

Department of the Environment

**Local Government
Finance (England)**

**The Limitation of Council Tax
and Precepts (Relevant
Notional Amounts) Report
(England) 1996/97**

LONDON: HMSO

Department of the Environment

**Local Government
Finance (England)**

**The Limitation of Council Tax
and Precepts (Relevant
Notional Amounts) Report
(England) 1996/97**

Report by the Secretary of State for the Environment under section 55
of the Local Government Finance Act 1992

*Ordered by The House of Commons
to be printed on 29 January 1996*

LONDON: HMSO

THE LIMITATION OF COUNCIL TAX AND PRECEPTS (RELEVANT NOTIONAL AMOUNTS) REPORT (ENGLAND) 1996/97

Introduction

1. This Report is made by the Secretary of State for the Environment ("the Secretary of State"), and laid before the House of Commons, under section 55 of the Local Government Finance Act 1992 ("the 1992 Act"). It applies to England.
2. This report sets out the relevant notional amounts which the Secretary of State specifies as regards the financial year beginning in 1996 and certain billing and major precepting authorities in England. It also sets out such information as the Secretary of State considers desirable of the calculation by him of the relevant notional amounts.
3. If this report is approved by resolution of the House of Commons, section 54(1)(b) of the 1992 Act (power to designate authorities by reference to increase in budget requirement) will have effect as regards the financial year and the authorities to which the Report relates as if the relevant notional amounts were the basis of comparison there referred to.

Relevant Notional Amounts

4. The Secretary of State hereby specifies as the relevant notional amount as regards the financial year beginning in 1996 and those billing and major precepting authorities listed in Annex A to this Report the amount shown against the name of the authority in that Annex.

Calculation of Relevant Notional Amounts

5. Annex B contains such explanation as the Secretary of State considers desirable of the calculation by him of the relevant notional amounts specified in this Report.

*John Selwyn Gummer
Secretary of State
for the Environment*

24 January 1996

ANNEX A

Relevant Notional Amounts

Part I

<i>Billing Authority</i>	<i>£</i>
--------------------------	----------

The Councils of:

The District of Bath and North East Somerset	108,404,000
The City of Bristol	295,634,000
The District of North West Somerset	114,131,000
The District of South Gloucestershire	142,445,000
The Borough of Hartlepool	78,591,000
The Borough of Middlesbrough	124,393,000
The Borough of Redcar and Cleveland	120,177,000
The Borough of Stockton-on-Tees	139,879,000
The District of the East Riding of Yorkshire	210,068,000
The City of Kingston upon Hull	212,311,000
The District of North East Lincolnshire	124,000,000
The District of North Lincolnshire	118,634,000
The District of York	101,467,000

Part II

<i>Billing Authority</i>	<i>£</i>
--------------------------	----------

The Councils of:

The Borough of Harrogate	14,907,000
The District of Ryedale	5,260,000
The District of Selby	7,190,000

Major Precepting Authority

£

The Council of:

The County of North Yorkshire

309,027,000

Part III

Billing Authority

£

The Councils of:

The London Borough of Hammersmith and Fulham

180,421,000

The Royal Borough of Kensington and Chelsea

145,966,000

ANNEX B

The Calculation of Relevant Notional Amounts

Definitions

1.1 In this Annex and Annex C:

"the 1972 Act" means the Local Government Act 1972;

"1972 Act Order" means an Order under section 51 of the 1972 Act to modify local government areas;

"1992 Act Order" means an Order under section 17 of the 1992 Act to effect a change in the structure or boundaries of local government in an area;

"authority" includes any new authority established by a 1992 Act Order;

"budget requirement" means, in respect of a billing authority, the amount calculated by it in relation to the financial year beginning in 1995 under section 32(4) of the 1992 Act less the amount of any local precepts issued to or anticipated by the authority in accordance with section 32(6) of the 1992 Act; and, in respect of a major precepting authority, the amount calculated by it in relation to the financial year beginning in 1995 under section 43(4) of the 1992 Act;

"Finance Report" means the Local Government Finance Report (England) 1996/97 made by the Secretary of State on 24 January 1996;

"standard spending assessment" has the same meaning as in the Finance Report.

