



Local Government Act 2003

CHAPTER 26

LOCAL GOVERNMENT ACT 2003

PART 1

CAPITAL FINANCE ETC AND ACCOUNTS

CHAPTER 1

CAPITAL FINANCE ETC

Borrowing

- 1 Power to borrow
- 2 Control of borrowing
- 3 Duty to determine affordable borrowing limit
- 4 Imposition of borrowing limits
- 5 Temporary borrowing
- 6 Protection of lenders

Credit arrangements

- 7 “Credit arrangements”
- 8 Control of credit arrangements

Capital receipts

- 9 “Capital receipt”
- 10 Non-money receipts
- 11 Use of capital receipts

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Investment

- 12 Power to invest

Miscellaneous

- 13 Security for money borrowed etc
14 Information

Supplementary

- 15 Guidance
16 “Capital expenditure”
17 External funds
18 Local authority companies etc
19 Application to parish and community councils
20 Directions

CHAPTER 2

ACCOUNTS

- 21 Accounting practices
22 “Revenue account”

CHAPTER 3

GENERAL

- 23 “Local authority”
24 Wales

PART 2

FINANCIAL ADMINISTRATION

- 25 Budget calculations: report on robustness of estimates etc
26 Minimum reserves
27 Budget calculations: report on inadequacy of controlled reserve
28 Budget monitoring: general
29 Budget monitoring: Greater London Authority
30 Authorisation of agreements during the prohibition period

PART 3

GRANTS ETC

CHAPTER 1

EXPENDITURE GRANT

- 31 Power to pay grant
32 Application to Greater London Authority
33 Interpretation of Chapter 1

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

CHAPTER 2

OTHER GRANTS ETC

- 34 Best value grant: parishes
- 35 Best value grant: communities
- 36 Grants in connection with designation for service excellence
- 37 Emergency financial assistance to combined fire authorities
- 38 Loans by Public Works Loan Commissioners
- 39 Payments towards local authority indebtedness
- 40 Local government finance reports: Wales

PART 4

BUSINESS IMPROVEMENT DISTRICTS

BID arrangements

- 41 Arrangements with respect to business improvement districts
- 42 Joint arrangements
- 43 Additional contributions and action
- 44 Duty to comply with arrangements

BID levy

- 45 BID levy
- 46 Liability for BID levy

Administration etc

- 47 BID Revenue Account
- 48 Administration of BID levy etc

Procedure

- 49 BID proposals
- 50 Approval in ballot
- 51 Power of veto
- 52 Appeal against veto
- 53 Commencement of BID arrangements

Miscellaneous

- 54 Duration of BID arrangements etc
- 55 Regulations about ballots
- 56 Power to make further provision
- 57 Crown application
- 58 Wales
- 59 Interpretation of Part 4

PART 5

NON-DOMESTIC RATES

- 60 Submission of proposed rating lists
- 61 Small business relief
- 62 Calculation of non-domestic rating multiplier

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 63 Rural settlement lists etc
- 64 Relief for registered community amateur sports clubs
- 65 Transitional relief
- 66 Rating of meters
- 67 Exemptions for agricultural buildings
- 68 Exemption for places of religious worship
- 69 Removal of power to prescribe rateable values
- 70 Local retention of rates
- 71 Adjustments for hardship relief
- 72 Provision of information
- 73 Interpretation of Part 5

PART 6

COUNCIL TAX

Liability and amount of tax

- 74 Exception of students from joint and several liability
- 75 Second and empty homes
- 76 Billing authority's power to reduce amount of tax payable

Valuation lists and bands

- 77 Statutory revaluation cycle
- 78 Power to change number of valuation bands
- 79 Transitional arrangements

Enforcement

- 80 Amendments relating to distress
- 81 Charging orders: aggregation
- 82 Quashing of liability orders

