
 STATUTORY INSTRUMENTS

1985 No. 1486

RATING AND VALUATION

The Rate Demands and Notice of Rates and Precepts Rules 1985

Made - - - - - 24th September 1985
Laid before Parliament 30th September 1985
Coming into Operation 22nd October 1985

The Secretary of State, after consultation with the associations of local authorities with whom consultation appeared to him to be desirable, in exercise of the powers conferred by section 113 of the General Rate Act 1967(a) and now vested in him (b), of his powers under sections 14 and 15(3) of the Rates Act 1984(c) and of all other powers enabling him in that behalf, hereby makes the following rules:—

Citation, commencement and interpretation

1.— (1) These rules may be cited as the Rate Demands and Notice of Rates and Precepts Rules 1985 and shall come into operation on 22nd October 1985.

(2) In these rules—

“the 1967 Act” means the General Rate Act 1967;

“the 1980 Act” means the Local Government, Planning and Land Act 1980(d);

“the 1984 Act” means the Rates Act 1984;

“the 1985 Act” means the Local Government Act 1985(e);

“the current year” means the year preceding the next financial year;

“cost of collection”, “exclusive rate product”, “gross rate income” and “loss on collection” have the same meanings as in the Rate Product Rules 1981(f);

“major precepting authority” means any county council, the Receiver for the Metropolitan Police District and any authority empowered to issue precepts by section 68 of the 1985 Act;

(a) 1967 c.9; section 113 was amended by the Local Government Act 1974 (c.7), Schedule 7, paragraph 8.

(b) S.I. 1970/1681.

(c) 1984 c.33; section 14 was applied by section 74(4) of the Local Government Act 1985 (c.51).

(d) 1980 c.65.

(e) 1985 c.51.

(f) S.I. 1981/327.

“next financial year” means the year in respect of which the rate or levy is made or precept issued;

“residuary body” means a body established by section 57 of the 1985 Act; and

“trading undertaking” has the same meaning as in section 72 of the 1980 Act.

Application

2. These rules apply in relation to rates made by the councils of districts and London boroughs, precepts issued by precepting authorities and levies made by residuary bodies for any financial year beginning on or after 1st April 1986.

Rate Demands

3.—(1) Subject to paragraph (2) below, every demand note on which a rate is levied shall give, in addition to the information required by section 5 of the 1967 Act and section 7(1) of the 1984 Act, the information specified in Schedule 1 to these rules; save that the information specified in paragraphs 2 and 3 is not required to be given in a demand note in respect of any hereditament where—

- (a) the period for which rates are due in respect of that hereditament is less than 12 months or is a previous year; or
- (b) there has been an alteration in the valuation list in respect of that hereditament having effect for all or any part of the rate period to which the demand relates or a proposal for such an alteration.

(2) A demand note may include a demand for another rate, or a rent or other charge: but where it does so the amount in the pound being levied for that other rate or rent or charge, (or where it is a fixed amount, the amount thereof) shall be shown quite distinctly from the general rate.

(3) Where the same person is rated in respect of two or more hereditaments, it shall be a sufficient compliance with this rule to include the information required by this rule in a single demand note relating to those two or more hereditaments, showing the aggregate for those hereditaments of the amounts referred to in paragraphs 2 or 3 of Schedule 1 so far as they may be required to be shown.

Rate notices

4. Every rating authority shall serve, with the first demand note on which a rate is levied in respect of any year in relation to any hereditament, a notice giving so far as it is relevant the information mentioned in Part II of Schedule 2 as respects—

- (a) its own financial affairs;
- (b) the financial affairs of any major precepting authority which has issued a precept to it for that year; and
- (c) the financial affairs of any residuary body which has made a levy upon it for that year.

Information to be given to occupiers of dwellings to whom no rate demand is issued

5. For the purposes of section 15(3)(a) of the 1984 Act (information to be given to occupiers of dwelling houses to whom no rate demand note is issued) the following is hereby prescribed:—

- (a) the information which would be required by section 5 of the 1967 Act, section 7(1) of the 1984 Act and rule 3 above other than the information specified in paragraphs 5, 6(c), 7, 9 and 10 of Schedule 1 and, so far as it relates to paragraphs 6(c) and 7, by paragraph 8;
- (b) the information required to be served with the demand note in a notice under rule 4 above; and
- (c) a statement to the effect that—
 - (i) the notice is not a demand for payment, and no payment is required; and
 - (ii) the amount of the rates set out in the notice will in many cases be included in payments made to the landlord.

