

1987 No. 785

**LOCAL GOVERNMENT, ENGLAND AND WALES**

**The Rate Limitation (Designation of Authorities)  
(Exemption) Order 1987**

*Made* - - - - - *30th April 1987*  
*Laid before the House of Commons* *8th May 1987*  
*Coming into force* *29th May 1987*

Whereas the total of relevant expenditure for local authorities in England as estimated for the purposes of the Rate Support Grant Report (England) 1987/88(a) was greater than that total as estimated for the purposes of the Rate Support Grant Report (England) 1986/87(b) by 9.542%:

Now, therefore, the Secretary of State in exercise of the powers conferred on him by section 2(3) and (8) of the Rates Act 1984(c), and of all other powers enabling him in that behalf, hereby makes the following Order:-

**Citation, commencement and application**

1.—(1) This Order may be cited as the Rate Limitation (Designation of Authorities) (Exemption) Order 1987, and shall come into force on 29th May 1987.

(2) This Order applies to England only.

**Exemption from designation**

2. The amount of £12.2 million is hereby substituted for the amount of £11.1 million specified in section 2(2)(a) of the Rates Act 1984.

3. The Rate Limitation (Designation of Authorities) (Exemption) Order 1986(d), which specifies the amount of £11.1 million, is revoked.

*Nicholas Ridley*  
Secretary of State for the Environment

30th April 1987

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(a) 1987 HC-253.  
(b) 1985 HC-140.  
(c) 1984 c.33.  
(d) S.I. 1986 344.

## EXPLANATORY NOTE

*(This note is not part of the Order)*

Section 2(1) of the Rates Act 1984 provides that an authority in whose case a maximum rate or precept is to be prescribed in any financial year is to be designated by the Secretary of State in the preceding financial year.

Section 2(2)(a) of the Act exempts an authority from designation in any financial year if its total expenditure for that financial year does not appear to the Secretary of State to be likely to exceed its grant-related expenditure, or £11.1 million, whichever is the greater.

Section 2(3) of the Act provides that, if the total of relevant expenditure (as estimated for the purposes of the Rate Support Grant Report for each financial year) changes from one year to the next, the Secretary of State shall substitute for the amount for the time being specified in section 2(2)(a) of the Act a proportionately greater or smaller amount, rounded to the nearest hundred thousand pounds.

The total of relevant expenditure for local authorities in England, as estimated for the purposes of the Rate Support Grant Report (England) 1987/88, is 9.542% greater than the corresponding figure estimated for the purposes of the Rate Support Grant Report (England) 1986/87.

This order, which applies to England only, substitutes an amount of £12.2 million for the amount of £11.1 million currently specified. It comes into force on 29th May 1987.

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