

---

STATUTORY INSTRUMENTS

---

**2012 No. 20**

**LOCAL GOVERNMENT, ENGLAND**

**FINANCE**

**The Local Government (Structural Changes)  
(Finance) (Amendment) Regulations 2012**

<i>Made</i>	- - - -	<i>6th January 2012</i>
<i>Laid before Parliament</i>		<i>10th January 2012</i>
<i>Coming into force</i>	- -	<i>25th January 2012</i>

The Secretary of State, in exercise of the powers conferred by sections 14 and 240(10) of the Local Government and Public Involvement in Health Act 2007<sup>(1)</sup>, makes the following Regulations:

**Citation and commencement**

1.—(1) These Regulations may be cited as the Local Government (Structural Changes) (Finance) (Amendment) Regulations 2012.

(2) These Regulations come into force on 25th January 2012.

**Amendment of the Local Government (Structural Changes) (Finance) Regulations 2008**

2. The Local Government (Structural Changes) (Finance) Regulations 2008<sup>(2)</sup> are amended as follows.

**Regulation 3**

3. In regulation 3 (responsibility for functions exercised by a shadow council), for paragraph (3) (a) substitute—

“(a) any of sections 31A, 31B<sup>(3)</sup>, 34 to 36A<sup>(4)</sup> and 52ZF<sup>(5)</sup> of the 1992 Act.”.

---

(1) 2007 c.28. Section 14(2) provides for subsection (1) to be read with section 15.

(2) S.I. 2008/3022.

(3) Sections 31A and 31B were inserted into the Local Government Finance Act 1992 (c.14) by section 74 of the Localism Act 2011 (c.20).

(4) Section 36A was inserted into the Local Government Finance Act 1992 by paragraph 15 of Schedule 7 to the Localism Act 2011.

(5) Section 52ZF was inserted into the Local Government Finance Act 1992 by Schedule 5 to the Localism Act 2011.

#### **Regulation 4**

4. In regulation 4 (responsibility for functions exercised by a preparing council), for paragraph (3) (a) substitute—

“(a) any of sections 31A, 31B, 34 to 36A and 52ZF of the 1992 Act.”.

#### **Regulation 12**

5. In regulation 12(1) (interpretation)—

- (a) in the definition of “preceding year council tax” for “section 33(1) (basic amount of council tax)” substitute “section 31B(1) (calculation of basic amount of tax by authorities in England)”;
- (b) in the definition of “uniform amount of council tax”, for “33(1)” substitute “31B(1)”; and
- (c) in paragraph (3), for “11 to 13” substitute “8 to 10”.

#### **Regulation 15**

6. In regulation 15 (different basic amounts of council tax for the predecessor areas)—

- (a) in paragraph (2)(a), for “32 to 36” substitute “31A, 31B and 34 to 36”; and
- (b) in paragraph (6)(a), before “the” insert “Chapters 3 (setting of council tax) and 6 (miscellaneous and supplemental) of Part 1 of”.

#### **New regulation 15A**

7. After regulation 15 insert—

##### **“Modifications to Chapters 4ZA and 6 of Part 1 of the Local Government Finance Act 1992**

**15A.**—(1) In relation to the first year and a reorganised area, Chapters 4ZA (referendums relating to council tax increases) and 6 of Part 1 of the 1992 Act<sup>(6)</sup> shall have effect with the modifications specified in Part 1 of Schedule 3 to these Regulations.

(2) In relation to each of the second, the third, the fourth and the fifth years and a reorganised area, Chapters 4ZA and 6 of Part 1 of the 1992 Act shall have effect with the modifications specified in Part 2 of Schedule 3 to these Regulations if an appropriate authority made a determination under regulation 15(1) for the financial year preceding that year.

(3) In relation to the sixth year and a reorganised area, Chapter 4ZA of Part 1 of the 1992 Act shall have effect with the modifications specified in Part 3 of Schedule 3 to these Regulations if the authority made a determination under regulation 15(1) for the fifth year.”.

#### **Regulation 16**

8. In regulation 16 (limitation on council tax requirement), in the definition of item T for “33(1)” substitute “31B(1)”.

