) An order under this section—
  - (a) shall not be made unless a draft of it has been laid before and approved by resolution of the House of Commons;
  - (b) may relate to two or more authorities.
- (4) As soon as is reasonably practicable after an order under this section is made the Secretary of State shall serve on the authority (or each authority) a notice stating the amount stated in the case of the authority concerned in the order.
- (5) When he serves a notice under subsection (4) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

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## **52I Duty of designated billing authority. E+W**

- (1) If a billing authority receives a notice under section 52F(8), 52G(2) or 52H(4) above it shall make substitute calculations in relation to the year in accordance with sections 32 to 36 above, ignoring section 32(10) above for this purpose.
- (2) The substitute calculations shall be made so as to secure—
  - (a) that the amount calculated by the authority as its budget requirement for the year does not exceed that stated in the notice, and
  - (b) that any amount calculated under section 33(1) or 34(2) or (3) above as the basic amount of council tax applicable to any dwelling does not exceed that so calculated in the previous calculations.
- (3) Subsection (2)(b) above does not apply in a case where the amount stated in the notice exceeds that already calculated by the authority as its budget requirement for the year.
- (4) In making substitute calculations under section 33(1) or 34(3) above the authority must use any amount determined in the previous calculations for item P or T in section 33(1) or item TP in section 34(3).
- (5) For the purposes of subsection (4) above the authority may treat any amount determined in the previous calculations for item P in section 33(1) above as increased by the amount of any sum which—
  - (a) it estimates will be payable for the year into its general fund in respect of additional grant, and
  - (b) was not taken into account by it in making those calculations.
- (6) References in this section to the amount stated in the notice are, in the case of a notice under section 52F(8) above, to the amount stated under section 52F(8)(a).

## **52J Duty of designated precepting authority. E+W**

- (1) If a major precepting authority receives a notice under section 52F(8), 52G(2) or 52H(4) above it shall make substitute calculations in relation to the year in accordance with—
  - (a) sections 70, 71 and 73 to 75 of and Schedule 6 to the Greater London Authority Act 1999 and sections 47 and 48 above (where the authority is the Greater London Authority), or
  - (b) sections 43 to 48 above (in any other case).
- (2) The substitute calculations shall be made so as to secure—
  - (a) that the amount calculated by the authority as its budget requirement for the year does not exceed that stated in the notice, and
  - (b) that any amount calculated under section 44(1) or 45(2) or (3) above as the basic amount of council tax applicable to any dwelling does not exceed that so calculated in the previous calculations.
- (3) In the application of subsection (2)(b) above in relation to the Greater London Authority—
  - (a) for the reference to section 44(1) above there shall be substituted a reference to section 73(2) of the Greater London Authority Act 1999, and
  - (b) for the reference to section 45(2) or (3) above there shall be substituted a reference to section 74(3) of that Act.

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- (4) Subsection (2)(b) above does not apply in a case where the amount stated in the notice exceeds that already calculated by the authority as its budget requirement for the year.
- (5) In making substitute calculations under section 44(1) or 45(3) above the authority must use any amount determined in the previous calculations for item P or T in section 44(1) above or item TP in section 45(3) above.
- (6) In making substitute calculations under section 73(2) or 74(3) of the Greater London Authority Act 1999 the authority must use any amount determined in the previous calculations for item P1 or T in section 73(2) of that Act or for item P2 or item TP2 in section 74(4) of that Act.
- (7) For the purposes of subsection (5) above the authority may treat any amount determined in the previous calculations for item P in section 44(1) above as increased by the amount of any sum which—
  - (a) it estimates will be payable to it for the year in respect of additional grant, and
  - (b) was not taken into account by it in making those calculations.
- (8) For the purposes of subsection (6) above the authority may treat any amount determined in the previous calculations—
  - (a) for item P1 in section 73(2) of the Greater London Authority Act 1999, or
  - (b) for item P2 in section 74(4) of that Act,as increased by the relevant portion of any new additional grant.
- (9) For the purposes of subsection (8) above, “the relevant portion of any new additional grant” means the amount of any additional grant payable to the authority for the year which was not taken into account by the authority in making the previous calculations, but—
  - (a) in the case of item P1, reduced, as may be prescribed, by such sum as the Secretary of State considers represents the portion of the amount which relates to defraying the special item in whole or in part, and
  - (b) in the case of item P2, restricted, as may be prescribed, to such sum as the Secretary of State considers represents the portion of the amount which relates to defraying the special item in whole or in part;and “special item” has the same meaning in this subsection as in sections 73 and 74 of the Greater London Authority Act 1999 (see section 74(2) of that Act).
- (10) In subsection (9) above, “prescribed” means specified in, or determined in accordance with, either—
  - (a) the report under section 85 of the Local Government Finance Act 1988 relating to the amount of additional grant in question, or
  - (b) regulations made by the Secretary of State under section 73(3)(b) of the Greater London Authority Act 1999 (in relation to item P1) or under section 74(5)(b) of that Act (in relation to item P2),as the Secretary of State may determine for the purposes of paragraph (a) or (b) of subsection (9) and any particular financial year or years.
- (11) References in this section to the amount stated in the notice are, in the case of a notice under section 52F(8) above, to the amount stated under section 52F(8)(a).

