

2006 No. 247

LOCAL GOVERNMENT, ENGLAND

FINANCE

**The Local Authorities (Alteration of Requisite Calculations)
(England) Regulations 2006**

<i>Made</i> - - - -	<i>6th February 2006</i>
<i>Laid before Parliament</i>	<i>7th February 2006</i>
<i>Coming into force</i> - -	<i>8th February 2006</i>

The First Secretary of State, in exercise of the powers conferred by sections 32(9), 33(4), 43(7), 44(4) and 113(2) of the Local Government Finance Act 1992(a) and sections 86(5), 88(8), 89(9) and 420(1) of the Greater London Authority Act 1999(b), makes the following Regulations:—

Citation, commencement, application and interpretation

1.—(1) These Regulations may be cited as the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2006 and shall come into force on 8th February 2006.

(2) These Regulations apply in relation to authorities in England only (c).

(3) These Regulations apply in relation to the financial year beginning on 1st April 2006.

(4) In these Regulations—

“the 1992 Act” means the Local Government Finance Act 1992;

“the 1999 Act” means the Greater London Authority Act 1999.

Budget requirement (billing authorities) – calculation

2. Section 32 of the 1992 Act has effect as if—

(a) in subsection (3)(a)(d) the words “or relevant special grant” were omitted;

(b) for subsection (12)(a) there were substituted the following subsection—

(a) 1992 c.14; section 32(9) was amended by paragraph 4 of Schedule 12 to the Local Government (Wales) Act 1994 (c.19).

(b) 1999 c. 29.

(c) The power to make regulations under sections 32(9), 33(4), 43(7) and 44(4) in relation to Wales transferred from the Secretary of State to the National Assembly for Wales under article 2(a) of and Schedule 1 to the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672): see the entry in Schedule 1 for the Local Government Finance Act 1992.

(d) Section 32(3)(a) was amended by the Local Authorities (Alteration of Requisite Calculations and Funds) Regulations 1994 (S.I. 1994/246) and the Local Authorities (Alteration of Requisite Calculations and Funds) Regulations 1995 (S.I. 1995/234). For the financial year beginning on 1st April 2005 section 32(3)(a) was amended by the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2005 (S.I. 2005/190).

“(12) In this section and section 33 below “police grant” means the grant payable in accordance with column (a) of paragraph 3.1 of the Police Grant Report (England and Wales) 2006/07 approved by a resolution of the House of Commons pursuant to section 46 of the Police Act 1996**(b)** on 6th February 2006.”; and

(c) After subsection (12) there were inserted the following subsection—

“(12A) In this section and in section 33 below—

- (a) references to sums payable for the financial year in respect of redistributed non-domestic rates are references to sums so payable in accordance with the Local Government Finance Report (England) 2006/2007 approved by a resolution of the House of Commons pursuant to section 79(2) of, and paragraph 11(2) of Schedule 8 to, the Local Government Finance Act 1988**(c)** Act on 6th February 2006, and
- (b) references to sums payable for the financial year in respect of revenue support grant are references to sums so payable in accordance with that report.”.

Basic amount of council tax (billing authorities) - calculation

3. Section 33(1) of the 1992 Act**(d)** has effect as if the words “or relevant special grant” in item P were omitted.

Budget requirement (major precepting authorities other than the Greater London Authority) - calculation

4. Section 43 of the 1992 Act has effect as if—

- (a) in subsection (3)(a)(i)**(e)** the words “relevant special grant” were omitted; and
- (b) for subsection (6A)**(f)** there were substituted the following subsection —

“(6A) In this section and section 44 below—

- (a) “police grant” has the meaning given by section 32(12) above, and
- (b) references to sums payable for the financial year in respect of redistributed non-domestic rates or revenue support grant are to be construed in accordance with section 32(12A) above.”.