Other

- 83 Major precepting authorities: combined fire authorities
- 84 Amendment of section 67 of the Local Government Finance Act 1992
- 85 Vacant dwellings: use of information obtained for council tax purposes
- 86 Repeal of section 31 of the Local Government Act 1999

PART 7

HOUSING FINANCE ETC

- 87 Housing strategies and statements
- 88 Housing Revenue Account business plans
- 89 Housing Revenue Account subsidy: payment and calculation
- 90 Housing Revenue Account subsidy: negative amounts
- 91 Housing Revenue Accounts etc: adaptation of enactments
- 92 Local housing authority houses: rents

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART 8

MISCELLANEOUS AND GENERAL

CHAPTER 1

MISCELLANEOUS

Charging and trading

- 93 Power to charge for discretionary services
- 94 Power to disapply section 93(1)
- 95 Power to trade in function-related activities through a company
- 96 Regulation of trading powers
- 97 Power to modify enactments in connection with charging or trading
- 98 Procedure for orders under section 97

Performance categories

- 99 Categorisation of English local authorities by reference to performance
- 100 Exercise of powers by reference to authorities' performance categories

Contracting-out

- 101 Staff transfer matters: general
- 102 Staff transfer matters: pensions

2004 local government elections

- 103 Power to change date of elections in England
- 104 Power to change date of elections in Wales

Valuation Tribunal Service

- 105 The Valuation Tribunal Service
- 106 Transfer to Service of property, rights and liabilities

Audit Commission

- 107 Auditors' public interest reports: time allowed for consideration
- 108 Auditors' public interest reports: publicity
- 109 Registered social landlords
- 110 Financial year
- 111 Delegation

Other

- 112 Standards Board for England: delegation
- 113 Standards committees and monitoring officers: delegation
- 114 Paid time off for councillors not to be political donation
- 115 Overview and scrutiny committees: voting rights of co-opted members
- 116 Local polls
- 117 Generally accepted accounting practice: power to amend enactments
- 118 Appropriate sum under section 137(4) of the Local Government Act 1972
- 119 Use of fixed penalties paid for litter and dog-fouling offences
- 120 Regulation of cosmetic piercing and skin-colouring businesses

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 121 Fire brigade establishment schemes: removal of Secretary of State's functions
- 122 Repeal of prohibition on promotion of homosexuality

CHAPTER 2

GENERAL

- 123 Orders and regulations
- 124 General interpretation
- 125 Application to Isles of Scilly
- 126 Financial provisions
- 127 Minor and consequential amendments and repeals
- 128 Commencement
- 129 Short title and extent

Local Government Act 2003

SCHEDULE 1 — Capital finance: parish and community councils and charter trustees

Introductory

- 1 The following are local authorities for the purposes of this...

Borrowing

- 2 (1) Subject to sub-paragraph (2), a local authority may borrow...
- 3 (1) Where a local authority meets any expenditure by borrowing,...

Loans

- 4 (1) A local authority may lend to a qualifying local...

“Fixed period”

- 5 In this Schedule, references to the fixed period, in relation...

SCHEDULE 2 — Welsh local government finance reports

- 1 In Part 5 of the Local Government Finance Act 1988...
- 2 (1) In Schedule 8 to the Local Government Finance Act...

SCHEDULE 3 — Amendment of powers exercisable in relation to local authorities

Local Government and Housing Act 1989 (c. 42)

- 1 The Local Government and Housing Act 1989 is amended as...
- 2 In section 67 (orders under Part 5), at the end...
- 3 In section 70 (requirements for companies under control or subject...

Local Government Act 1999 (c. 27)

- 4 The Local Government Act 1999 is amended as follows.
- 5 In section 4(2)(b) (different performance indicators or standards may be...

Status: Point in time view as at 01/10/2004.

Changes to legislation: *Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- 6 (1) Section 5 (best value reviews) is amended as follows....
7 In section 6 (best value performance plans), after subsection (4)...
8 (1) Section 16 (power to modify enactments and confer new...
9 In section 17 (orders under section 16: procedure), after subsection...
10 (1) Section 19 (contracts: exclusion of non-commercial considerations)
is amended...

