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STATUTORY INSTRUMENTS

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**2009 No. 3193**

**The Council Tax (Demand Notices) (England) Regulations 2009**

**PART 1**

**General**

**Citation, commencement and application**

1.—(1) These Regulations may be cited as the Council Tax (Demand Notices) (England) Regulations 2009 and come into force on 30th December 2009.

(2) These Regulations apply in relation to a notice which—

(a) relates to a year beginning on or after 1st April 2010, and

(b) is served by an English billing authority or such an authority's authorised person.

(3) The Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003(1) have no effect in relation to a notice mentioned in paragraph (2).

**Interpretation**

2.—(1) In these Regulations—

“the Act” means the Local Government Finance Act 1992;

“the 1999 Act” means the Greater London Authority Act 1999(2);

“the 2004 Act” means the Fire and Rescue Services Act 2004(3)

“the Administration Regulations” means the Council Tax (Administration and Enforcement) Regulations 1992(4);

“authorised person”, in relation to a billing authority, means a person authorised in accordance with the Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996(5) to exercise functions on the authority's behalf in relation to the administration of council tax;

“baseline document” means the document “Baseline year for authorities required to publish efficiency information on and with council tax demand notices” dated 2nd December 2009 which is published on the Department's website(6) and of which a copy has been deposited at the Department's principal office(7);

“budget requirement” means—

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(1) [S.I. 2003/2613](#), to which there are amendments not relevant to these Regulations.

(2) [1999 c.29](#).

(3) [2004 c.21](#).

(4) [S.I. 1992/613](#), to which there are amendments not relevant to these Regulations.

(5) [S.I. 1996/1880](#).

(6) The document can be found on the Department's website at the following address <http://www.communities.gov.uk/localgovernment/efficiencybetter/deliveringefficiency/counciltaxnotices/>.

(7) The document and others referred to in these Regulations are available for inspection at the following address; The Department for Communities and Local Government, Eland House, Bressenden Place, London SW1E 5DU

- (a) in relation to a billing authority, the amount calculated under section 32(4) of the Act (calculation of budget requirement),
- (b) in relation to major precepting authority other than the GLA, the amount calculated under section 43(4) of the Act (calculation of budget requirement),
- (c) in relation to the GLA, the amount calculated under section 85(8) of the 1999 Act (calculation of component and consolidated budgets),
- (d) in relation to a constituent body, the amount calculated for the body under section 85(6) (a) of the 1999 Act (calculation of component and consolidated budgets),
- (e) in relation to a local precepting authority, the amount calculated under section 50(4) of the Act (calculation of budget requirement);

“constituent body” has the same meaning as in section 85(3) of the 1999 Act<sup>(8)</sup> (calculation of component and consolidated budgets);

“the Department” means the Department for Communities and Local Government;

“efficiency authority”, in relation to a billing authority’s area and a year, means—

- (a) the billing authority, and
- (b) any—
  - (i) county council,
  - (ii) fire and rescue authority, or
  - (iii) police authority,

which has power to issue a precept to the billing authority for that year;

“efficiency document” means—

- (a) in relation to a fire and rescue authority—
  - (i) the document “Measuring and Reporting Efficiency Gains: A Guide to Completing Annual Efficiency Statements” dated March 2007, and
  - (ii) the document “CSR07 Guidance on Measuring and Reporting Efficiency Gains: A guide for fire and rescue authorities on completing annual efficiency statements” dated June 2008,

which are published on the Department’s website<sup>(9)</sup> and of which copies have been deposited at the Department’s principal office,

- (b) in relation to a police authority, the document “Efficiency and productivity strategy for the police service: 2008-11: Technical Note” which is published on the website of the Home Office<sup>(10)</sup> and of which a copy has been deposited at the Department’s principal office, and
- (c) in relation to any other efficiency authority, the document “Measuring and Reporting Value for Money Gains: A Guide to Compiling the Data for National Indicator 179”

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<sup>(8)</sup> Section 85(3) was amended by section 12(2) of the Greater London Authority Act 2007 (c.24). Section 12(3) of that Act inserted a new section 85(3A) which defines certain terms for the purposes of section 85(3).