Basic amount of council tax (major precepting authorities other than the Greater London Authority) - calculation

5. Section 44(1) of the 1992 Act**(g)** has effect as if the words “, relevant special grant” in item P were omitted.

Budget requirement (Greater London Authority) - calculation

6. Section 85 of the 1999 Act**(h)** has effect as if—

- (a) in subsection (5)(a)(i) the words “relevant special grant,” were omitted; and
- (b) after subsection (9) there were added the following subsection—

“(10) In subsection (5)(a)—

(a) Subsection (12) was inserted by the Local Authorities (Alteration of Requisite Calculations and Funds) Regulations 1995 (S.I. 1995/234), which also made relevant amendments to sections 32(3) and 33(1) (references to “police grant” and “relevant special grant”). Section 32(12) was substituted in relation to the financial year 2005/2006 by regulation 2(c) of the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2005 (S.I. 2005/190).

(b) 1996 c.16.

(c) 1988 c.41.

(d) Section 33(1) was amended by S.I. 1994/246, S.I. 1995/234 and in relation to the financial year 2005/2006 by S.I. 2005/190.

(e) Section 43(3)(a) was amended by S.I. 1995/234, and in relation to the financial year 2005/2006 by S.I. 2005/190.

(f) Section 43(6A) was inserted by S.I. 1994/246, substituted by S.I. 1995/234, and substituted in relation to the financial year 2005/2006 by S.I. 2005/190.

(g) Section 44(1) was amended by S.I. 1994/246, S.I. 1995/234, and in relation to the financial year 2005/2006 by S.I. 2005/190.

(h) Section 85(5) was amended in relation to the financial year 2005/2006 by S.I. 2005/190.

- (a) the reference to sums payable for the financial year in respect of redistributed non-domestic rates is a reference to sums so payable in accordance with the Local Government Finance Report (England) 2006/2007 approved by a resolution of the House of Commons pursuant to section 79(2) of, and paragraph 11(2) of Schedule 8 to, the Local Government Finance Act 1988 on 6th February 2006, and
- (b) the reference to sums payable for the financial year in respect of revenue support grant is a reference to sums so payable in accordance with that report.”.

Basic amount of council tax (Greater London Authority) - calculation

7. Section 88 of the 1999 Act(a) has effect as if —

- (a) in subsection (2), in the definition of P1, paragraph (e) and the word “and” preceding it were omitted;
- (b) after subsection (2) there were added the following subsection—
“(2A) In the definition of P1 in subsection (2) above—
 - (a) the reference to sums payable for the financial year in respect of redistributed non-domestic rates is a reference to sums so payable in accordance with the Local Government Finance Report (England) 2006/2007 approved by a resolution of the House of Commons pursuant to section 79(2) of, and paragraph 11(2) of Schedule 8 to, the Local Government Finance Act 1988 on 6th February 2006, and
 - (b) the reference to sums payable for the financial year in respect of revenue support grant is a reference to sums so payable in accordance with that report.”;
- (c) in subsection (3), for the words “In the definition of P1 in subsection (2) above” there were substituted the words “In that definition”; and
- (d) in subsection (4) paragraph (d) and the word “and” preceding it were omitted.

Additional calculation: special item for part of Greater London

8. Section 89 of the 1999 Act(b) has effect as if —

- (a) in subsection (4), in the definition of P2, paragraph (f) and the word “and” preceding it were omitted;
- (b) after subsection (4) there were added—
“(4A) In the definition of P2 in subsection (4) above—
 - (a) the reference to sums payable for the financial year in respect of redistributed non-domestic rates is a reference to sums so payable in accordance with the Local Government Finance Report (England) 2006/2007 approved by a resolution of the House of Commons pursuant to section 79(2) of, and paragraph 11(2) of Schedule 8 to, the Local Government Finance Act 1988 on 6th February 2006, and
 - (b) the reference to sums payable for the financial year in respect of revenue support grant is a reference to sums so payable in accordance with that report.”;
- (c) in subsection (5), for the words “In the definition of P2 in subsection (4) above” there were substituted the words “In that definition”; and
- (d) in subsection (6) paragraph (e) and the word “and” preceding it were omitted.

Interpretation of Chapter 1 of Part 3 of the 1999 Act

9. Section 99 of the 1999 Act(c) has effect as if the definition of “relevant special grant” were omitted.

(a) Paragraph (e) of subsection (2) and paragraph (d) of subsection (4) of section 88 were omitted in relation to the financial year 2005/2006 by S.I. 2005/190.
 (b) Paragraph (f) of subsection (4) and paragraph (e) of subsection (6) of section 89 were omitted in relation to the financial year 2005/2006 by S.I. 2005/190.
 (c) Section 99 was amended in relation to the financial year 2005/2006 by S.I. 2005/190.