Local Government Act 2000 (c. 22)

- 11 The Local Government Act 2000 is amended as follows.
12 (1) Section 3 (limits on power to promote well-being) is...
13 In section 9 (procedures for orders under section 5 or...
14 (1) Section 105 (orders and regulations) is amended as follows....

SCHEDULE 4 — The Valuation Tribunal Service

Membership, chairman and deputy chairman

- 1 (1) The Service shall consist of not less than six...

Disqualification

- 2 (1) A person shall be disqualified for being appointed as...

Tenure of office

- 3 (1) Subject to the provisions of this Schedule, a member...
4 (1) A person shall cease to be a member of...
5 A person who ceases (otherwise than by virtue of paragraph...

Remuneration, pensions, etc of members

- 6 (1) The Service shall pay to its members such remuneration...

Staff

- 7 (1) The Service shall have a chief executive.
8 (1) The Service may appoint such employees as it may...
9 The Service shall not appoint an employee to be the...

Committees

- 10 (1) The Service may establish committees. (2) Any committee
established...

Proceedings

- 11 Subject to the following provisions of this Schedule, the Service...

Delegation

- 12 (1) The Service may, to such extent as it may...

Members' interests

- 13 (1) A member of the Service who is in any...
14 (1) Paragraph 13 shall apply in relation to meetings of...

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Vacancies and defective appointments

- 15 The validity of any proceedings of the Service shall not...

Minutes

- 16 (1) Minutes shall be kept of proceedings of the Service...

Execution and proof of instruments

- 17 (1) The application of the seal of the Service shall...

Money

- 18 (1) The Secretary of State may pay grants and make...
19 The Service shall comply with any notice given by the...
20 (1) The Service shall— (a) keep proper accounts and proper...

The Public Records Act 1958 (c. 51)

- 21 In Schedule 1 to the Public Records Act 1958 (definition...

The Parliamentary Commissioner Act 1967 (c. 13)

- 22 In Schedule 2 to the Parliamentary Commissioner Act 1967
(departments...

The House of Commons Disqualification Act 1975 (c. 24)

- 23 In Part 2 of Schedule 1 to the House of...

The Freedom of Information Act 2000 (c. 36)

- 24 In Part 6 of Schedule 1 to the Freedom of...

The Enterprise Act 2002 (c. 40)

- 25 (1) Paragraph 2(1)(c), (2) and (3) shall be taken to...

Status

- 26 (1) The Service is not to be regarded as the...

Interpretation

- 27 In this Schedule— “delegate” includes further delegate; “financial year”
means—...

SCHEDULE 5 — Transfer schemes: further provision

Contents of transfer scheme

- 1 (1) The property, rights and liabilities which may be transferred...
2 A transfer scheme may define the property, rights and liabilities...
3 A transfer scheme may contain provision— (a) for the creation,...
4 A transfer scheme may include such supplemental, incidental,
consequential and...

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Effect of transfers

- 5 (1) Anything done by or in relation to the transferor...
- 6 There may be continued by or in relation to the...
- 7 The Service shall be substituted for the transferor in any...

Continuity of employment, etc of transferred employees

- 8 Where an employee of a valuation tribunal becomes an employee...

Modification of transfer scheme after appointed day

- 9 (1) If, after the day appointed by a transfer scheme...

Provision of information to Secretary of State

- 10 A valuation tribunal shall provide the Secretary of State with...

Consultation

- 11 Before making a transfer scheme relating to the property, rights...

Stamp duty

- 12 (1) Stamp duty shall not be chargeable on—

SCHEDULE 6 — Section 120: transition

Commencement not to affect existing application of section 15 of the 1982 Act

- 1 The coming into force of section 120 shall not affect...