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## **52K Failure to substitute. E+W**

- (1) This section applies if an authority which has received a notice under section 52F(8), 52G(2) or 52H(4) above fails to comply with section 52I or 52J above (as the case may be) before the end of—
  - (a) the period of 35 days beginning with the day on which the authority receives the notice (where it is the Greater London Authority), or
  - (b) the period of 21 days beginning with the day on which the authority receives the notice (in any other case).
- (2) In the case of a billing authority, it shall have no power during the period of restriction to transfer any amount from its collection fund to its general fund and sections 97 and 98 of the 1988 Act (transfers between funds) shall have effect accordingly.
- (3) In the case of a major precepting authority, any authority to which it has power to issue a precept shall have no power during the period of restriction to pay anything in respect of a precept issued by it for the year.
- (4) For the purposes of this section the period of restriction is the period which—
  - (a) begins at the end of the period mentioned in subsection (1) above, and
  - (b) ends at the time (if any) when the authority complies with section 52I or 52J above.

### *Nomination*

## **52L Nomination. E+W**

- (1) This section applies if the Secretary of State nominates an authority under section 52D(2)(b) above.
- (2) He shall notify the authority in writing of—
  - (a) the nomination;
  - (b) the set of principles determined for the authority under section 52B above;
  - (c) the category in which the authority falls (if he determines categories under section 52B above);
  - (d) the amount which he would have proposed as the target amount for the year under consideration if he had designated the authority as regards that year under section 52D(2)(a) above.
- (3) A nomination under section 52D(2)(b) above —
  - (a) is invalid unless subsection (2) above is complied with;
  - (b) shall be treated as made at the beginning of the day on which the authority receives a notification under that subsection.
- (4) After nominating all the authorities he intends to nominate the Secretary of State—
  - (a) shall decide, in the case of each authority nominated, whether to proceed under section 52M or under section 52N below in relation to it;
  - (b) may decide to proceed under different sections in relation to different authorities.

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## **52M Designation after nomination. E+W**

- (1) This section applies if the Secretary of State—
  - (a) nominates an authority under section 52D(2)(b) above, and
  - (b) decides to proceed under this section in relation to the authority.
- (2) He shall—
  - (a) designate the authority as regards the financial year immediately following the year under consideration;
  - (b) determine an amount which he proposes should be the maximum for the amount calculated by the authority as its budget requirement for the year as regards which the designation is made;
  - (c) determine the target amount for the year as regards which the designation is made, that is, the maximum amount which he proposes the authority could calculate as its budget requirement for the year without the amount calculated being excessive.
- (3) In making the determinations under subsection (2) above he shall take into account—
  - (a) the amount which he would have proposed as the target amount for the year under consideration if he had designated the authority as regards that year under section 52D(2)(a) above, and
  - (b) any information he thinks is relevant.
- (4) He shall notify the authority in writing of—
  - (a) the designation;
  - (b) the amount determined under subsection (2)(b) above;
  - (c) the target amount determined under subsection (2)(c) above;
  - (d) any information taken into account under subsection (3)(b) above;
  - (e) the financial year as regards which he expects the amount calculated by the authority as its budget requirement for that year to be equal to or less than the target amount for that year (assuming one to be determined for that year);
  - (f) the period within which the authority may inform the Secretary of State that it challenges or accepts the amount stated under paragraph (b) above.
- (5) A designation under this section—
  - (a) is invalid unless subsection (4) above is complied with;
  - (b) shall be treated as made at the beginning of the day on which the authority receives a notification under that subsection.
- (6) If an authority has been designated under this section as regards a financial year the Secretary of State may not designate it under section 52D(2)(a) above as regards that year.
- (7) If—
  - (a) an authority has been designated under this section as regards a financial year, and
  - (b) after the designation is made the authority makes calculations or substitute calculations in relation to the year,the calculations (or substitute calculations) shall be invalid unless they are made in accordance with section 52T or 52U below (as the case may be).

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- (8) Before the end of the period notified under subsection (4)(f) above an authority may inform the Secretary of State by notice in writing that—
  - (a) for reasons stated in the notice, it believes the maximum amount stated under subsection (4)(b) above should be such as the authority states in its notice, or
  - (b) it accepts the maximum amount stated under subsection (4)(b) above.
- (9) The period notified under subsection (4)(f) above must be a period of at least 21 days beginning with the day the authority receives the notification under subsection (4) above.

