



Local Audit and Accountability Act 2014

2014 CHAPTER 2

PART 7

MISCELLANEOUS AND SUPPLEMENTARY

Miscellaneous

41 Council tax referendums

- (1) Chapter 4ZA of Part 1 of the Local Government Finance Act 1992 (referendums relating to council tax increases) is amended as follows.
- (2) In section 52ZG (arrangements for referendum on billing authority's council tax increase), after subsection (5) insert—

“(5A) As soon as is reasonably practicable after determining that it is required to hold a referendum in relation to its relevant basic amount of council tax for the financial year, the billing authority must notify that fact in writing to any body that has issued a levy or a special levy to it for the financial year.”
- (3) In section 52ZH(1) (duty to inform Secretary of State of result of referendum), after “the Secretary of State” insert “, and any body the authority was required to notify under section 52ZG(5A), ”.
- (4) Section 52ZK (major precepting authority's duty to notify billing authority of excessive council tax increase) is amended as follows.
- (5) After subsection (1) insert—

“(1A) As soon as is reasonably practicable after determining that its relevant basic amount of council tax for the financial year is excessive, the major precepting authority must also notify the matters mentioned in subsection (1) in writing to any body that—

 - (a) has issued a levy to it for the financial year, or

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- (b) in the case of the Greater London Authority, has issued a levy to any constituent body for the financial year.”
- (6) In subsection (2) (requirement for notification under section to include precept), for “this section” substitute “ subsection (1) ”.
- (7) In subsection (8) (requirement for Secretary of State to prescribe date by which notification under section must be made), for “this section” substitute “ subsection (1) ”.
- (8) In section 52ZO(1) (duty to inform Secretary of State of result of referendum on precepting authority's excessive council tax increase), after “the Secretary of State” insert “, and any body the authority was required to notify under section 52ZK(1A), ”.
- (9) Section 52ZX (meaning of relevant basic amount of council tax) is amended as follows.
- (10) In subsection (1) (billing authority's relevant basic amount of council tax), for paragraphs (a) and (b) (disregard of precepts and levies in calculation) substitute “the amount of any precepts—
 - (a) issued to it for the year by local precepting authorities, or
 - (b) anticipated by it in pursuance of regulations under section 41 above.”
- (11) In subsection (2) (relevant basic amount of council tax of major precepting authority other than county council or Greater London Authority) omit “a county council or”.
- (12) Omit subsection (3) (county council's relevant basic amount of council tax).
- (13) In subsection (4) (Greater London Authority's relevant basic amount of council tax), for paragraphs (a) and (b) substitute—
 - “(a) the amount calculated by it in relation to the year under section 88(2) of the Greater London Authority Act 1999 (referred to in this Chapter as the Greater London Authority's unadjusted relevant basic amount of council tax for the year), or
 - (b) any amount calculated by it in relation to the year under section 89(3) of that Act (referred to in this Chapter as the Greater London Authority's adjusted relevant basic amount of council tax for the year).”
- (14) Subsections (15) to (17) apply (and subsections (19) to (21) do not apply) if, in accordance with section 49(3), this section comes into force on the day on which this Act is passed.
- (15) Section 52ZC of the Local Government Finance Act 1992 (determination of whether council tax increase is excessive) applies with the following modifications to the determination of a set of principles for the financial year beginning with 1 April 2014.
- (16) The Secretary of State may, in particular, determine categories of authority for that financial year on the basis of whether an authority's relevant basic amount of council tax for the financial year beginning with 1 April 2013 would have been excessive if that amount for that year and for the immediately preceding financial year had been determined under section 52ZX of the Local Government Finance Act 1992 as amended by this section.
- (17) In subsection (3)(b) of section 52ZC the reference to an authority's relevant basic amount of council tax for the financial year immediately preceding the year under

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consideration is to the amount that would have been calculated by the authority for that year under section 52ZX of the Local Government Finance Act 1992 if the amendments made to it by this section had been in force for that year.

- (18) Subsections (19) to (21) apply (and subsections (15) to (17) do not apply) if this section comes into force on a day appointed by the Secretary of State by order under section 49(3).
- (19) Section 52ZC of the Local Government Finance Act 1992 applies with the following modifications to the determination of a set of principles for the financial year beginning with 1 April 2015.
- (20) The Secretary of State may, in particular, determine categories of authority for that financial year—
 - (a) on the basis of whether an authority's relevant basic amount of council tax for the financial year beginning with 1 April 2013 would have been excessive if that amount for that year and for the immediately preceding financial year had been determined under section 52ZX of the Local Government Finance Act 1992 as amended by this section,
 - (b) on the basis of whether an authority's relevant basic amount of council tax for the financial year beginning with 1 April 2014 would have been excessive if that amount for that year and for the immediately preceding financial year had been determined under that section as so amended, or
 - (c) on the basis set out in paragraph (a) and on the basis set out in paragraph (b).
- (21) In subsection (3)(b) of section 52ZC the reference to an authority's relevant basic amount of council tax for the financial year immediately preceding the year under consideration is to the amount that would have been calculated by the authority for that year under section 52ZX of the Local Government Finance Act 1992 if the amendments made to it by this section had been in force for that year.

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Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing S.I. 2015/841 by [S.I. 2016/675 art. 2](#)