Commencement not to affect pending resolutions about the application of section 15 of the 1982 Act

- 2 (1) This paragraph applies where immediately before the coming into...

Additional powers of commencement in relation to section 15 of the 1982 Act as amended

- 3 (1) This paragraph applies where an authority has before the...

Effect of existing ear-piercing registrations following extension of control to cosmetic piercing

- 4 (1) This paragraph applies where, immediately before section 15 of...

Interpretation

- 5 In this Schedule, except paragraph 2(1)(a) and 3(1), any reference...

SCHEDULE 7 — Minor and consequential amendments

Fire Services Act 1947 (c. 41)

- 1 In section 6 of the Fire Services Act 1947 (power...

Public Works Loans Act 1965 (c. 63)

- 2 In section 2 of the Public Works Loans Act 1965...

Status: Point in time view as at 01/10/2004.

Changes to legislation: *Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

Public Works Loans Act 1967 (c. 61)

3 In section 2(2) of the Public Works Loans Act 1967...

Local Government Act 1972 (c. 70)

4 In section 137(3) of the Local Government Act 1972 (which...

Local Government Act 1974 (c. 7)

5 (1) Schedule 4 to the Local Government Act 1974 (the...

Stock Transfer Act 1982 (c. 41)

6 In section 1(3)(b) of the Stock Transfer Act 1982 (extension...

Representation of the People Act 1985 (c. 50)

7 (1) Section 15 of the Representation of the People Act...

Local Government Act 1988 (c. 9)

8 Section 33 of the Local Government Act 1988 (restrictions on...

Local Government Finance Act 1988 (c. 41)

9 (1) The Local Government Finance Act 1988 is amended as...
 10 In section 47 (discretionary relief), in subsections (1)(b) and (5),...
 11 In section 49 (reduction or remission of liability), in subsection...
 12 Section 76 shall become Chapter 1 of Part 5, entitled...
 13 Sections 78 to 84C shall become Chapter 2 of Part...
 14 In the Chapter 2 so formed, at the beginning there...
 15 In sections 78(1) and 78A(2) (which refer to revenue support...
 16 Section 85, together with the sections in Part 5 that...
 17 In section 85(2) (which refers to additional grant being payable...
 18 In section 88 (transport grants: supplementary), in subsections (4) and...
 19 In section 90 (payments to and from collection funds), in...
 20 In section 138 (judicial review), in subsection (2)(j), after “multiplier”...
 21 In section 139 (functions to be discharged only by authority),...
 22 In section 140(2) (Parts 3 and 5 of the Act...
 23 In section 141 (payments to and from authorities), in subsection...
 24 (1) Section 143 (orders and regulations) is amended as follows...
 25 (1) Schedule 7 (non-domestic rating multipliers) is amended as follows...
 26 (1) Schedule 8 (non-domestic rating: pooling) is amended as follows...
 27 In Schedule 11 (valuation tribunals)— (a) in paragraph 1 (power...

Local Government and Housing Act 1989 (c. 42)

28 The Local Government and Housing Act 1989 is amended as...
 29 Part 4 (revenue accounts and capital finance of local authorities)...
 30 (1) Section 70 (requirements for companies under control or subject...
 31 For the second sentence of section 80A(4) (overpaid Housing Revenue...
 32 In section 88(1)(d) (construction of references in Part 6 to...
 33 (1) Schedule 4 (keeping of the Housing Revenue Account) is...

Status: Point in time view as at 01/10/2004.

Changes to legislation: *Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

Social Security Administration Act 1992 (c. 5)

- 34 The Social Security Administration Act 1992 is amended as follows....
- 35 (1) In section 134(2) (forms that may be taken by...
- 36 In section 140B (calculation of rent rebate subsidy, rent allowance...
- 37 In section 140C (payment of subsidy), after subsection (1) there...
- 38 In section 140D (rent rebate subsidy: accounting provisions), the following...
- 39 In section 140G (interpretation of Part 8), in the definition...