**52N No designation after nomination. E+W**

- (1) This section applies if the Secretary of State—
  - (a) nominates an authority under section 52D(2)(b) above, and
  - (b) decides to proceed under this section in relation to the authority.
- (2) He shall determine an amount which he proposes should be the notional amount calculated by the authority as its budget requirement for the year under consideration.
- (3) In making the determination he shall take into account—
  - (a) the amount which he would have proposed as the maximum for the amount calculated by the authority as its budget requirement for the year under consideration if he had designated it as regards that year under section 52D(2)(a) above, and
  - (b) any information he thinks is relevant.
- (4) He shall notify the authority in writing of—
  - (a) the amount determined under subsection (2) above;
  - (b) the amount mentioned in subsection (3)(a) above;
  - (c) any information taken into account under subsection (3)(b) above.
- (5) Before the end of the period of 21 days beginning with the day it receives a notification under subsection (4) above an authority may inform the Secretary of State by notice in writing that, for reasons stated in the notice, it believes the notional amount stated under subsection (4)(a) above should be such as the authority states in its notice.
- (6) After the end of the period mentioned in subsection (5) above the Secretary of State—
  - (a) shall, if he receives a notice under subsection (5) above, reconsider his determination under subsection (2) above (taking the notice into account);
  - (b) shall notify the authority in writing of the amount which is to be the notional amount calculated by the authority as its budget requirement for the year under consideration.
- (7) A notification under subsection (6) above shall be treated as made at the beginning of the day on which the authority receives it.
- (8) In applying this Chapter at any time after a notification is made under subsection (6) above of the amount which is to be the notional amount calculated by the authority as its budget requirement for a financial year, the amount calculated by the authority as its budget requirement for that year shall be taken to be the notional amount notified.



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### *Designation after previous designation*

#### **52P Designation after previous designation. E+W**

- (1) This section applies if—
  - (a) the Secretary of State designates an authority as regards a year under section 52D(2)(a) above or section 52M above or this section, and
  - (b) the amount calculated by the authority as its budget requirement for the year exceeds the target amount for the year.
- (2) He may designate the authority as regards the financial year immediately following the year mentioned in subsection (1) above, and if he does so he shall—
  - (a) determine an amount which he proposes should be the maximum for the amount calculated by the authority as its budget requirement for the year as regards which the designation is made;
  - (b) determine the target amount for the year as regards which the designation is made, that is, the maximum amount which he proposes the authority could calculate as its budget requirement for the year without the amount calculated being excessive.
- (3) In making the determinations under subsection (2) above he shall take into account—
  - (a) the amount calculated by the authority as its budget requirement for the year mentioned in subsection (1) above,
  - (b) the target amount for that year, and
  - (c) any information he thinks is relevant.
- (4) He shall notify the authority in writing of—
  - (a) the designation;
  - (b) the amount determined under subsection (2)(a) above;
  - (c) the target amount determined under subsection (2)(b) above;
  - (d) any information taken into account under subsection (3)(c) above;
  - (e) the financial year as regards which he expects the amount calculated by the authority as its budget requirement for that year to be equal to or less than the target amount for that year (assuming one to be determined for that year);
  - (f) the period within which the authority may inform the Secretary of State that it challenges or accepts the amount stated under paragraph (b) above.
- (5) A designation under this section—
  - (a) is invalid unless subsection (4) above is complied with;
  - (b) shall be treated as made at the beginning of the day on which the authority receives a notification under that subsection.
- (6) If an authority has been designated under this section as regards a financial year the Secretary of State may not designate it under section 52D(2)(a) above as regards that year.
- (7) If—
  - (a) an authority has been designated under this section as regards a financial year, and
  - (b) after the designation is made the authority makes calculations or substitute calculations in relation to the year,

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the calculations (or substitute calculations) shall be invalid unless they are made in accordance with section 52T or 52U below (as the case may be).

- (8) Before the end of the period notified under subsection (4)(f) above an authority may inform the Secretary of State by notice in writing that—
  - (a) for reasons stated in the notice, it believes the maximum amount stated under subsection (4)(b) above should be such as the authority states in its notice, or
  - (b) it accepts the maximum amount stated under subsection (4)(b) above.
- (9) The period notified under subsection (4)(f) above must be a period of at least 21 days beginning with the day the authority receives the notification under subsection (4) above.
- (10) In applying subsections (1)(b) and (3)(a) above the Secretary of State shall ignore any calculation for which another has been substituted at the time designation is proposed.
- (11) References in this section to the target amount for the year mentioned in subsection (1) above are to the amount stated (or last stated) as the target amount for the year under section 52E or 52F, or under section 52M or 52Q, or under this section or section 52Q, as the case may be.

