
WELSH STATUTORY INSTRUMENTS

2013 No. 216 (W.28)

LOCAL GOVERNMENT, WALES

The Local Authorities (Alteration of Requisite Calculations) (Wales) Regulations 2013

<i>Made</i>	- - - -	<i>4 February 2013</i>
<i>Laid before the National Assembly for Wales</i>	- -	<i>6 February 2013</i>
<i>Coming into force</i>	- -	<i>28 February 2013</i>

The Welsh Ministers make the following Regulations in exercise of the powers conferred on them by sections 32(9), 33(4), 43(7) and 44(4) of the Local Government Finance Act 1992⁽¹⁾.

Title, commencement, application and interpretation

1.—(1) The title of these Regulations is the Local Authorities (Alteration of Requisite Calculations) (Wales) Regulations 2013 and they come into force on 28 February 2013.

(2) These Regulations apply in relation to Wales and financial years beginning on or after 1 April 2013.

(3) In these Regulations, “the 1992 Act” (“*Deddf 1992*”) means the Local Government Finance Act 1992.

Calculation of budget requirement by authorities in Wales

2.—(1) Section 32 of the 1992 Act (calculation of budget requirement by authorities in Wales) is amended as follows.

(2) In subsection (2)(2)—

(a) for paragraph (a), substitute—

“(a) the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year;”;

(b) after paragraph (a), insert—

“(aa) the expenditure that the authority estimates it will incur in the year in making repayments of—

(1) [1992 c. 14](#). Sections 32(9), 33(4), 43(7) and 44(4) were amended by section 79 of and Schedule 7 to the Localism Act [2011 \(c. 20\)](#).

(2) Section 32(2) was amended by [S.I.1994/246](#) and by sections 79 and 237 of and Schedule 7 to the Localism Act 2011.

- (i) grant paid to it by the Secretary of State or the Welsh Ministers, or
 - (ii) amounts paid to it by the Welsh Ministers in respect of redistributed non-domestic rates;”.
- (3) After subsection (2), insert—
 - “(2A) The expenditure mentioned in subsection (2)(a) does not include expenditure which the authority estimates it will charge to a BID Revenue Account.”
- (4) In subsection (3)(a)(3)—
 - (a) after “redistributed non-domestic rates,” insert “BID levy or financial contribution made under section 43 of the Local Government Act 2003(4),”;
 - (b) after “revenue support grant,” insert “its council tax reduction scheme,”; and
 - (c) for “relevant special grant” substitute “special grant”.
- (5) After subsection (3)(a), insert—
 - “(aa) the sums that it estimates will be payable to it for an earlier financial year in respect of—
 - (i) redistributed non-domestic rates,
 - (ii) revenue support grant, or
 - (iii) additional grant;”.
- (6) For subsection (12) substitute—
 - “(12) In this section and section 33—
 - (a) references to sums payable for a financial year in respect of redistributed non-domestic rates are to sums so payable in accordance with the local government finance report for the year under section 84G of the 1988 Act relating to the authority (including as amended by a report under paragraph 13 of Schedule 8 to that Act);
 - (b) references to sums payable for a financial year in respect of revenue support grant are to sums so payable in accordance with the local government finance report for the year under section 84G of the 1988 Act (including as amended by a report under section 84L of that Act);
 - (c) references to sums payable for a financial year in respect of an authority’s council tax reduction scheme are to sums payable by the Welsh Ministers under section 31 of the Local Government Act 2003 in respect of a scheme which applies in accordance with regulations under section 13A(5) or in default in accordance with regulations under section 13A of, and paragraph 6 of Schedule 1B(6);
 - (d) references to sums payable for a financial year in respect of additional grant are to sums so payable in accordance with a report for the year under section 86A of the 1988 Act; and

(3) Section 32(3)(a) was amended by section 38 of and paragraph 4 of Schedule 12 to the Local Government (Wales) Act 1994 (c. 19), by regulation 3(2) of S.I. 1994/246 and by regulation 2(1) of S.I. 1995/234. It was modified in relation to the financial year 2012-2013 by regulation 2(a) of S.I. 2012/521 (W.82). It was also amended by section 79 of and Schedule 7 to the Localism Act 2011.