#### **Schedule 1**

9. In Schedule 1 (procedure for exercise by preparing councils of certain functions relating to council tax)—

---

(6) Chapter 4ZA was inserted into Part 1 of the Local Government Finance Act 1992 by Schedule 5 to the Localism Act 2011.

- (a) omit paragraph 1(3); and
- (b) in paragraph 2 (interpretation) in the definition of “relevant provisions”, for “32 to 37” substitute “31A, 31B, 34 to 36A and 52ZF”.

**Schedule 2**

- 10. For Schedule 2 substitute the Schedule in Schedule 1 to these Regulations.

**New Schedule 3**

- 11. After Schedule 2 insert the Schedule in Schedule 2 to these Regulations.

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

6th January 2012

*Bob Neill*  
Parliamentary Under Secretary of State  
Department for Communities and Local  
Government

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

SCHEDULE 1

Regulation 10

“SCHEDULE 2

Regulation 15(5) and (6)

CALCULATION OF COUNCIL TAX: MODIFICATIONS TO  
CHAPTERS 3 AND 6 OF PART 1 OF THE LOCAL GOVERNMENT  
FINANCE ACT 1992 AND CERTAIN SECONDARY LEGISLATION

*The Local Government Finance Act 1992*

**Section 30 of the Local Government Finance Act 1992**

1. In section 30(7) (amounts for different categories of dwelling)—
  - (a) in subsection (2)(a)(i)—
    - (i) omit “34 to”, and
    - (ii) after “below” insert “and Part 4 of the 2008 Regulations”;
  - (b) in subsection (4)(a)—
    - (i) omit “34 to”, and
    - (ii) after the first “below” insert “and Part 4 of the 2008 Regulations”;
  - (c) in subsection (8), at the end insert “and Part 4 of the 2008 Regulations.”.

**Section 31B of the Local Government Finance Act 1992**

2. In the heading to section 31B (calculation of basic amount of tax by authorities in England) and in subsection (1), for each occurrence of “basic” substitute “uniform”.

**Section 34 of the Local Government Finance Act 1992**

3. Omit section 34 (additional calculations where special items relate to part only of area).

**Section 36 of the Local Government Finance Act 1992**

4. In section 36 (calculation of tax for different valuation bands)—
  - (a) in subsection (1), for the definition of item A substitute—

“A is the amount calculated (or last calculated) by the billing authority for that year under any of regulations 17(2), 18(2), 20(2), 21(2) or 22(2) of the 2008 Regulations in relation to that category of dwellings;”;
  - (b) in subsection (2), for “section 34 above” substitute “Part 4 of the 2008 Regulations”.

**Section 36A of the Local Government Finance Act 1992**

5. In section 36A (substitute calculations: England)—
  - (a) in subsection (1)—
    - (i) omit “34 to”,
    - (ii) after the first “above” insert “and Part 4 of the 2008 Regulations”, and
    - (iii) for “those sections” substitute “those provisions”;

---

(7) Section 30 of the Local Government Finance Act 1992 was amended by paragraph 8 of Schedule 7 to the Localism Act 2011.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (b) in subsection (2)(a), for “section 31B(1) or 34(2) or (3) above” substitute “Part 4 of the 2008 Regulations”;
- (c) for subsection (3) substitute—
  - “(3) In making substitute calculations, the billing authority must use any amount determined in the previous calculations—
  - (a) for item T in section 31B(1), and
  - (b) as the council tax base for any part of the authority’s area.”; and
- (d) in subsection (5)—
  - (i) omit “34 to”, and
  - (ii) after the second “above” insert “, or Part 4 of the 2008 Regulations”.

#### **Section 66 of the Local Government Finance Act 1992**

- 6. In section 66 (judicial review)—
  - (a) in subsection (2)(c)(8), after “above” insert “, or Part 4 of the 2008 Regulations”; and
  - (b) in subsection (2)(d), after “Part” insert “and under Part 4 of the 2008 Regulations”.

