



General Rate Act 1967

1967 CHAPTER 9

PART II

PROVISIONS AS TO PRECEPTS

11 Power and duty to make sufficient precepts.

Every authority having power to issue a precept to a rating authority shall from time to time issue such precepts as will be sufficient to provide for such part of the total estimated expenditure to be incurred by the authority during the period in respect of which the precept is issued as is to be met out of moneys raised by rates, together with such additional amount as is in the opinion of the authority required to cover expenditure previously incurred, or to meet contingencies, or to defray any expenditure which may fall to be defrayed before the date on which the moneys to be received in respect of the next subsequent precept will become available.

12 Provisions as to precepts by certain authorities.

- (1) The provisions of this section shall have effect in relation to any precept issued to rating authorities by any of the following authorities, namely, a county council, the Greater London Council, and the Receiver for the Metropolitan Police District.
- (2) The precept shall require the rating authority for each rating area affected to levy, as part, or as an additional item, of the rate, a rate of such amount in the pound as may be specified in the precept, being (subject to subsection (10) of this section) the same amount in the case of each rating area affected, and shall state the date or dates on or before which payments are required to be made on account of the rate levied in pursuance of the precept, and the amount of each such payment.
- (3) Subject to the provisions of this section, the amount due under the precept to the precepting authority shall be the amount produced by the rate of the amount in the pound specified in the precept, and the rating authority shall make payments in accordance with the requirements of the precept on account of the amount due under it.

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- (4) For the purpose of enabling the precepting authorities aforesaid to issue their precepts in manner required by this section, every rating authority shall before 1st February in each year transmit to each of those precepting authorities having power to issue a precept to that rating authority an estimate of the amount, calculated in the prescribed manner, which would be produced in the next year by a rate of a penny in the pound levied in the rating area or part thereof, as the case may be, and the aggregate amount of the payments required by the precept shall not exceed the sum which a rate of the amount in the pound specified in the precept would produce on the basis of the estimate for that year.
- (5) Where a rating authority fail to transmit an estimate to any precepting authority in accordance with subsection (4) of this section, the precepting authority may make the estimate for the purposes of this section in lieu of the rating authority.
- (6) The precept must be issued, or information as to the amount in the pound of the rate to be levied under it must be given, to each rating authority affected not less than twenty-one days before the beginning of the year or half-year, as the case may be, in which the rate is to be levied.
- (7) The amount due under the precept shall be ascertained in the prescribed manner; and—
 - (a) if that amount exceeds the aggregate amount of the payments required by the precept, the balance shall be paid by the rating authority to the precepting authority;
 - (b) if that amount is less than the aggregate amount of the payments required by the precept, the balance shall be set off against any amount required by the next precept issued to the rating authority by the precepting authority.
- (8) Where the amount due under the precept, or any part of that amount, is not paid on or before the date specified in the precept for payment, the precepting authority may, if they think fit, require the rating authority to pay, in accordance with subsection (9) of this section, interest on that amount, or that part of the amount, and any interest so payable shall be paid by the rating authority to the precepting authority in like manner as if it were due under the precept.
- (9) For the purposes of subsection (8) of this section interest shall be calculated at the rate of six per cent. per annum and shall commence to run from the date of payment specified in the precept, except that no interest shall be charged—
 - (a) in respect of any day before the expiration of six weeks from the commencement of the year or half-year, as the case may be, in respect of which the precept was issued; or
 - (b) in respect of any day on which the aggregate amount of any payments made under the precept is equal to or exceeds the sum which bears to the aggregate amount of the instalments required by the precept the same proportion as the number of days which have elapsed since the commencement of the said year or half-year, as the case may be, bears to the total number of days in that year or half-year.
- (10) The foregoing provisions of this section shall have effect with such adaptations as are necessary by reason of any provision whereby a precept in respect of particular expenditure is required to be issued in such manner that—
 - (a) a rate levied in respect of expenditure chargeable on part only of the precepting authority's area is levied only on that part of that area ; or
 - (b) rates of different amounts are levied on different rating areas.

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- (11) In the application of subsection (2) of this section to the City of London, references to the rate shall be construed as references to the poor rate.

13 Precepts by other authorities.

- (1) Any authority other than those referred to in section 12(1) of this Act by whom precepts are issued to any rating authority, or any rating authority to whom such precepts are issued, may make and submit to the Minister a scheme for applying to those precepts the provisions of the said section 12, subject to such modifications as may appear to be necessary having regard to the basis of apportionment or the incidence of charge existing immediately before the scheme is proposed to come into force; and the Minister may, after giving any authorities concerned an opportunity of objecting, by order confirm the scheme either without modifications or subject to such modifications as he thinks fit:

Provided that, if an objection to any such scheme is made by any of the authorities concerned and is not withdrawn, the order shall be provisional only and shall not have effect unless and until confirmed by Parliament.

- (2) A scheme duly made, submitted and confirmed in accordance with the provisions of the foregoing subsection shall, subject to the provisions of the confirming order, have effect as if enacted in this Act.

14 Precepts-general.

- (1) Rules made for the purposes of sections 12 and 13 of this Act under section 113 thereof—

- (a) subject and without prejudice to subsections (1)(c) and (2) of the said section 113, shall provide in what manner and to what extent the cost of the collection of a rate, including any allowances made under section 51, 54, 55 or 56 of this Act, and losses on collection, are to be treated as deductions in estimating and ascertaining the amount produced by the rate ; and
- (b) shall make provision with respect to any other matters for which it appears necessary to make provision in order to carry the said sections 12 and 13 into effect.

- (2) Every precepting authority shall on issuing a precept to a rating authority supply to the rating authority such information as is reasonably necessary for the preparation of demand notes in accordance with section 5 of this Act.

15 General power for securing payment of precepts.

- (1) Where in pursuance of a precept issued to a rating authority by any other authority any amount is payable directly or indirectly by the rating authority to the precepting authority and, on an application for a certificate under this section made by the precepting authority after twenty-one days' notice given to the rating authority, the Minister is satisfied that the rating authority have refused or through wilful neglect or wilful default failed to raise that amount by a rate, or that, having raised the amount by a rate, the rating authority have refused or through wilful neglect or wilful default failed to pay the amount due under the precept, the Minister may issue a certificate to that effect and thereupon—

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- (a) the precepting authority shall have the like power of applying for a receiver, and
 - (b) a receiver may on such an application be appointed in like manner, and when appointed shall have the like power,
- as if—
- (i) the precepting authority were a secured creditor of the rating authority for the amount due under the precept, with interest thereon at the rate of six per cent. per annum from the date when the amount became payable under the precept; and
 - (ii) the said amount and interest were due under a security issued under the Local Loans Act 1875 charging them on the rates leviable by, and on all other property of, the rating authority; and
 - (iii) the conditions under which a receiver may in such a case be appointed under section 12 of the said Act of 1875 were fulfilled;
- and the said section 12 shall apply accordingly.
- (2) If the Minister so thinks fit an application under subsection (1)(a) of this section may be made by him instead of by the precepting authority.
 - (3) The powers conferred by this section shall be in addition to and not in derogation of any other powers for enforcing compliance with a precept issued to a rating authority.