*Position after designation under section 52M or 52P*

**52Q Challenge of maximum amount. E+W**

- (1) This section applies if—
  - (a) an authority designated under section 52M above informs the Secretary of State by notice in writing under subsection (8)(a) of that section, or
  - (b) an authority designated under section 52P above informs the Secretary of State by notice in writing under subsection (8)(a) of that section.
- (2) After considering any information falling within subsection (3) below the Secretary of State—
  - (a) shall make an order stating the amount which the amount calculated by the authority as its budget requirement for the year is not to exceed;
  - (b) may alter the target amount for the year.
- (3) Information falling within this subsection is—
  - (a) information which is supplied by the authority and is of a kind and provided in a form specified by the Secretary of State for the purposes of this section;
  - (b) any other information he thinks is relevant.
- (4) The following paragraphs apply for the purposes of subsection (2) above—
  - (a) if the authority has already calculated an amount as its budget requirement for the year, the amount stated under subsection (2)(a) above may not exceed the amount already calculated unless in the Secretary of State's opinion the authority failed to comply with section 32 or 43 above (as the case may be) in making the calculation;
  - (b) subject to paragraph (a) above, the amount stated under subsection (2)(a) above may be the same as, or greater or smaller than, that stated in the notice under section 52M(4)(b) or 52P(4)(b) above (as the case may be);

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- (c) the Secretary of State may alter the target amount for the year under subsection (2)(b) above only if the amount stated under subsection (2)(a) above is greater or smaller than that stated in the notice under section 52M(4)(b) or 52P(4)(b) above (as the case may be).
- (5) In the application of subsection (4)(a) above in relation to the Greater London Authority—
  - (a) for the reference to section 43 above there shall be substituted a reference to sections 70 and 71 of the Greater London Authority Act 1999, and
  - (b) at the end there shall be added the words “or he has issued a direction for the year under section 80 of the Greater London Authority Act 1999”.
- (6) An order under this section—
  - (a) shall not be made unless a draft of it has been laid before and approved by resolution of the House of Commons;
  - (b) may relate to two or more authorities.
- (7) As soon as is reasonably practicable after an order under this section is made the Secretary of State shall serve on the authority (or each authority) a notice stating—
  - (a) the amount stated in the case of the authority concerned in the order;
  - (b) the altered target amount for the year (if he alters it in the case of the authority concerned).
- (8) When he serves a notice under subsection (7) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.
- (9) In applying subsection (4)(a) above the Secretary of State shall ignore any calculation for which another has been substituted at the time of designation.

## **52R Acceptance of maximum amount. E+W**

- (1) This section applies if—
  - (a) an authority designated under section 52M above informs the Secretary of State by notice in writing under subsection (8)(b) of that section, or
  - (b) an authority designated under section 52P above informs the Secretary of State by notice in writing under subsection (8)(b) of that section.
- (2) As soon as is reasonably practicable after he receives the notice the Secretary of State shall serve on the authority a notice stating the amount which the amount calculated by it as its budget requirement for the year is not to exceed; and the amount stated shall be that stated in the notice under section 52M(4)(b) or 52P(4)(b) above (as the case may be).
- (3) When he serves a notice under subsection (2) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

## **52S No challenge or acceptance. E+W**

- (1) This section applies if—

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- (a) the period mentioned in section 52M(8) above ends without an authority designated under section 52M above informing the Secretary of State by notice in writing under paragraph (a) or (b) of section 52M(8), or
  - (b) the period mentioned in section 52P(8) above ends without an authority designated under section 52P above informing the Secretary of State by notice in writing under paragraph (a) or (b) of section 52P(8).
- (2) As soon as is reasonably practicable after the period ends the Secretary of State shall make an order stating the amount which the amount calculated by the authority as its budget requirement for the year is not to exceed; and the amount stated shall be that stated in the notice under section 52M(4)(b) or 52P(4)(b) above (as the case may be).
- (3) An order under this section—
- (a) shall not be made unless a draft of it has been laid before and approved by resolution of the House of Commons;
  - (b) may relate to two or more authorities.
- (4) As soon as is reasonably practicable after an order under this section is made the Secretary of State shall serve on the authority (or each authority) a notice stating the amount stated in the case of the authority concerned in the order.
- (5) When he serves a notice under subsection (4) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

**52T Duty of designated billing authority. E+W**

- (1) This section applies if a billing authority receives a notice under section 52Q(7), 52R(2) or 52S(4) above.
- (2) If it has not made calculations in relation to the year in accordance with sections 32 to 36 above, in making such calculations it shall secure that the amount calculated by it as its budget requirement for the year does not exceed that stated in the notice.
- (3) If it—
- (a) has made calculations in relation to the year in accordance with sections 32 to 36 above, or
  - (b) has made substitute calculations in relation to the year in accordance with section 37 above,
- it shall make substitute calculations in relation to the year in accordance with sections 32 to 36 above, ignoring section 32(10) above for this purpose.
- (4) The substitute calculations shall be made so as to secure—
- (a) that the amount calculated by the authority as its budget requirement for the year does not exceed that stated in the notice, and
  - (b) that any amount calculated under section 33(1) or 34(2) or (3) above as the basic amount of council tax applicable to any dwelling does not exceed that so calculated in the previous calculations.
- (5) Subsection (4)(b) above does not apply in a case where the amount stated in the notice exceeds that already calculated by the authority as its budget requirement for the year.

