SCHEDULE 1

Regulation 2

COUNCIL TAX FIGURE

Interpretation

1. In this Schedule—

(a) "council tax base" means an authority's council tax base calculated, where the authority is a billing authority, in accordance with section 33 of the 1992 Act and Regulations made under that section, and, where the authority is a major precepting authority, in accordance with section 44 of that Act and Regulations made under that section,

(b) "Finance Report" means the Local Government Finance Report (England) 1995/96 approved by the House of Commons on 30th January 1995,

(c) "existing billing authority" means the billing authority in the area of which the relevant area was situated in the financial year beginning on 1st April 1995, and "existing county" means the county council in the area of which the relevant area was situated in that year,

(d) "new authority" means a new authority established by a section 17 order as a district council for an area, but does not include an authority established as described in section 14(6) of the Act,

(e) "Notional Amounts Report" means the Limitation of Council Tax and Precepts (Relevant Notional Amounts) Report (England) 1996/97 approved by the House of Commons on 31st January 1996,

(f) "RSG tax base" means an authority's council tax base for Revenue Support Grant purposes, and

(g) "SSA" means standard spending assessment and has the same meaning as in the Finance Report.

Formula

2. The council tax figure is calculated by applying the formula

$$A - B$$

where—

A is the notional council tax for the existing or transferred area, as defined in paragraph 3 below, and

B is the adjusted council tax for that area, as defined in paragraph 4 below.

Notional council tax

3.—(1) The notional council tax of an existing or transferred area shall be calculated by the Secretary of State to the nearest penny, any half penny being rounded up, in accordance with sub-paragraphs (2) to (5) below.

(2) The following formulae shall apply to the following relevant billing authorities—

(a) the formula in sub-paragraph (3) below to—

(i) an existing district council to which are transferred by or in consequence of a section 17 order the functions of county councils in relation to the district council's area, and

(ii) a new authority which is a district council which has the functions of a county council;

(b) the formula in sub-paragraph (4) below to a district council, other than one to which sub-paragraph (a)(i) above applies, which is subject to a boundary change made by or in consequence of a section 17 order; for this purpose "boundary change" shall be construed in accordance with section 14 of the Act; and

(c) the formula in sub-paragraph (5) below to a district council which is not subject to a section 17 order but the area of which is situated in the area of a reorganised county.

(3) The formula for the calculation of the notional council tax is—

$$\frac{D-E}{H}+\frac{F\times G}{H}$$

where—

D is the notional amount for the relevant billing authority specified against the name of that authority in Annex A to the Notional Amounts Report,

E is the figure shown opposite the name of the relevant billing authority in column 2 of Part 1 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the relevant billing authority's SSA for the financial year beginning on 1st April 1995 would have been had that date been the reorganisation date; the estimate is made using the methodology for the calculation of SSAs employed for the purposes of the Finance Report,

F is £507.426726906402, being the Standard Tax Element shown in Annex B to the Finance Report opposite the "Isle of Wight Council",

G is the figure shown opposite the name of the relevant billing authority in column 3 of Part 1 of Schedule 3 to these Regulations, that figure being the RSG tax base of that authority for the financial year beginning on 1st April 1995; for this purpose—

(a) where the relevant billing authority is an authority referred to in sub-paragraph (2)(a)(i) above, such RSG tax base is the RSG tax base which was calculated for the authority in accordance with the rules contained in Annex C to the Finance Report, and

(b) where the relevant billing authority is an authority referred to in sub-paragraph (2)(a)(ii) above, such RSG tax base is the Secretary of State's estimate of what that tax base would have been had the reorganisation date been 1st April 1995, calculated by aggregating the RSG tax bases for that year for each transferred area comprised in the area of the relevant billing authority, the RSG tax base for a transferred area being estimated by the Secretary of State using the rules contained in Annex C to the Finance Report and using information provided by the relevant transferor authority, and

H is the figure shown opposite the name of the relevant billing authority in column 4 of Part 1 of Schedule 3 to these Regulations, that figure being the council tax base of that authority for the financial year beginning on 1st April 1995; for this purpose—

(a) where the relevant billing authority is an authority referred to in sub-paragraph (2)(a)(i) above, such council tax base is its council tax base calculated by the authority for that year, and

(b) where the relevant billing authority is an authority referred to in sub-paragraph (2)(a)(ii) above, such council tax base is the Secretary of State's estimate of what that tax base would have been had the reorganisation date been 1st April 1995, calculated by aggregating the council tax bases for the financial year beginning on 1st April 1995 for each transferred area comprised in the area of the relevant billing authority, the council tax base for a transferred area being estimated by the Secretary of State using information provided by the relevant transferor authority; the figure for that council tax base for each transferred area is shown against the name of the transferor authority in column 3 of Part 4 of Schedule 3 to these Regulations.