Revocation

6. The Rate-demands Rules 1981(a) and the Notices to Residential Occupiers and Rate-demands (Amendment) Rules 1985(b) are hereby revoked.

(a) S.I. 1981/328.
(b) S.I. 1985/6.

Rule 3

SCHEDULE 1

INFORMATION TO BE PROVIDED IN A RATE DEMAND NOTE

1. A statement of the amount of rates due in relation to the hereditament in respect of which the demand note is issued, and an explanation of the method by which that amount was calculated.

2.—(1) Subject to paragraph (2), a statement in tabular form of the amounts (before the deduction of any reliefs, allowances, rebates or reductions) which are being levied in relation to the hereditament for the purposes of—

- (i) the rating authority (other than for payment for a precept or levy);
- (ii) the precept of any major precepting authority;
- (iii) any levy payable to a residuary body;
- (iv) in the case of a London borough, any levy payable in respect of London Regional Transport;
- (v) any precept of, or levy payable to, any other body.

(2) Any amount required to be stated by paragraph (1)(v) above may be stated as an aggregate of the amount payable to any two or more bodies.

3. In the case of any domestic or mixed hereditament, a statement of the amount of any reduction in the rate therefor made in pursuance of section 48(1) of the 1967 Act.

4. A general indication of the rights of a person who occupies a dwelling house as his home to a rate rebate, according to his personal circumstances; and a statement that the rating authority will, on request, provide further information about the availability of such a rebate.

5. A statement about the rights of ratepayers to elect to pay rates by instalments.

6. A statement that—

- (a) a disabled person who is the occupier of a hereditament which has special facilities for him, or who makes payments by way of rent in respect of all or part of such a hereditament;
- (b) a person who is a member of the same household as a disabled person and who is either the occupier of such a hereditament or makes such payments as aforesaid; and
- (c) a body which occupies a hereditament as an institution for the disabled;

may in certain circumstances be entitled to a rate rebate under sections 1 or 2 of the Rating (Disabled Persons) Act 1978(a).

7. A general statement as to the allowances (if any) which the owner of the hereditament may claim under sections 55(2) and 56(1) of the 1967 Act.

(a) 1978 c.40.

8. The name and address of the person to whom application may be made for any entitlement or allowance referred to in paragraphs 4, 6 or 7 above.

9. A statement of any proportion the rating authority has specified for the purposes of paragraph 1(2) of Schedule 1 to the 1967 Act (proportion of rates payable in respect of unoccupied property) and of the classes of hereditaments so specified in relation to that proportion.

10. A statement as to the methods by which payment may be made, and the address at which, and the hours when payment may be made in person.

11. The address of the valuation officer for the rating area and a statement of his functions in relation to the maintenance, preparation and alteration of valuation lists.

12. If the demand note relates to a substituted rate made pursuant to section 3 of the Local Government Finance Act 1982(a), a statement that the rating authority has previously made a rate for the year and that the rate to which the demand relates is a substituted rate.

SCHEDULE 2

Rule 4

PART I

INTERPRETATION OF PART II

1. Throughout Part II, “relevant estimates” means—

- (i) estimates for the next financial year; and
- (ii) any estimate for the current year prepared pursuant to section 2 or, as the case may be, section 11 of the 1967 Act;

and, further, in paragraphs 1 and 2 means estimates which also identify separately expenditure on, or income from, any individual service where that expenditure or income is, in the opinion of the authority incurring or receiving it, material to the fair presentation of the information required to be given by these rules, and the information so required shall include expenditure on, and income from—

- (i) any land, houses or other buildings specified in section 12 of the Housing Finance Act 1972(b); and
- (ii) any trading undertaking owned by the authority individually or as a member of a joint committee of local authorities.

2. In paragraphs 6 and 8, “total expenditure” has the same meaning as in section 56(8) of the 1980 Act.

3. In paragraph 8, “net rate income” means the gross rate income less the sum of the cost of collection and loss on collection.

4. In paragraphs 13 and 14, “total gross expenditure” includes sums paid or payable to any other local authority by virtue of any precept or levy but does not include expenditure on rate rebates.

(a) 1982 c.32.
(b) 1972 c.47.