(4) 2003 c. 26.

(5) Section 13A was substituted by section 10(1) of the Local Government Finance Act 2012 (c. 17). At the time of making these Regulations, regulations have been made under section 13A: the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2012 (S.I. 2012/3144 (W. 316)).

(6) Schedule 1B was inserted by section 10(5) of the Local Government Finance Act 2012. At the time of making of these Regulations, regulations have been made under section 13A and paragraph 6 of Schedule 1B: the Council Tax Reduction Schemes (Default Scheme) (Wales) Regulations 2012 (S.I. 2012/3145 (W.317)).

- (e) references to sums payable for a financial year in respect of special grant are to sums payable in the year in accordance with a special grant report under section 88C of the 1988 Act.”

(7) After subsection (12), insert—

“(12A) “BID levy” and “BID Revenue Account” have the meaning given in Part 4 of the Local Government Act 2003.”

Calculation of basic amount of council tax by authorities in Wales

3.—(1) Section 33 of the 1992 Act (calculation of basic amount of tax by authorities in Wales) is amended as follows.

(2) In subsection (1)(7), in the definition of P—

- (a) after “revenue support grant,”, insert “its council tax reduction scheme,”; and
- (b) for “relevant special grant” substitute “special grant”.

(3) After subsection (1), insert—

“(1A) In this section, references to sums payable for a financial year in respect of—

- (i) redistributed non-domestic rates,
- (ii) revenue support grant,
- (iii) an authority’s council tax reduction scheme,
- (iv) additional grant, and
- (v) special grant,

are to be construed in accordance with section 32(12).”

Calculation of budget requirement by authorities in Wales

4.—(1) Section 43 of the 1992 Act (calculation of budget requirement by authorities in Wales) is amended as follows.

(2) After subsection (2)(a) insert—

“(aa) the expenditure that the authority estimates it will incur in the year in making repayments of—

- (i) grant paid to it by the Secretary of State or the Welsh Ministers, or
- (ii) amounts paid to it by the Welsh Ministers in respect of redistributed non-domestic rates;”.

(3) In subsection (3)(a)(i)(8) for “relevant special grant” substitute “special grant, floor funding”.

(4) After subsection (3)(a), insert—

“(aa) the sums that it estimates will be payable to it for an earlier financial year in respect of—

- (i) redistributed non-domestic rates,
- (ii) revenue support grant,

(7) Section 33(1) was amended by section 38 of and paragraph 5 of Schedule 12 to the Local Government (Wales) Act 1994, by regulation 4(1) of [S.I. 1994/246](#) and by regulation 3 of [S.I. 1995/234](#). In relation to the financial year 2012-2013 it was modified by regulation 3 of [S.I. 2012/521 \(W.82\)](#). It was also amended by section 79 of and Schedule 7 to the Localism Act 2011.

(8) Section 43(3)(a) was amended by regulation 5 of [S.I. 1994/246](#) and by regulation 4(1) of [S.I. 1995/234](#). It was modified in relation to the financial year 2012/2013 by regulation 4 of [S.I. 2012/521 \(W.82\)](#). It was also amended by section 79 of and Schedule 7 to the Localism Act 2011.

- (iii) additional grant,
- (iv) floor funding, or
- (v) police grant;”.

(5) After subsection (6B), insert—

“(6C) In this section and section 44—

- (a) references to sums payable for a financial year in respect of floor funding are to sums that are payable by the Secretary of State in the year to a major precepting authority in addition to the police grant referred to in subsection (6A), and
- (b) references to sums payable for a financial year in respect of—
 - (i) redistributed non-domestic rates,
 - (ii) revenue support grant,
 - (iii) additional grant, or
 - (iv) special grant,

are to be construed in accordance with section 32(12).”

Calculation of basic amount of council tax by authorities in Wales

5.—(1) Section 44 of the 1992 Act (calculation of basic amount of tax by authorities in Wales) is amended as follows.

(2) In subsection (1)(9), in the definition of P, for “relevant special grant” substitute “special grant, floor funding”.