Distribution of grants by the Greater London Authority

10. Section 102 of the 1999 Act^(a) has effect as if —

- (a) in subsection (2) paragraph (c) were omitted; and
- (b) for subsection (8) there were substituted the following subsection—

“(8) In this section—

- (a) the reference to sums received for the financial year in respect of redistributed non-domestic rates is a reference to sums so received in consequence of the Local Government Finance Report (England) 2006/2007 approved by a resolution of the House of Commons pursuant to section 79(2) of, and paragraph 11(2) of Schedule 8 to, the Local Government Finance Act 1988 on 6th February 2006, and
- (b) the reference to sums received for the financial year in respect of revenue support grant is a reference to sums so received in consequence of that report.”.

Signed by authority of the First Secretary of State

6th February 2006

Phil Woolas
Minister of State
Office of the Deputy Prime Minister

^(a) Paragraph (c) of subsection (2) and subsection (8) of section 102 were omitted in relation to the financial year 2005/2006 by S.I. 2005/190.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Sections 32 and 43 of the Local Government Finance Act 1992 (“the 1992 Act”) set out respectively how a billing authority and a major precepting authority other than the Greater London Authority (“GLA”) are to calculate their budget requirements for a financial year. Sections 33 and 44 of that Act set out respectively how a billing authority and such a major precepting authority are to calculate the basic amount of their council tax. The GLA’s budget requirement is calculated under section 85 of the Greater London Authority Act 1999 (“the 1999 Act”), the basic amount of council tax (for services funded by the GLA other than the Metropolitan Police Authority) is calculated under section 88 of that Act and the additional amount of council tax in respect of the Metropolitan Police Authority is calculated under section 89 of that Act.

Regulations 2(a) and 3 to 10 of these Regulations omit references to “relevant special grants” from sections 32, 33, 43 and 44 of the 1992 Act, and from sections 85, 88, 89, 99 and 102 of the 1999 Act, for the financial year beginning on 1st April 2006 since no special grants are being defined as relevant special grants for that financial year.

Regulation 2(b) of these Regulations alters for authorities in England the definition in section 32 of the 1992 Act of “police grant” for the financial year beginning on 1st April 2006. The altered definition applies to that section, and also to sections 33, 43 and 44 of the 1992 Act. The same definition of police grant applies to the corresponding sections of the 1999 Act (by virtue of section 99 of that Act). Regulation 2(c) inserts for authorities in England definitions of sums payable in respect of redistributed non-domestic rates and revenue support grant in section 32 of the 1992 Act for the financial year beginning on the 1st April 2006 to ensure that the amounts of redistributed non-domestic rates and revenue support grant excluded from the budget requirement calculation in that section relate only to such amounts payable under the Local Government Finance Report (England) 2006/2007. The same definitions also apply to sections 33, 43 and 44 of the 1992 Act.

Regulations 6(b), 7(b), 8(b) and 10(b) include for the Greater London Authority definitions of sums payable or received in respect of redistributed non-domestic rates and revenue support grant in sections 85, 88, 89 and 102 of the 1999 Act for the financial year beginning on 1st April 2006. These definitions ensure that the amounts of redistributed non-domestic rates and revenue support grant:

- (a) excluded from the budget requirement calculation in section 85;
- (b) taken into account in calculating item P1 and P2 in sections 88 and 89 respectively; and
- (c) to be taken into account in calculating the aggregate of sums received by the GLA to be distributed amongst the functional bodies;

relate only to such amounts payable under the Local Government Finance Report (England) 2006/2007.

A copy of the Police Grant Report (England and Wales) 2006/07 approved on 6th February 2006 ISBN 0-10-293678-1, price £5.65, referred to in regulation 2 may be obtained from the Stationery Office.

A copy of the Local Government Finance Report (England) 2006/2007 approved on 6th February 2006 ISBN 0-10-293688-9, price £14.50, referred to in these Regulations may be obtained from the Stationery Office.

A full regulatory impact assessment has not been produced for this instrument, as it has no impact on the costs of businesses, charities or voluntary bodies; neither does it have significant financial impact on any public bodies.