<sup>(9)</sup> The document “Measuring and Reporting Efficiency Gains: A Guide to Completing Annual Efficiency Statements” can be found on the Department’s website at the following address <http://www.communities.gov.uk/archived/publications/localgovernment/measuringreporting>, and the document “CSR07 Guidance on Measuring and Reporting Efficiency Gains: A guide for fire and rescue authorities on completing annual efficiency statements” can be found on the same website at the following address <http://www.communities.gov.uk/publications/fire/csr07guidance>.

<sup>(10)</sup> The document can be found on the website of the Home Office at the following address <http://police.homeoffice.gov.uk/publications/human-resources/police-efficiency-target-2008-11>.

dated October 2009 which is published on the Department's website<sup>(11)</sup> and of which a copy has been deposited at the Department's principal office;

"fire and rescue authority" means—

- (a) a fire and rescue authority constituted by—
  - (i) a scheme under section 2 of the 2004 Act (power to create combined fire and rescue authorities),
  - (ii) a scheme to which section 4 of that Act applies (combined authorities under the Fire Services Act 1947),
- (b) a metropolitan county fire and rescue authority, or
- (c) the London Fire and Emergency Planning Authority;

"fire and rescue functions" means the functions specified or referred to in Part 2 of the 2004 Act (functions of fire and rescue authorities);

"GLA" means the Greater London Authority;

"Integrated Transport Authority" means—

- (a) an authority which is known as an Integrated Transport Authority by virtue of section 77(2) of the Local Transport Act 2008<sup>(12)</sup> (change of name of passenger transport areas and PTAs), or
- (b) an authority established under Part 5 of that Act (Integrated Transport Authorities etc.);

"levying body" means—

- (a) an Integrated Transport Authority,
- (b) the Broads Authority, and
- (c) the Environment Agency;

"multi-function authority" means any efficiency authority which exercises fire and rescue functions but is not a fire and rescue authority;

"notice" means a council tax demand notice within the meaning of Part 5 of the Administration Regulations (billing);

"police authority" means a police authority established under section 3 of the Police Act 1996<sup>(13)</sup> (establishment of police authorities);

"preceding year", in relation to a notice, means the year before the relevant year;

"relevant local precepting authority" means a relevant precepting authority which is a local precepting authority;

"relevant precepting authority", in relation to a billing authority and a year, means a precepting authority which issues a precept to the billing authority for the year, but does not include—

- (a) the chairman of a parish meeting,
- (b) charter trustees,
- (c) the sub-treasurer of the Inner Temple or the under-treasurer of the Middle Temple unless the amount of the precept is more than £100,000,
- (d) a parish council unless the amount of the precept is equal to or more than £140,000; and

"relevant year", in relation to a notice, means the year to which the demand for payment made by the notice relates.

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<sup>(11)</sup> The document can be found on the Department's website at the following address <http://www.communities.gov.uk/publications/localgovernment/reportingvfmguide>.

<sup>(12)</sup> 2008 c.26.

<sup>(13)</sup> 1996 c.16.

(2) In these Regulations—

- (a) any reference to a precept includes a reference to a substitute precept,
- (b) any reference to a levy includes a reference to a substitute levy,
- (c) any reference to the council tax base for an authority's area is a reference to the council tax base for that area as calculated in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992(14), and
- (d) any reference to a year is a reference to a financial year.

**Definition of “gross expenditure”**

3.—(1) Subject to paragraph (3), the gross expenditure of an authority for a year is the aggregate of the items which are—

- (a) attributable to the services administered by the authority during the year, and
  - (b) charged to a revenue account for that year.
- (2) The items mentioned in sub-paragraph (1)—
- (a) must be calculated using the estimates which were used to calculate—
    - (i) the budget requirement, or
    - (ii) the levy,
 of the authority for the year; but
  - (b) must not include any—
    - (i) allowances for contingencies, or
    - (ii) contributions to financial reserves.
- (3) The gross expenditure of the GLA for a year is the aggregate of the amounts of gross expenditure calculated for each constituent body for that year.
- (4) In this regulation, “authority” includes a levying body and a constituent body.