#### **Section 67 of the Local Government Finance Act 1992**

- 7. In section 67 (functions to be discharged only by authority), omit paragraph (b) of subsection (2A)(9).

#### *The Local Authorities (Calculation of Council Tax Base) Regulations 1992(10)*

#### **Regulation 1 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992**

- 8. In regulation 1 (citation, commencement and interpretation), in paragraph (3), before the definition of “a relevant percentage” insert—
  - ““predecessor area” and “principal area” have the same meaning as in the Local Government (Structural Changes) (Finance) Regulations 2008; and”.

#### **Regulation 6 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992**

- 9. In regulation 6 (calculation of billing authority’s council tax base for a part of its area)—
  - (a) in paragraph (1)—
    - (i) omit “for the purposes of item TP in section 34(3)”, and
    - (ii) after “for a part of its area” insert “(including the principal area and any predecessor area other than the principal area)”;
  - (b) in paragraph (2)(d)(ii)(aa), for “amount for item TP in section 34(3)” substitute “tax base for a part of its area”; and

---

(8) Section 66(2)(c) was amended by paragraph 6 of Schedule 1 to the Local Government Act 1999 (c.27) and by paragraph 29 of Schedule 7 to the Localism Act 2011.

(9) Section 67(2A) was inserted by section 84 of the Local Government Act 2003 (c.26) and amended by paragraph 30(3) of Schedule 7 to the Localism Act 2011.

(10) [S.I. 1992/612](#), to which there are amendments not relevant to these Regulations.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (c) in paragraph (2)(d)(ii)(bb), for the words from “relevant” to the end substitute “tax base for the part of its area for the year.”.

**Regulation 7 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992**

**10.** In regulation 7 (calculation of council tax base for the purposes of a major precepting authority), in paragraph (2)—

- (a) for “for the purposes of item TP in section 34(3)” substitute “by the billing authority under that regulation”; and
- (b) for the words from “the calculation” to the end substitute “that calculation”.

*The Local Authorities (Calculation of Council Tax Base) (Supply of Information) Regulations 1992(11)*

**Regulation 4 of the Local Authorities (Calculation of Council Tax Base) (supply of Information) Regulations 1992**

**11.** In regulation 4 (supply of information to local precepting authorities), in paragraph (2)(a), for “for item TP in section 34(3) of the Act” substitute “as its council tax base”.

SCHEDULE 2

Regulation 11

“SCHEDULE 3

Regulation 15A

REFERENDUMS RELATING TO COUNCIL TAX: MODIFICATIONS TO CHAPTERS 4ZA AND 6 OF PART 1 OF THE LOCAL GOVERNMENT FINANCE ACT 1992

PART 1

Modifications having effect in the circumstances mentioned in regulation 15A(1)

**Section 52ZC of the Local Government Finance Act 1992**

**1.** In section 52ZC (determination of whether increase is excessive)—

- (a) after subsection (1) insert—

“(1A) For these purposes—

- (a) the principles mentioned in subsection (2)(b)(i) apply if for the year under consideration the authority calculates its basic amount of council tax under section 31B(1) above; and
- (b) the principles mentioned in subsection (2)(b)(ii) apply if for that year the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations.”;

- (b) in subsection (2), for paragraph (b) substitute—

“(b) must constitute or include—

(11) [S.I. 1992/2904](#), to which there are amendments not relevant to these Regulations.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (i) a comparison falling within subsection (3A) below, and
- (ii) a comparison falling within subsection (3C) below.”;
- (c) omit subsection (3); and
- (d) before subsection (4) insert—

“(3A) A comparison falls within this subsection if it is between—

- (a) the amount that would be calculated by the authority for the year under consideration under section 31B(1) above if section 31A above did not require or permit it to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below; and
- (b) the amount found by applying the formula—

$$\frac{A}{B}$$

where—

A is the aggregate of the amounts calculated by applying the formula in subsection (3B) in relation to the financial year immediately preceding the year under consideration and in relation to—

- (a) each district council that was a district council for a predecessor area of the authority, and
- (b) each county council that was a county council for the whole or any part of the authority’s area; and

B is the aggregate of the council tax bases calculated for the authority’s predecessor areas for the financial year immediately preceding the year under consideration.