(4) The formula for the calculation of the notional council tax is—

the aggregate of the formulae in sub-paragraphs (a) and (b) below—

(a) $$\frac{J-K}{N}+\frac{L\times M}{N}$$

where—

J is the notional amount for the relevant billing authority specified against the name of the authority in Annex A to the Notional Amounts Report,

K is the figure shown opposite the name of the relevant billing authority in column 2 of Part 2 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the authority's SSA for the financial year beginning on 1st April 1995 would have been had that date been the reorganisation date; the estimate is made using the methodology for the calculation of SSAs employed for the purposes of the Finance Report,

L is £78.859327957451, being the Standard Tax Element shown in Annex B to the Finance Report opposite "Non-Metropolitan District Councils", and

M is the figure shown opposite the name of the relevant billing authority in column 3 of Part 2 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the authority's RSG tax base for the financial year beginning on 1st April 1995 would have been had that date been the reorganisation date, such estimate being made using the rules contained in Annex C to the Finance Report and using information provided by the relevant billing authority, and

N is the figure shown opposite the name of the relevant billing authority in column 4 of Part 2 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the authority's council tax base for the financial year beginning on 1st April 1995 would have been had that date been the reorganisation date, such estimate being made using information provided by the relevant billing authority, and

(b) $$\frac{\mathrm{Jc}-\mathrm{Kc}}{\mathrm{Nc}}+\frac{\mathrm{Lc}\times\mathrm{Mc}}{\mathrm{Nc}}$$

where—

Jc is the notional amount for the reorganised county specified opposite the name of the authority in Annex A to the Notional Amounts Report,

Kc is the figure shown opposite the name of the reorganised county in column 2 of Part 3 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the reorganised county's SSA for the financial year beginning on 1st April 1995 would have been had that date been the reorganisation date; the estimate is made using the methodology for the calculation of SSAs employed for the purposes of the Finance Report,

Lc is £428.567398948952, being the Standard Tax Element shown in Annex B to the Finance Report opposite "County Councils (except the Isle of Wight Council)",

Mc is the figure shown opposite the name of the reorganised county in column 3 of Part 3 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the reorganised county's RSG tax base for the financial year beginning on 1st April 1995 would have been had that date been the reorganisation date; for this purpose the RSG tax base is estimated by the Secretary of State by aggregating the RSG tax bases for that year of each of the billing authorities to which the reorganised county is entitled to issue a precept in respect of the financial year beginning on 1st April 1996, the RSG tax base for such a billing authority being—

(a) where the billing authority is one referred to in sub-paragraph (2)(c) above, the RSG tax base which was calculated for the authority in accordance with the rules contained in Annex C to the Finance Report, and

(b) in any other case, the figure for item M calculated for the purposes of sub-paragraph (4)(a) above, and

Nc is the figure for that council tax base shown opposite the name of the reorganised county in column 4 of Part 3 of Schedule 3 to these Regulations, that figure being the Secretary of State's estimate of what the reorganised county's council tax base for the year beginning 1st April 1995 would have been had that date been the reorganisation date; for this purpose the council tax base is estimated by the Secretary of State by aggregating the council tax bases for that year of each of the billing authorities to which the reorganised county is entitled to issue a precept in respect of the financial year beginning on 1st April 1996, the council tax base for a such a billing authority being—

(a) where the billing authority is one referred to in sub-paragraph (2)(c) above, its council tax base for the financial year beginning on 1st April 1995, calculated by the authority, and

(b) in any other case, the figure for item N calculated for the purposes of sub-paragraph (4)(a) above.

(5) The formula for the calculation of the notional council tax is—

$$\frac{\mathrm{Jc} - \mathrm{Kc}}{\mathrm{Nc}} + \frac{\mathrm{Lc} \times \mathrm{Mc}}{\mathrm{Nc}}$$

where

Jc and Lc have the same meaning as in paragraph (4)(b) above and Kc, Mc and Nc are the figures for those items shown opposite the name of the reorganised county in Part 3 of Schedule 3 to these Regulations.

Adjusted council tax

4.—(1) Subject to sub-paragraph (2) below, the adjusted council tax of an existing or transferred area shall be calculated by the Secretary of State to the nearest penny, any half penny being rounded up, by aggregating the formulae in paragraphs (a) and (b) below—

(a) $$\frac{P - R - S}{T}$$

where—

P is the existing billing authority's budget requirement for the financial year beginning on 1st April 1995 calculated by the authority in accordance with section 32 of the 1992 Act and Regulations made under that section,

R is the aggregate of the amounts payable to the existing billing authority in the financial year beginning on 1st April 1995 in respect of Revenue Support Grant and the Distributable Amount, referred to in paragraphs 2 and 5 of the Finance Report, and calculated by reference to that report,

S is the aggregate of the amounts of any precepts from local precepting authorities issued to, or anticipated by, the existing billing authority in relation to the financial year beginning on 1st April 1995 and taken into account by it under section 32(6) of the 1992 Act, and

T is the council tax base of the existing billing authority for the financial year beginning on 1st April 1995, and

(b) $$\frac{Pc - Rc}{Tc}$$

where

Pc is the existing county's budget requirement for the financial year beginning on 1st April 1995 calculated by the county in accordance with section 43 of the 1992 Act and Regulations made under that section,

Rc is the aggregate of the amounts payable to the existing county in the financial year beginning on 1st April 1995 in respect of Revenue Support Grant and the Distributable Amount, referred to in paragraphs 2 and 5 of the Finance Report, and calculated by reference to that report, and

Tc is the council tax base of the existing county for the financial year beginning on 1st April 1995.

(2) Where the existing or transferred area is situated in the area of an authority referred to in paragraph 3(2)(c) above, the adjusted council tax shall be calculated by the Secretary of State to the nearest penny, any half penny being rounded up, according to the following formula—

$$\frac{Pc - Rc}{Tc}$$

where

Pc, Rc and Tc have the same meanings as in sub-paragraph (1)(b) above.