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- (6) In making substitute calculations under section 33(1) or 34(3) above the authority must use any amount determined in the previous calculations for item P or T in section 33(1) or item TP in section 34(3).
- (7) For the purposes of subsection (6) above the authority may treat any amount determined in the previous calculations for item P in section 33(1) above as increased by the amount of any sum which—
  - (a) it estimates will be payable for the year into its general fund in respect of additional grant, and
  - (b) was not taken into account by it in making those calculations.
- (8) References in this section to the amount stated in the notice are, in the case of a notice under section 52Q(7) above, to the amount stated under section 52Q(7)(a).

## **52U Duty of designated precepting authority. E+W**

- (1) This section applies if a major precepting authority receives a notice under section 52Q(7), 52R(2) or 52S(4) above.
- (2) If it has not made calculations in relation to the year in accordance with—
  - (a) sections 70 to 75 of the Greater London Authority Act 1999 and sections 47 and 48 above (where the authority is the Greater London Authority), or
  - (b) sections 43 to 48 above (in any other case),in making such calculations it shall secure that the amount calculated by it as its budget requirement for the year does not exceed that stated in the notice.
- (3) Where the authority is the Greater London Authority and—
  - (a) it has made calculations in relation to the year in accordance with sections 70 to 75 of the Greater London Authority Act 1999 and sections 47 and 48 above, or
  - (b) it has made substitute calculations in relation to the year in accordance with sections 70, 71 and 73 to 75 of and Schedule 6 to the Greater London Authority Act 1999 and sections 47 and 48 above,it shall make substitute calculations in relation to the year in accordance with the provisions mentioned in paragraph (b) above.
- (4) Where the authority is not the Greater London Authority and it has made—
  - (a) calculations in accordance with sections 43 to 48 above, or
  - (b) substitute calculations in accordance with section 49 above,in relation to the year, it shall make substitute calculations in relation to the year in accordance with sections 43 to 48.
- (5) The substitute calculations required by subsection (3) or (4) shall be made so as to secure—
  - (a) that the amount calculated by the authority as its budget requirement for the year does not exceed that stated in the notice, and
  - (b) that any amount calculated under section 44(1) or 45(2) or (3) above as the basic amount of council tax applicable to any dwelling does not exceed that so calculated in the previous calculations.
- (6) In the application of subsection (5)(b) above in relation to the Greater London Authority—

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- (a) for the reference to section 44(1) above there shall be substituted a reference to section 73(2) of the Greater London Authority Act 1999, and
  - (b) for the reference to section 45(2) or (3) above there shall be substituted a reference to section 74(3) of that Act.
- (7) Subsection (5)(b) above does not apply in a case where the amount stated in the notice exceeds that already calculated by the authority as its budget requirement for the year.
- (8) In making substitute calculations under section 44(1) or 45(3) above the authority must use any amount determined in the previous calculations for item P or T in section 44(1) above or item TP in section 45(3) above.
- (9) In making substitute calculations under section 73(2) or 74(3) of the Greater London Authority Act 1999 the authority must use any amount determined in the previous calculations for item P1 or T in section 73(2) of that Act or for item P2 or item TP2 in section 74(4) of that Act.
- (10) For the purposes of subsection (8) above the authority may treat any amount determined in the previous calculations for item P in section 44(1) above as increased by the amount of any sum which—
- (a) it estimates will be payable to it for the year in respect of additional grant, and
  - (b) was not taken into account by it in making those calculations.
- (11) For the purposes of subsection (9) above the authority may treat any amount determined in the previous calculations—
- (a) for item P1 in section 73(2) of the Greater London Authority Act 1999, or
  - (b) for item P2 in section 74(4) of that Act,
- as increased by the relevant portion of any new additional grant.
- (12) For the purposes of subsection (11) above, “the relevant portion of any new additional grant” means the amount of any additional grant payable to the authority for the year which was not taken into account by the authority in making the previous calculations, but—
- (a) in the case of item P1, reduced, as may be prescribed, by such sum as the Secretary of State considers represents the portion of the amount which relates to defraying the special item in whole or in part, and
  - (b) in the case of item P2, restricted, as may be prescribed, to such sum as the Secretary of State considers represents the portion of the amount which relates to defraying the special item in whole or in part;
- and “special item” has the same meaning in this subsection as in sections 73 and 74 of the Greater London Authority Act 1999 (see section 74(2) of that Act).
- (13) In subsection (12) above, “prescribed” means specified in, or determined in accordance with, either—
- (a) the report under section 85 of the Local Government Finance Act 1988 relating to the amount of additional grant in question, or
  - (b) regulations made by the Secretary of State under section 73(3)(b) of the Greater London Authority Act 1999 (in relation to item P1) or under section 74(5)(b) of that Act (in relation to item P2),
- as the Secretary of State may determine for the purposes of paragraph (a) or (b) of subsection (12) and any particular financial year or years.

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- (14) References in this section to the amount stated in the notice are, in the case of a notice under section 52Q(7) above, to the amount stated under section 52Q(7)(a).

