
EXPLANATORY NOTE

(This note is not part of the Regulations)

Under Part II of the Local Government Act 1992, where recommendations for changes to local government in England are made by the Local Government Commission, the Secretary of State may make an order (“a reorganisation order”). The Local Government Changes for England (Finance) Regulations 1994 make transitional provision for local authorities subject to a reorganisation order.

These Regulations provide for the reduction in certain cases of the amount that a person is liable to pay by way of council tax to a billing authority which is subject to a reorganisation order, or is in the area of a county affected by such an order (regulations 5 and 6). They have effect in relation to the financial year beginning on 1st April 1998 (regulation 3) and for this year section 13 of the Local Government Finance Act 1992 is modified (regulation 4).

A person is eligible for a reduction for any day as regards which his liability relates to a dwelling in an area where, broadly, the difference if positive (“the council tax figure”) between a notional council tax (calculated under paragraph 3 of Schedule 1) and an adjusted council tax (calculated under paragraph 4 of Schedule 1) exceeds £52. The amount of the reduction allowed is calculated under Schedule 3 by reference to the dwelling’s valuation band.

When calculating a person’s eligibility for a reduction for any day, unless the Council Tax (Reduction for Disabilities) Regulations 1992 apply, the relevant valuation band is the one to which the dwelling is assigned in the billing authority’s valuation list as regards that day. Where those Regulations apply, account is taken of the lower valuation band applicable for the purposes of those Regulations. Any discount provided for in section 11 of the 1992 Act is also taken into account (see the definition of “discounted chargeable amount” in regulation 2).

Where there is an entitlement to council tax benefit, the amount of the benefit is deducted from the amount an eligible person is liable to pay after calculation of relief under these Regulations (regulation 6(2)).

Regulation 7 enables a billing authority to obtain information for the purpose of establishing whether or not these Regulations apply to any person. Regulation 8 provides for appeals in connection with these Regulations to be considered by a review board of the billing authority, rather than by a valuation tribunal. Regulations 9 and 10 relate to the appeal procedure.

The Local Government Changes for England (Council Tax) (Transitional Reduction) Regulations 1996 (“the 1996 Regulations”) and the Local Government Changes for England (Council Tax) (Transitional Reduction) Regulations 1997 (“the 1997 Regulations”) provide for the reduction in certain cases of the amount that a person is liable to pay by way of council tax to a billing authority which was subject to a reorganisation order with effect from 1st April 1996 and 1st April 1997 respectively, or was in the area of a county affected by such an order. The 1996 Regulations have effect in relation to the financial year beginning on 1st April 1996 and the 1997 Regulations have effect in relation to the financial year beginning on 1st April 1997.

Regulation 11 of, and Schedules 4 and 5 to, these Regulations modify the 1996 Regulations and 1997 Regulations so that they also have effect in relation to the financial year beginning on 1st April 1998. A person is eligible for a reduction for any day as regards which his liability relates to a dwelling in an area where the council tax figure exceeds £104.