PART II

INFORMATION TO BE INCLUDED IN A RATE NOTICE

1. Relevant estimates of the aggregate of the authority's gross expenditure attributable to services administered by the authority.
2. Relevant estimates of the aggregate of the authority's gross income attributable to services administered by the authority.
3. Relevant estimates of the authority's net expenditure attributable to services administered by the authority, that is to say the difference between the estimates referred to in paragraphs 1 and 2 above.
4. Relevant estimates of contributions to or from the authority's financial reserves with separate estimates of contributions which fall to be credited to or met out of any fund established under paragraph 16 of Schedule 13 to the Local Government Act 1972(a).
5. Relevant estimates of the authority's expenditure on—
 - (i) contingencies;
 - (ii) any precepts payable to parish councils, parish meetings community councils and community meetings;
 - (iii) any levies payable under the 1985 Act;
 - (iv) any expenditure on rate rebates expressed as the difference between the total estimated expenditure on such rebates and the estimated amount of subsidies to the authority under section 32 of the Social Security and Housing Benefits Act 1982(b);and any other revenue expenditure.
6. Relevant estimates of the authority's total expenditure together with statements of any guidance issued or communicated to the authority as intended to be issued in respect of the next financial year for the purposes of section 59(6)(cc) of the 1980 Act.
7. Relevant estimates of the amount of any adjustment under section 59(6)(cc) of the 1980 Act in the amount of block grant payable to the authority.
8. Relevant estimates of—
 - (i) the amount of block grant payable to the authority; and
 - (ii) the authority's share of net rate income, or its levy income as the case may be,together with other proposals for financing its total expenditure for the current year (if any) and its expenditure for the next financial year.
9. A summarised statement of the authority's estimated total financial reserves at the end of the current year and at the end of the next financial year.
10. A breakdown of the amount in the pound at which the rate for the next financial year is to be charged showing the amount in the pound referable to any precept of any major precepting authority or required to pay any levy made by a residuary body, together with a comparable breakdown for the current year and an explanation of any change in the amount.

(a) 1972 c.70.

(b) 1982 c.24.

11. A statement of the exclusive rate product for the next financial year and the current year.
12. A statement as to the extent to which the authority's expenditure has been affected by major changes in policy or local circumstances or both.
13. In the case of a rating authority only, relevant estimates of the authority's total gross expenditure showing separately any sums payable to any other body by virtue of any precept (provided that sums payable to parish councils, community councils, parish meetings and community meetings may be shown as a single cumulative item).
14. Relevant estimates for the financing of the total gross expenditure, referred to in paragraph 13 above, showing in particular, how far it is proposed to meet it by the anticipated amount of—
 - (i) income from users of the authority's services including rental income in respect of dwellings;
 - (ii) block grant payable to the authority;
 - (iii) domestic rate relief grant payable to the authority;
 - (iv) any subsidies payable to the authority under section 32 of the Social Security and Housing Benefits Act 1982;
 - (v) other grants or subsidies payable to the authority out of money provided by Parliament;
 - (vi) income from ratepayers (that is to say, the gross rate income less the cost of collection, the loss on collection, the amount of domestic rate relief grant under section 55 of the 1980 Act and the amount expended on rate rebates), sub-divided to show separately income from domestic ratepayers and income from other ratepayers;
 - (vii) money drawn or to be drawn from the authority's financial reserves.

Kenneth Baker,
Secretary of State
for the Environment.

24th September 1985.

EXPLANATORY NOTE

(This Note is not part of the Rules.)

These rules—

- (i) prescribe matters to be contained in rate demands (rule 3 and Schedule 1);
- (ii) require detailed financial information to be given in a notice to be served with any rate demand (rule 4 and Schedule 2);
- (iii) prescribe the information to be contained in the notice to be served under section 15 of the Rates Act 1984 on an occupier of a dwelling house to whom the rating authority has not issued, or do not intend to, issue a rate demand (rule 5).

The rules apply to England and Wales.

The provisions as to matters to be contained in rate demands and notices to residential occupiers replace those made by the Rate-demands Rules 1981 and the Notices to Residential Occupiers and Rate-demands (Amendment) Rules 1985 which are revoked. Certain further information is to be provided, in particular a statement, in tabular form, of the amounts which are being levied for the purposes of bodies other than the rating authority.

The requirements relating to a notice to accompany a rate demand are new. Detailed financial information is to be provided as respects the income and expenditure of the rating authority, any major precepting authority which has issued a precept to the rating authority and any residuary body which has made a levy on it together with details of any changes from the previous year for comparative purposes.

The rules apply to rate demands and notices issued for any financial year beginning on or after 1st April 1986.

SI 1985/1486
ISBN 0-11-057486-9



780110 574868