(3B) The formula is—

$$C \times D$$

where—

C is—

- (a) in relation to a district council for a predecessor area of the authority, the amount that would have been calculated by the council under section 31B(1) above if section 31A above had not required or permitted the amounts mentioned in section 52ZX(1)(a) and (b) below to be taken into account,
- (b) in relation to a county council for the whole or any part of the authority’s area, the amount that would have been calculated by the council under section 42B(1) above if section 42A above had not required or permitted the amounts mentioned in section 52ZX(3)(a) and (b) below to be taken into account; and

D is—

- (a) in relation to a district council, the council tax base calculated for the area mentioned in paragraph (a) of the definition of item C above;
- (b) in relation to a county council, the council tax base calculated for the area or (as the case may be) the part of an area mentioned in paragraph (b) of that definition.

(3C) A comparison falls within this subsection if it is to be made for each predecessor area between—

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (a) the basic amount of council tax that would be calculated by the authority for the area for the year under consideration under Part 4 of the 2008 Regulations if section 31A above did not require or permit the authority to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below; and
- (b) the aggregate of the amounts that would have been calculated for the area for the financial year immediately preceding the year under consideration—
  - (i) by any district council for the predecessor area, under section 31B(1) above if section 31A above had not required or permitted the amounts mentioned in section 52ZX(1)(a) and (b) below to be taken into account, and
  - (ii) by any county council that was a county council for the whole or any part of the predecessor area, under section 42B(1) above if section 42A above had not required or permitted the amounts mentioned in section 52ZX(3) (a) and (b) below to be taken into account.”.

**Section 52ZE of the Local Government Finance Act 1992**

- 2. In section 52ZE (alternative notional amounts)—
  - (a) in subsection (2), for the words from “the authority’s” to the end substitute—
    - “—
    - (a) the amount mentioned in section 52ZC(3A)(b) above; or
    - (b) the aggregate amount mentioned in section 52ZC(3C)(b) above.”; and
  - (b) in subsection (5), for the words from “the reference” to the end substitute “(as the case may be) the amount mentioned in section 52ZC(3A)(b) above, or the aggregate amount mentioned in section 52ZC(3C)(b) above, were replaced with alternative notional amount.”.

**Section 52ZF of the Local Government Finance Act 1992**

- 3. In section 52ZF (billing authority’s duty to make substitute calculations)—
  - (a) for subsection (2)(a) substitute—
    - “(a) they are made in accordance with—
      - (i) if the authority calculates its basic amount of council tax under section 31B(1) above, sections 31A, 31B and 34 to 36 above, or
      - (ii) if the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, sections 31A, 31B and 36 above and Part 4 of the 2008 Regulations,in each case ignoring section 31A(11) above for this purpose,”; and
  - (b) in subsection (3)—
    - (i) omit “and” at the end of paragraph (a), and
    - (ii) for paragraph (b) substitute—
      - “(b) use the amount determined in the previous calculation for the year for item T in section 31B(1) above,
      - (c) use each amount determined in the previous calculation for the year as the council tax base for a part of the authority’s area including (where applicable) item TP in section 34(3) above, and



*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (d) if it calculated basic amounts of council tax for its predecessor areas for the year under Part 4 of the 2008 Regulations, ensure that the basic amount of council tax calculated for each predecessor area is less than the amount so calculated under the previous calculation.”.

#### **Section 52ZG of the Local Government Finance Act 1992**

- 4. In section 52ZG (arrangements for referendum), for subsection (1) substitute—
  - “(1) The billing authority must make arrangements to hold a referendum in accordance with this section in relation to—
    - (a) if the authority calculates its basic amount of council tax for the financial year under section 31B(1) above, the authority’s relevant basic amount of council tax for the year;
    - (b) if the authority calculates basic amounts of council tax for its predecessor areas for the financial year under Part 4 of the 2008 Regulations, the amount that would be the authority’s uniform amount of council tax for the year if section 31A above did not require or permit it to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below.”.