**Definition of “cumulative efficiency savings” and “cumulative estimated efficiency savings”**

4.—(1) Subject to paragraph (3) and regulation 5, an efficiency authority's cumulative efficiency savings for a financial year are—

- (a) if the year before the financial year is the baseline year, the authority's aggregate savings for the financial year; or
- (b) where paragraph (a) does not apply, the aggregate of—
  - (i) the authority's aggregate savings for the financial year,
  - (ii) the authority's aggregate savings for the year after the baseline year (“the post-baseline year”), and
  - (iii) the authority's aggregate savings for any year which is before the year mentioned in sub-paragraph (i) and after the post-baseline year.

(2) Subject to paragraph (3) and regulation 5, an efficiency authority's estimated cumulative efficiency savings for a financial year are the authority's cumulative efficiency savings for the year, but calculated using estimates prepared for the financial year by the authority.

(3) If required by the efficiency document any amount calculated under paragraph (1) or paragraph (2) must be adjusted to take account of inflation.

(4) For the purposes of paragraph (1)—

- (a) the baseline year, in relation to an efficiency authority and a financial year, is the year identified as such in the baseline document; and
- (b) an authority's aggregate savings for a year are the aggregate of the authority's efficiency savings in relation to the services administered by it during that year.

(5) For the purposes of paragraph (4)(b), an authority's efficiency savings in relation to a service administered by it during a year are the amount of any value for money or efficiency gains calculated for the service and the year in accordance with the efficiency document.

### **Local government restructuring: efficiency authorities and efficiency information**

5.—(1) This regulation applies to an efficiency authority in respect of a financial year if—

- (a) the authority—
  - (i) is established by a relevant event at the beginning of the financial year, or
  - (ii) has been established by a relevant event which occurred before that year; and
- (b) the baseline document does not identify the authority as an efficiency authority.

(2) Subject to paragraph (4), the efficiency authority's cumulative efficiency savings for a financial year are—

- (a) if the financial year is any year before the establishment year, the aggregate of the cumulative efficiency savings of each predecessor authority to the extent that those savings are relevant to the area of the efficiency authority; or
- (b) if the financial year is the establishment year or a year after that year, the aggregate of—
  - (i) the amount mentioned in sub-paragraph (a),
  - (ii) the authority's aggregate savings for the financial year, and
  - (iii) the authority's aggregate savings for any year which is before the year mentioned in sub-paragraph (ii) and after the pre-establishment year.

(3) Subject to paragraph (4), the efficiency authority's estimated cumulative efficiency savings for a financial year are the authority's cumulative efficiency savings for the year, but calculated using estimates prepared for the financial year by (as the case may be)—

- (a) the authority, or
- (b) each predecessor authority.

(4) If required by the efficiency document any amount calculated under paragraph (2) or paragraph (3) must be adjusted to take account of inflation.

(5) In this regulation—

- “establishment year” means the year in which the efficiency authority is established;
- “predecessor authority” means an authority which ceases to exist in consequence of the relevant event which established the efficiency authority;
- “pre-establishment year” means the year before the establishment year; and
- “relevant event” means the coming into force of any of the following—
  - (a) an order under section 32 of the Police Act 1996 (power to alter police areas by order),
  - (b) an order under section 2 of the 2004 Act (power to create combined fire and rescue authorities),

- (c) an order under section 7 (implementation of proposals by order) or section 10 (implementation of recommendations by order) of the Local Government and Public Involvement in Health Act 2007(15).
- (6) Paragraphs (4)(b) and (5) of regulation 4 apply for the purposes of paragraph (2) of this regulation as they apply for the purposes of paragraph (1) of that regulation.

## PART 2

### Content of demand notices and the supply of information

#### Content of demand notices

- 6.—(1) Subject to regulation 11(3), a notice must contain the matters specified in Part 2 of Schedule 1.
- (2) But a notice which is served on a person—
- (a) after the end of the relevant year, and
  - (b) at the same time as a notice relating to another year not then ended,
- need not contain the matters specified in paragraph 26 of Schedule 1.

#### Information supplied with demand notices

- 7.—(1) Subject to regulation 11(3), when a billing authority serves a notice on a person it must supply that person with the information specified in Part 2 of Schedule 2.
- (2) Paragraph (1) does not apply when a notice is served after the end of the relevant year.