**52V Failure to make or substitute calculations. E+W**

- (1) This section applies if an authority which has received a notice under section 52Q(7), 52R(2) or 52S(4) above fails before the relevant date to make calculations or substitute calculations which comply with section 52T or 52U above (as the case may be).
- (2) The relevant date is the following date falling in the financial year immediately preceding that as regards which the authority is designated—
  - (a) 11th March, in the case of a billing authority;
  - (b) 1st March, in the case of a major precepting authority.
- (3) In the case of a billing authority, it shall have no power during the period of restriction to transfer any amount from its collection fund to its general fund and sections 97 and 98 of the 1988 Act (transfers between funds) shall have effect accordingly.
- (4) In the case of a major precepting authority, any authority to which it has power to issue a precept shall have no power during the period of restriction to pay anything in respect of a precept issued by it for the financial year as regards which the designation concerned was made.
- (5) For the purposes of this section the period of restriction is the period which—
  - (a) begins with the relevant date, and
  - (b) ends at the time (if any) when the authority makes calculations or substitute calculations which comply with section 52T or 52U above.

*Supplemental*

**52W Meaning of budget requirement. E+W**

- (1) Any reference in this Chapter to the amount calculated (or already calculated) by a major precepting authority other than the Greater London Authority as its budget requirement for a financial year is a reference to the amount calculated by it in relation to the year under section 43(4) above.
- (2) Any reference in this Chapter to the amount calculated (or already calculated) by the Greater London Authority as its budget requirement for a financial year is a reference to the amount calculated by it in relation to the year under section 70(8) of the Greater London Authority Act 1999.
- (3) Any reference in this Chapter to the amount calculated (or already calculated) by a billing authority as its budget requirement for a financial year is a reference to the amount calculated by it in relation to the year under section 32(4) above; but this is subject to section 52X below.

**52X Calculations to be net of precepts. E+W**

- (1) The amount referred to in section 52W(3) above shall be taken to be the amount calculated as there mentioned less the aggregate amount for the year of any precepts

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which were (or could be) taken into account by the authority in making the calculation under section 32(2) above and which were (or could be)—

- (a) issued to it by local precepting authorities, or
- (b) anticipated by it in pursuance of regulations under section 41 above.

(2) Subsection (3) below applies where this Chapter refers to any of the following—

- (a) the amount which the Secretary of State proposes should be the maximum for the amount calculated by a billing authority as its budget requirement for a financial year;
- (b) the maximum amount which he proposes a billing authority could calculate as its budget requirement for a financial year without the amount calculated being excessive;
- (c) the amount which the amount calculated by a billing authority as its budget requirement for a financial year is not to exceed;
- (d) an amount which he proposes should be, or an amount which is to be, the notional amount calculated by a billing authority as its budget requirement for a financial year;
- (e) the financial year as regards which he expects the amount calculated by a billing authority as its budget requirement for that year to be equal to or less than the target amount for that year.

(3) In such a case—

- (a) a reference to the amount calculated is to the amount calculated without taking account of any precept which could be issued to the authority by a local precepting authority;
- (b) a reference to the amount which an authority could calculate is to the amount which it could calculate without taking account of any such precept;
- (c) a reference to the target amount is to the target amount calculated without taking account of any such precept.

(4) Subsection (1) above shall have effect subject to subsections (2) and (3) above.

(5) Subsection (1) above shall not apply for the purpose of construing section 52Y(1) below.

(6) The Secretary of State may by order provide that any of the provisions of subsections (1) to (3) above shall not apply for such purposes as are specified in the order.

(7) A statutory instrument containing such an order shall be subject to annulment in pursuance of a resolution of the House of Commons.

## **52Y Information for purposes of Chapter IVA. E+W**

(1) An authority shall notify the Secretary of State in writing of any amount calculated by it as its budget requirement for a financial year, whether originally or by way of substitute.

(2) A billing authority shall also notify the Secretary of State in writing of the aggregate amount for any financial year of any precepts which were taken into account by it in making a calculation in relation to the year under section 32(2) above and which were—

- (a) issued to it by local precepting authorities, or
- (b) anticipated by it in pursuance of regulations under section 41 above.



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- (3) A notification under subsection (1) or (2) above must be given before the end of the period of seven days beginning with the day on which the calculation was made.
- (4) The Secretary of State may serve on an authority a notice requiring it to supply to him such other information as is specified in the notice and required by him for the purpose of deciding whether to exercise his powers, and how to perform his functions, under this Chapter.
- (5) The authority shall supply the information required if it is in its possession or control, and shall do so in such form and manner and at such time as the Secretary of State specifies in the notice.
- (6) An authority may be required under subsection (4) above to supply information at the same time as it gives a notification under subsection (1) or (2) above or at some other time.
- (7) If an authority fails to comply with subsection (1) or (2) above, or with subsection (5) above, the Secretary of State may decide whether to exercise his powers, and how to perform his functions, under this Chapter on the basis of such assumptions and estimates as he thinks fit.
- (8) In deciding whether to exercise his powers, and how to perform his functions, under this Chapter the Secretary of State may also take into account any other information available to him, whatever its source and whether or not obtained under a provision contained in or made under this or any other Act.]