#### **Section 52ZH of the Local Government Finance Act 1992**

- 5. In section 52ZH (effect of referendum), in each of subsections (2) and (4), for the words from “billing” to “year” substitute “amount mentioned in section 52ZG(1)(a) above, or the amount mentioned in section 52ZG(1)(b) above (as the case may be),”.

#### **Section 52ZR of the Local Government Finance Act 1992**

- 6. In section 52ZR (direction that referendum provisions are not to apply)—
  - (a) in subsection (6)(a), for the words from “the authority’s” to “year” substitute “the amount mentioned in section 52ZG(1)(a) above, or the amount mentioned in section 52ZG(1)(b) above (as the case may be)”; and
  - (b) in subsection (8), in the definition of “council tax calculations” for paragraph (a) substitute—
    - “(a) in relation to a billing authority—
      - (i) if the authority calculates its basic amount of council tax under section 31B(1) above, sections 31A, 31B and 34 to 36 above, or
      - (ii) if the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, sections 31A, 31B and 36 above and Part 4 of the 2008 Regulations.”.

#### **Section 52ZX of the Local Government Finance Act 1992**

- 7. In section 52ZX (meaning of relevant basic amount of council tax)
  - (a) at the beginning of subsection (1) insert “Subject to subsection (1A),”; and
  - (b) after subsection (1) insert—
    - “(1A) In the case of an authority which has power in relation to a financial year to calculate basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, any reference in this Chapter to the billing authority’s relevant basic amount of council tax for the financial year is a reference to—

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (a) if the authority calculates its basic amount of council tax under section 31B(1) above, the amount that would be calculated by the authority under that section if section 31A above did not require or permit it to take into account the amounts mentioned in subsection (1)(a) and (b); or
- (b) if the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, each of the amounts that would be calculated by the authority under those Regulations if section 31A above did not require or permit it to take into account the amounts mentioned in subsection (1) (a) and (b).”.

### **Section 69 of the Local Government Finance Act 1992**

8. In section 69 (interpretation), in subsection (1) insert each of the following definitions in the appropriate place—

- ““the 2008 Regulations” means the Local Government (Structural Changes) (Finance) Regulations 2008;”;
- ““predecessor area” has the same meaning as in the 2008 Regulations;”;
- ““uniform amount” has the same meaning as in the 2008 Regulations;”.

## **PART 2**

Modifications having effect in the circumstances mentioned in regulation 15A(2)

### **Section 52ZC of the Local Government Finance Act 1992**

9. In section 52ZC (determination of whether increase is excessive)—

- (a) after subsection (1), insert—
  - “(1A) For these purposes—
    - (a) the principles mentioned in subsection (2)(b)(i) apply if for the year under consideration the authority calculates its basic amount of council tax under section 31B(1) above; and
    - (b) the principles mentioned in subsection (2)(b)(ii) apply if for that year the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations.”;
- (b) in subsection (2), for paragraph (b) substitute—
  - “(b) must constitute or include—
    - (i) a comparison falling within subsection (3A) below, and
    - (ii) a comparison falling within subsection (3C) below.”;
- (c) omit subsection (3); and
- (d) before subsection (4) insert—
  - “(3A) A comparison falls within this subsection if it is between—
    - (a) the amount that would be calculated by the authority for the year under consideration under section 31B(1) above if section 31A above did not require or permit it to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below; and

- (b) the amount that would have been the authority's uniform amount of council tax for the financial year immediately preceding that year if section 31A above had not required or permitted it to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below.

(3B) For the financial year beginning on 1st April 2012, subsection (3A)(b) shall have effect as if the reference to "section 31A above" were a reference to "section 32".

(3C) Subject to subsections (3D) and (3E) below, a comparison falls within this subsection if it is to be made for each predecessor area between —

- (a) the basic amount of council tax that would be calculated by the authority for the area for the year under consideration under Part 4 of the 2008 Regulations if section 31A above did not require or permit the authority to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below; and
- (b) the basic amount of council tax that would have been calculated by the authority for the area for the financial year immediately preceding the year under consideration under Part 4 of the 2008 Regulations if section 31A above had not required or permitted the authority to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below.