Local Government Finance Act 1992 (c. 14)

- 40 The Local Government Finance Act 1992 is amended as follows....
- 41 In section 11(2) (discounts), for “section 12” there is substituted...
- 42 In section 13(3) (reduced amounts), after “section 11” there is...
- 43 (1) In section 17 (completion of new dwellings), in subsection...
- 44 In section 21 (valuations for purposes of lists), in subsection...
- 45 In section 22(2) (when valuation list comes into force), for...
- 46 In section 24 (alteration of lists), in subsection (9)(b), for...
- 47 Section 25 (compilation and maintenance of new lists) ceases to...
- 48 In section 28 (information about lists)— (a) in subsection (2)(a),...
- 49 In section 66(2) (matters subject only to judicial review), in...
- 50 In section 67 (functions to be discharged only by the...
- 51 (1) Section 69 (interpretation of Part 1) is amended as...
- 52 (1) Section 113 (orders and regulations) is amended as follows....
- 53 (1) Schedule 2 (administration) is amended as follows.
- 54 In Schedule 4 (enforcement), at the end there is inserted—...
- 55 In Schedule 13 (minor and consequential amendments), in paragraph 80...

Local Government (Wales) Act 1994 (c. 19)

- 56 The Local Government (Wales) Act 1994 is amended as follows....
- 57 In section 51 (control of disposals and contracts), in subsection...
- 58 (1) Section 63 (regulations, orders and directions) is amended as...

Deregulation and Contracting Out Act 1994 (c. 40)

- 59 In section 71(3) of the Deregulation and Contracting Out Act...

Housing Act 1996 (c. 52)

- 60 (1) In section 122(4) of the Housing Act 1996 (which...

Justices of the Peace Act 1997 (c. 25)

- 61 The Justices of the Peace Act 1997 is amended as...
- 62 In section 67 (justices not disqualified by reason of liability...
- 63 In section 72(1) (interpretation), for the definition of “capital expenditure”...

Local Government (Contracts) Act 1997 (c. 65)

- 64 In section 1(3) of the Local Government (Contracts) Act 1997...

Status: Point in time view as at 01/10/2004.

Changes to legislation: Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Audit Commission Act 1998 (c. 18)

65 In Schedule 1 to the Audit Commission Act 1998 (which...

School Standards and Framework Act 1998 (c. 31) and Education Act 2002 (c. 32)

66 (1) Sections 45A and 45B of the School Standards and...

Government of Wales Act 1998 (c. 38)

67 In section 81 of the Government of Wales Act 1998...

Greater London Authority Act 1999 (c. 29)

68 The Greater London Authority Act 1999 is amended as follows....

69 (1) Section 52 (meetings of the London Assembly) is amended...

70 In section 85 (calculation by Greater London Authority of budget...

71 Sections 112 to 118 (credit approvals) cease to have effect....

72 (1) Section 119 (power to redistribute capital receipts of functional...

73 In section 120 (capital grants between the Greater London Authority...

74 In section 121 (revenue grants between the Greater London Authority...

75 (1) Section 122 (Mayor's capital spending plan for each functional...

76 In section 123 (preparation of capital spending plan), for subsection...

77 (1) Section 124 (admissible factors in preparing capital spending plan...

78 (1) Section 126 (interpretation of Chapter 4) is amended as...

National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672)

79 In Schedule 1 to the National Assembly for Wales (Transfer...

Local Government Act 2000 (c. 22)

80 In section 21(10) of the Local Government Act 2000 (which...

Homelessness Act 2002 (c. 7)

81 In section 3(9) of the Homelessness Act 2002 (public's rights...

SCHEDULE 8 — Repeals and revocations

Part 1 — REPEALS

Part 2 — REVOCATIONS

Status:

Point in time view as at 01/10/2004.

Changes to legislation:

Local Government Act 2003 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.