## **52Z Separate administration in England and Wales. E+W**

- (1) This Chapter shall apply separately to England and to Wales.
- (2) In its application to Wales this Chapter shall have effect with the following modifications—
  - (a) for each reference to the Secretary of State there shall be substituted a reference to the National Assembly for Wales;
  - (b) in section 52C for each reference to a report there shall be substituted a reference to an order, subsection (3)(d) shall be omitted, and in subsection (4) for “approved by resolution of the House of Commons” there shall be substituted “made”;
  - (c) sections 52F(7)(a), 52H(3)(a), 52K(2), 52Q(6)(a), 52S(3)(a), 52V(3) and 52X(7) shall be omitted;
  - (d) in sections 52I(5)(a) and 52T(7)(a) for “general fund” there shall be substituted “council fund”.
- (3) Any power of the National Assembly for Wales under this Chapter to make an order shall be exercisable by statutory instrument.

## **F63 CHAPTER V E+W**

### **Textual Amendments**

- F63** Pt. I Ch. V (ss. 53-64) repealed (27.7.1999 with application in relation to the limitation of council tax and precepts as regards the financial year beginning with 1.4.2000 and subsequent financial years) by

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1999 c. 27, ss. 30, 34, Sch. 1 para. 5, **Sch. 2(2)**; and s. 54(4) in so far as still in force is expressed to be modified (W.) (2.5.2002) by S.I. 2002/1129, **arts. 1(2)(3), 5(3)(c)(6)** and (W.) (1.4.2008) by S.I. 2008/584, **arts. 1(2)(3), 20(3)(c)(6)**

*Preliminary*

*Designation*

*Maximum amounts*

*Substitute calculations*

*Supplemental*

## CHAPTER VI **E+W**

### MISCELLANEOUS AND SUPPLEMENTAL

#### **65 Duty to consult ratepayers. **E+W****

- (1) A relevant authority shall consult under this section persons or bodies appearing to it to be representative of persons subject to non-domestic rates under sections 43 and 45 of the 1988 Act as regards hereditaments situated in the authority's area.
- (2) Consultations must be made as to each financial year, and must be about the authority's proposals for expenditure (including capital expenditure) in that financial year; and the Secretary of State may by regulations prescribe matters which are to be treated as expenditure for this purpose.
- (3) In this section "relevant authority" means a billing authority or a major precepting authority other than the Receiver for the Metropolitan Police District.

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- (4) The duty to consult as to a financial year shall be performed—
- (a) where the authority is a billing authority, before it makes calculations (otherwise than by way of substitute) in relation to the financial year under section 32 above;
  - (b) where the authority is a precepting authority, before it issues the first precept to be issued by it for the financial year.
- (5) In performing the duty to consult, an authority shall have regard to any guidance issued by the Secretary of State concerning—
- (a) persons or bodies to be regarded for the purposes of this section as representative of persons subject to non-domestic rates under sections 43 and 45 of the 1988 Act as regards hereditaments situated in the authority's area; and
  - (b) the timing and manner of consultations under this section.
- (6) An authority shall make available to persons or bodies it proposes to consult under this section such information as may be prescribed and is in its possession or control; and it shall do so in such form and manner, and at such time, as may be prescribed.

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

C74 S. 65 amended (28.11.1994) by S.I. 1994/2825, reg. 50

**66 Judicial review. E+W**

- (1) The matters mentioned in subsection (2) below shall not be questioned except by an application for judicial review.
- (2) The matters are—
- (a) the specification of a class of “exempt dwelling” in an order of the Secretary of State under section 4(2) above;
  - (b) a determination made under section 8(2) or 12(1) above;
  - (c) a calculation made in accordance with any of sections 32 to 37 or section [F6452I or 52T] or any of sections 43 to 51 or section [F6452J or 52U] above, whether originally or by way of substitute;
  - (d) the setting under Chapter III of this Part of an amount of council tax for a financial year, whether originally or by way of substitute; and
  - (e) a precept issued under Chapter IV of this Part, whether originally or by way of substitute.
- (3) If on an application for judicial review the court decides to grant relief in respect of any of the matters mentioned in subsection (2)(b) to (e) above, it shall quash the determination, calculation, setting or precept (as the case may be).

**Textual Amendments**

F64 Words in S. 66(2)(c) substituted (27.7.1999 with effect as mentioned in s. 30(2) of the amending Act) by 1999 c. 27, s. 30(1), Sch. 1 Pt. II para. 6

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## 67 Functions to be discharged only by authority. **E+W**

- (1) Subject to subsection (3) below, each of the functions of an authority mentioned in subsection (2) below shall be discharged only by the authority.
- (2) The functions are—
  - (a) making a determination under section 8(2) or 12(1) above;
  - (b) making a calculation in accordance with any of sections 32 to 37 or section [F6552I or 52T] or any of sections 43 to 51 or section [F6552J or 52U] above, whether originally or by way of substitute;
  - (c) setting an amount of council tax for a financial year under Chapter III of this Part, whether originally or by way of substitute; and
  - (d) issuing a precept under Chapter IV of this Part, whether originally or by way of substitute.
- (3) The functions of an authority mentioned in subsection (2)(c) above may, if the authority so directs, be exercised by a committee of the authority appointed by it for that purpose; and as respects a committee so appointed—
  - (a) the number of members and their term of office shall be fixed by the authority; and
  - (b) each member shall be a member of the authority.
- (4) Part VA (access to meetings and documents of certain authorities, committees and sub-committees) of the <sup>M15</sup>Local Government Act 1972 shall apply in relation to a committee appointed under subsection (3) above as it applies in relation to a committee appointed under section 102 of that Act.