(3D) Subsection (3E) applies if an authority's principal area for the year under consideration is comprised of—

- (a) its principal area for the financial year immediately preceding the year under consideration; and
- (b) one or more other areas each of which were predecessor areas for the financial year preceding the year under consideration.

(3E) In relation to the year under consideration, subsection (3C)(b) applies as if—

- (a) the areas mentioned in subsection (3D)(a) and (b) were the authority's principal area for the financial year immediately preceding the year under consideration; and
- (b) the amount calculated for that area were the lowest amount that would be calculated under subsection (3C)(b) if separate calculations were made for each of the areas mentioned in paragraph (3D)(b)."

### **Section 52ZE of the Local Government Finance Act 1992**

**10.** In section 52ZE (alternative notional amounts)—

- (a) in subsection (2), for the words from "the authority's" to the end substitute—

“—

- (a) the amount mentioned in section 52ZC(3A)(b) above; or
- (b) the amount mentioned in section 52ZC(3C)(b) above when that section is read with section 52ZC(3D) and (3E) above.”; and

- (b) in subsection (5), for the words from "the reference" to the end substitute "(as the case may be) the amount mentioned in section 52ZC(3A)(b) above, or the amount mentioned in section 52ZC(3C)(b) above when that section is read with section 52ZC(3D) and (3E) above, were replaced with the alternative notional amount."

### **Section 52ZF of the Local Government Finance Act 1992**

**11.** In section 52ZF (billing authority's duty to make substitute calculations)—

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- (a) for subsection (2)(a) substitute—
  - “(a) they are made in accordance with—
    - (i) if the authority calculates its basic amount of council tax under section 31B(1) above, sections 31A, 31B and 34 to 36 above, or
    - (ii) if the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, sections 31A, 31B and 36 above and Part 4 of the 2008 Regulations,in each case ignoring section 31A(11) above for this purpose,”; and
- (b) in subsection (3)—
  - (i) omit “and” at the end of paragraph (a), and
  - (ii) for paragraph (b) substitute—
    - “(b) use the amount determined in the previous calculation for the year for item T in section 31B(1) above,
    - (c) use each amount determined in the previous calculation for the year as the council tax base for a part of the authority’s area including (where applicable) item TP in section 34(3) above, and
    - (d) if it calculated basic amounts of council tax for its predecessor areas for the year under Part 4 of the 2008 Regulations, ensure that the basic amount of council tax calculated for each predecessor area is less than the amount so calculated under the previous calculation.”.

**Section 52ZG of the Local Government Finance Act 1992**

**12.** In section 52ZG (arrangements for referendum), for subsection (1) substitute—

“(1) The billing authority must make arrangements to hold a referendum in accordance with this section in relation to—

- (a) if the authority calculates its basic amount of council tax for the financial year under section 31B(1) above, the authority’s relevant basic amount of council tax for the year;
- (b) if the authority calculates basic amounts of council tax for its predecessor areas for the financial year under Part 4 of the 2008 Regulations, the amount that would be the authority’s uniform amount of council tax for the year if section 31A above did not require or permit it to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below.”.

**Section 52ZH of the Local Government Finance Act 1992**

**13.** In section 52ZH (effect of referendum), in each of subsections (2) and (4), for the words from “billing” to “year” substitute “amount mentioned in section 52ZG(1)(a) above, or the amount mentioned in section 52ZG(1)(b) above (as the case may be),”.

**Section 52ZR of the Local Government Finance Act 1992**

**14.** In section 52ZR (direction that referendum provisions are not to apply)—

- (a) in subsection (6)(a), for the words from “the authority’s” to “year” substitute “the amount mentioned in section 52ZG(1)(a) above, or the amount mentioned in section 52ZG(1)(b) above (as the case may be)”;
- (b) in subsection (8), in the definition of “council tax calculations” for paragraph (a) substitute—

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

- “(a) in relation to a billing authority—
  - (i) if the authority calculates its basic amount of council tax under section 31B(1) above, sections 31A, 31B and 34 to 36 above, or
  - (ii) if the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, sections 31A, 31B and 36 above and Part 4 of the 2008 Regulations.”.