(3) After subsection (1), insert—

“(1A) In this section—

- (a) references to sums payable for a financial year in respect of—
 - (i) redistributed non-domestic rates,
 - (ii) revenue support grant,
 - (iii) additional grant, and
 - (iv) special grant,

are to be construed in accordance with section 33(12); and

- (b) references to sums payable for a financial year in respect of floor funding are to be construed in accordance with section 43(6C).”

4 February 2013

Carl Sargeant
Minister for Local Government and
Communities, one of the Welsh Ministers

(9) Section 44(1) was amended by regulation 4(1) of [S.I. 1994/246](#) and by regulation 5 of [S.I. 1995/234](#). In relation to the financial year 2012/2013 it was modified by regulation 5 of [S.I. 2011/521 \(W.82\)](#). It was also amended by section 79 of and Schedule 7 to the Localism Act 2011.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under section 32(9) (calculation of budget requirement by authorities in Wales), section 33(4) (calculation of basic amount of tax by authorities in Wales), section 43(7) (calculation of budget requirement by authorities in Wales) and section 44(4) (calculation of basic amount of tax by authorities in Wales) of the Local Government Finance Act 1992 (“the 1992 Act”). These sections set out how a billing authority and a major precepting authority in Wales are to calculate their budget requirements for a financial year and how a billing and a major precepting authority in Wales are to calculate the basic amount of their council tax.

The amendments take effect for financial years beginning on or after 1 April 2013.

Regulation 2 of these Regulations amends section 32(2)(a) of the 1992 Act to exclude expenditure to be charged to a business improvement district (“BID”) Revenue Account from the expenditure that a billing authority must aggregate under section 32(2). Regulation 2 also amends section 32(3) to exclude BID levy or financial contributions made by a person under section 43 of the Local Government Act 2003 and sums payable by the Welsh Ministers under section 31 of the Local Government Act 2003 in respect of an authority’s council tax reduction scheme from the income that the authority must aggregate under section 32(3).

Regulation 2 further amends section 32(2) so that an authority is expressly required to take into account any expenditure it expects to incur in the year in repaying grants or redistributed non-domestic rates (“RNDR”). Regulation 2 also amends section 32(3) so that an authority is expressly required to take into account payments of RNDR and grants that it expects to receive for an earlier financial year.

Regulations 2 and 3 replace references to “relevant special grant” with references to “special grant” in section 32(3)(a) and in the definition of P in section 33(1). Regulation 3 also inserts in the definition of P in section 33(1) a reference to sums payable by the Welsh Ministers in respect of an authority’s council tax reduction scheme.

Regulation 2(6) substitutes section 32(12) which explains the meanings of sums payable in respect of RNDR and revenue support grant (“RSG”) in sections 32 and 33. The purpose is to ensure that the amounts of RNDR and RSG excluded from the budget requirement calculation in those sections relate only to such amounts payable under the respective Local Government Reports for a particular year. Substituted subsection (12) also explains the meanings of BID levy and BID Revenue Account in section 32 and of additional grant, special grant and sums payable in respect of an authority’s council tax reduction scheme in sections 32 and 33.

Regulation 4(2) amends section 43(2) so that a major precepting authority is expressly required to take into account any expenditure that it expects to incur in the year in repaying grants or RNDR. Similarly, regulation 4(4) amends section 43(3) so that an authority is expressly required to take into account payments of RNDR and grants that it expects to receive for an earlier financial year.

Regulations 4(3) and 5 replace references to “relevant special grant” with references to “special grant” in section 43(3)(a)(i) and in the definition of P in section 44(1).

Regulations 4(3) and 5 further amend sections 43(3)(a)(i) and 44(1) such that major precepting authorities must take into account any floor funding received from the Secretary of State for a financial year when making the required calculation for that year.

Regulation 4(5) inserts subsection (6C) into section 43 to provide a definition of “floor funding” for the purposes of sections 43 and 44 and also to provide that the definitions of RNDR, RSG, additional

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grant, special grant and floor funding in section 32(12A) also apply to sections 43 and 44 of the 1992 Act.