#### Invalid notices

- 8.—(1) If—
- (a) as a consequence of a mistake a notice does not contain a matter specified in Schedule 1 (“the relevant matter”), but
  - (b) the amount required to be paid under the notice is demanded in accordance with Part 5 of the Administration Regulations (billing),
- the requirement to pay that amount is valid.
- (2) Where paragraph (1)(a) applies, as soon as practicable after the mistake is discovered the billing authority must serve a statement of the relevant matter on the person on whom the notice was served.

#### Supply of information by precepting authorities

- 9.—(1) When a relevant precepting authority issues a precept to a billing authority for a year—
- (a) it must supply the information in paragraph (2) to the billing authority; and
  - (b) if it is a major precepting authority, it must also supply the information in paragraph (3).
- (2) The information mentioned in paragraph (1)(a) is—
- (a) the authority’s gross expenditure for—
    - (i) the year, and

- (ii) the year before that year;
- (b) the authority's budget requirement for—
  - (i) the year, and
  - (ii) the year before that year;
- (c) the authority's reasons for any difference between—
  - (i) the amounts mentioned in sub-paragraphs (a)(i) and (b)(i), and
  - (ii) the amounts mentioned in sub-paragraphs (a)(ii) and (b)(ii); and
- (d) the authority's opinion as mentioned in paragraph 7 of Schedule 2.
- (3) The information mentioned in paragraph (1)(b) is—
  - (a) the amount (if any) taken into account under section 43(2)(a) of the Act (calculation of budget requirement) for any levy, and
  - (b) the name of each levying body which has issued a levy to the authority for the year.
- (4) Paragraph (5) applies if a relevant local precepting authority issues a substitute precept to a billing authority.
- (5) Paragraph (1) does not apply to the precepting authority, but if the billing authority makes substitute calculations under section 37 of the Act (substitute calculations) the billing authority may notify the precepting authority that it must supply the information mentioned in paragraph (2) to the billing authority.
- (6) Where a relevant precepting authority—
  - (a) issues a substitute precept to a billing authority, or
  - (b) is notified by a billing authority under paragraph (5),

the authority is not required to supply to the billing authority any information which it has already supplied to that authority.

### **Supply of information by levying bodies**

- 10.—**(1) When a levying body issues a levy for a year it must supply the information in paragraph (2) to each relevant billing authority.
- (2) The information is—
    - (a) the body's gross expenditure for—
      - (i) the year, and
      - (ii) the year before that year;
    - (b) the amount of its levy—
      - (i) for the year, and
      - (ii) for the year before that year if a levy was issued; and
    - (c) the body's reasons for any difference between—
      - (i) the amounts mentioned in sub-paragraphs (a)(i) and (b)(i), and
      - (ii) the amounts mentioned in sub-paragraph (a)(ii) and (b)(ii).
  - (3) Where a levying body issues a substitute levy, the body is not required to supply to a billing authority any information which it has already supplied to that authority.
  - (4) In this regulation, "relevant billing authority", in relation to a levying body and a year, means—
    - (a) if the body issues a levy to a billing authority for the year, that authority; and

- (b) if the body issues a levy to a major precepting authority for the year, any billing authority to which the precepting authority has power to issue a precept for that year.

**Supply of information by the Secretary of State**

**11.**—(1) No later than 31st December before each financial year, the Secretary of State must supply to each billing authority relevant information in relation to that year.

(2) If the Secretary of State fails to comply with paragraph (1) as regards an authority, a year and a matter—

- (a) regulation 6(1), to the extent that it relates to paragraph 23 of Schedule 1, and
- (b) regulation 7(1), to the extent that it relates to paragraph 8 of Schedule 2,

do not apply in relation to the authority, the year and the matter.

(3) In this regulation “relevant information”, in a relation to a billing authority and a year, means each of the matters in—

- (a) paragraph 23 of Schedule 1, and
- (b) paragraph 8 of Schedule 2,

insofar as those matters concern an authority other than the billing authority.

Signed by authority of the Secretary of State for Communities and Local Government

*Barbara Follett*  
Parliamentary Under Secretary of State  
Department for Communities and Local  
Government

3rd December 2009