#### **Section 52ZX of the Local Government Finance Act 1992**

15. In section 52ZX (meaning of relevant basic amount of council tax)

- (a) at the beginning of subsection (1) insert “Subject to subsection (1A),”; and
- (b) after subsection (1) insert—

“(1A) In the case of an authority which has power in relation to a financial year to calculate basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, any reference in this Chapter to the billing authority’s relevant basic amount of council tax for the financial year is a reference to—

- (a) if the authority calculates its basic amount of council tax under section 31B(1) above, the amount that would be calculated by the authority under that section if section 31A above did not require or permit it to take into account the amounts mentioned in subsection (1)(a) and (b); or
- (b) if the authority calculates basic amounts of council tax for its predecessor areas under Part 4 of the 2008 Regulations, each of the amounts that would be calculated by the authority under those Regulations if section 31A above did not require or permit it to take into account the amounts mentioned in subsection (1) (a) and (b).”.

#### **Section 69 of the Local Government Finance Act 1992**

16. In section 69 (interpretation), in subsection (1) insert each of the following definitions in the appropriate place—

““the 2008 Regulations” means the Local Government (Structural Changes) (Finance) Regulations 2008;”;

““predecessor area” has the same meaning as in the 2008 Regulations;”;

““principal area” has the same meaning as in the 2008 Regulations;”;

““uniform amount” has the same meaning as in the 2008 Regulations;”.

### **PART 3**

Modifications having effect in the circumstances mentioned in regulation 15A(3)

#### **Section 52ZC of the Local Government Finance Act 1992**

17. In section 52ZC (determination of whether increase is excessive)—

- (a) for subsection (3)(b) substitute—

“(b) the amount that would have been the authority’s uniform amount of council tax for the financial year immediately preceding the year under consideration if section 31A above had not required or permitted it to take into account the amounts mentioned in section 52ZX(1)(a) and (b) below.”, and

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(b) after paragraph (7) insert—

“(8) In this section, “uniform amount of council tax” has the same meaning as in the Local Government (Structural Changes) (Finance) Regulations 2008.””

---

## EXPLANATORY NOTE

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

These Regulations amend the Local Government (Structural Changes) (Finance) Regulations 2008 (“the 2008 Regulations”).

The 2008 Regulations make incidental, consequential, transitional and supplementary provision of general application in relation to the exercise of functions by authorities under the Local Government Finance Act 1988 and the Local Government Finance Act 1992 (“the 1992 Act”) for the purposes of, and in consequence of, orders made by the Secretary of State under section 7 (implementation of proposals by order) of the Local Government and Public Involvement in Health Act 2007 (c.28) (“the 2007 Act”). In particular, where structural change occurs under the 2007 Act, for a transitional period an authority is able to calculate its council tax under Part 4 (equalisation of council tax) of the 2008 Regulations in order to equalise more equitably the council tax which is paid in its area.

The Localism Act 2011 (“the 2011 Act”) makes amendments to the 1992 Act and, in particular, to Chapter 3 (setting of council tax) of Part 1 (council tax: England and Wales) of the 1992 Act and the provisions by which a billing authority in England calculates its council tax. Regulations 3 to 6 and 8 to 10 of, and Schedule 1 to, these Regulations make amendments to the 2008 Regulations which are consequential to the changes made to the 1992 Act by the 2011 Act.

The 2011 Act also inserts a new Chapter 4ZA (referendums relating to council tax increases) into Part 1 of the 1992 Act. Regulations 7 and 11 of, and Schedule 2 to, these Regulations modify Chapters 4ZA and 6 in relation to financial years where an authority has power to calculate its council tax under Part 4 of the 2008 Regulations. These modifications are required to ensure that Chapter 4ZA of Part 1 of the 1992 Act operates appropriately whether an authority sets its council tax under Part 4 of the 2008 Regulations, or Chapter 3 of Part 1 of the 1992 Act.

A full impact assessment has not been produced for these Regulations as no impact on the private or voluntary sectors is foreseen.