### Textual Amendments

**F65** Words in s. 67(2)(b) substituted (27.7.1999 with effect as mentioned in s. 30(2) of the amending Act.) by 1999 c. 27, s. 30(1), **Sch. 1 Pt. II para. 7**

### Marginal Citations

**M15** 1972 c. 70.

## 68 Information required by Secretary of State. **E+W**

- (1) Subsection (2) below applies where—
  - (a) the Secretary of State serves a notice on a relevant authority or relevant officer requiring it or him to supply to the Secretary of State information specified in the notice;
  - (b) the information is required by the Secretary of State for the purpose of deciding whether to exercise his powers, and how to perform his functions, under this Part; and
  - (c) the information is not personal information.
- (2) The authority or officer shall supply the information required, and shall do so in such form and manner and at such time as the Secretary of State specifies in the notice.
- (3) If an authority or officer fails to comply with subsection (2) above the Secretary of State may assume the information required to be such as he sees fit; and in such a

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case the Secretary of State may decide in accordance with the assumption whether to exercise his powers, and how to perform his functions, under this Part.

(4) In deciding whether to exercise his powers, and how to perform his functions, under this Part the Secretary of State may also take into account any other information available to him, whatever its source and whether or not obtained under a provision contained in or made under this Part or any other enactment.

(5) In this section—

“relevant authority” means a billing authority or a precepting authority;

“relevant officer” means a proper officer (within the meaning of the <sup>M16</sup>Local Government Act 1972) of such an authority.

(6) For the purposes of this section personal information—

(a) is information which relates to an individual (living or dead) who can be identified from that information or from that and other information supplied to any person by the authority or officer concerned; and

(b) includes any expression of opinion about the individual and any indication of the intentions of any person in respect of the individual.

#### Marginal Citations

M16 1972 c. 70.

## 69 Interpretation etc. of Part I. **E+W**

(1) In this Part, unless the context otherwise requires—

“additional grant” has the meaning given by section 85(2) of the 1988 Act;

“billing authority” has the meaning given by section 1(2) above;

“the City” means the City of London;

“the Common Council” means the Common Council of the City;

“dwelling” has the meaning given by section 3 above;

“financial year”, except in references to earlier or preceding financial years, does not include the financial year beginning in 1992 or earlier financial years;

“levy” means a levy under regulations made under section 74 of the 1988 Act;

“listing officer” shall be construed in accordance with section 20 above;

“local precepting authority” has the meaning given by section 39(2) above;

“major precepting authority” has the meaning given by section 39(1) above;

“owner” has the meaning given by section 6(5) above;

“particulars delivered document” means any document which, having been (whether before or after the passing of this Act)—

(a) produced to the Commissioners of Inland Revenue in pursuance of section 28 of the <sup>M17</sup>Finance Act 1931; or

(b) furnished to them in pursuance of Schedule 2 to that Act,

is for the time being in their possession or under their control;

“precepting authority” means a major precepting authority or a local precepting authority;

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“redistributed non-domestic rates” means any sums payable by the Secretary of State under paragraph 12 or 15 of Schedule 8 to the 1988 Act;

“resident” has the meaning given by section 6(5) above;

“revenue support grant” has the meaning given by section 78(1) of the 1988 Act;

“special levy” means a special levy under regulations made under section 75 of the 1988 Act;

“valuation tribunal” shall be construed in accordance with section 15 above.

(2) In this Part—

- (a) any reference to dwellings listed in a particular valuation band shall be construed in accordance with section 5(6) above;
- (b) any reference to an amount payable in respect of council tax for any financial year includes a reference to an amount payable in respect of council tax for any period falling within that year; and
- (c) any reference to a billing authority’s general fund shall be construed in relation to the Common Council as a reference to the City fund.

(3) For the purposes of this Part the Inner Temple and the Middle Temple shall be taken to fall within the area of the Common Council.

(4) No provision of this Part which provides an express remedy shall prejudice any remedy available to a person (apart from that provision) in respect of a failure to observe a provision of this Part; and references in this subsection to this Part include references to instruments made under it.

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

C75 S. 69(1) modified (12.1.2000 temp. from 1.4.2000 until 31.3.2001) by [S.I. 1999/3435](#), [art. 3](#), Table 2

**Marginal Citations**

M17 1931 c. 28.

**Status:**

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