1.2 In this Annex, references to "available information" are references to information which falls within one of the following categories:

(a) information about the amount of authorities' budget requirements submitted by an authority in response to the notice dated 7 February 1995 issued under sections 64(4) and 68 of the 1992 Act, section 139A of the Local Government Finance Act 1988 and section 230 of the 1972 Act;

(b) any information received by the Secretary of State in response to any request made by him before 20 November 1995 as a result of representations by authorities in respect of his proposals for calculating a notional amount for authorities subject to local government reorganisation on 1 April 1996 set out in the letter to authorities dated 1 August 1995 and subsequent correspondence with the authorities; and

(c) any information received by the Secretary of State on or before 5 January 1996 and which was submitted to him by authorities in response to the invitation of 30 November 1995 to authorities to make representations on his proposals to specify

relevant notional amounts under section 55 of the 1992 Act or on or before 19 January 1996 in response to any request made by him as a result of receiving such representations.

1.3 For the purposes of the calculation of a relevant notional amount, any budget requirement for which another budget requirement has been substituted is ignored, providing that the Secretary of State on or before 1 October 1995 had received from the authority concerned notification of that substitute budget requirement.

The calculation of the relevant notional amounts

Authorities subject to 1992 Act Orders

2.1 Subject to paragraph 2.4 below, as regards the financial year beginning in 1996 and each billing authority listed in Part I of Annex A to this Report, the relevant notional amount is calculated as the aggregate of the following amounts where they are applicable to the authority:

- (a) the listed authority's budget requirement;
- (b) the budget requirement calculated by any other billing authority where the functions of that authority in relation to the whole of its area are to be transferred to the listed authority on 1 April 1996 in accordance with any boundary or structural changes pursuant to the 1992 Act Orders listed in Part I or Part II of Annex C to this Report;
- (c) the Secretary of State's assessment, on the basis of the available information, in respect of any billing authority where the functions of that authority in relation to part, but not all, of its area are to be transferred from that authority to the listed authority on 1 April 1996 in accordance with any boundary or structural changes pursuant to the 1992 Act Orders listed in Part I or Part II of Annex C to this Report, of the net amount of expenditure in the financial year beginning in 1995 which can reasonably be attributed to the exercise by that authority of its functions in relation to that transferred area; and
- (d) the Secretary of State's assessment, on the basis of the available information, of the net amount of expenditure in the financial year beginning in 1995 of any county council which can reasonably be attributed to the exercise by that authority of its functions in relation to the area for which it ceases to exercise those functions and the listed authority begins to exercise those functions on 1 April 1996 in accordance with any boundary or structural changes pursuant to the 1992 Act Orders listed in Part I or Part II of Annex C to this Report.

2.2 Subject to paragraph 2.4 below, as regards the financial year beginning in 1996 and each billing and major precepting authority listed in Part II of Annex A to this Report, the relevant notional amount is the Secretary of State's assessment, on the basis of the available information, of the net amount of expenditure in the financial year beginning in 1995 of the listed authority which can reasonably be attributed to the exercise of its functions in relation

to that part of its area for which it will continue to exercise its functions after 1 April 1996 in accordance with any boundary and structural changes pursuant to the 1992 Act Order listed in Part II of Annex C to this Report.

Authorities subject to 1972 Act Orders

2.3 Subject to paragraph 2.4 below, as regards the financial year beginning in 1996 and those billing authorities listed in Part III of Annex A to this Report, which are subject to the 1972 Act Order listed in Part III of Annex C to this Report, the relevant notional amount is calculated as the aggregate of:

- (a) the authority's budget requirement; and
- (b) an amount calculated as equal to the increase to or reduction in the authority's standard spending assessment which the Secretary of State intends to make in accordance with paragraph 4.57 of the Finance Report when he calculates that authority's standard spending assessment, that amount being treated as a positive amount in the case of an increase in the authority's standard spending assessment and as a negative amount in the case of a reduction to the authority's standard spending assessment in accordance with paragraph 4.57 of the Finance Report.

2.4 Where (apart from this paragraph) the relevant notional amount as regards any authority would be a figure other than a whole number of thousands, the figure is rounded to the first whole number in thousands above that figure.

ANNEX C

1992 Act Orders

Part I

SI 1995/187 The Cleveland (Structural Change) Order 1995

SI 1995/493 The Avon (Structural Change) Order 1995

SI 1995/600 The Humberside (Structural Change) Order 1995

Part II

SI 1995/610 The North Yorkshire (District of York) (Structural Change and Boundary Changes) Order 1995

1972 Act Orders

Part III

SI 1995/3057 The Kensington and Chelsea and Hammersmith and Fulham (London Borough Boundaries) Order 1995

— • —

Published by HMSO and available from:

HMSO Publications Centre

(Mail, fax and telephone orders only)

PO Box 276, London SW8 5DT

Telephone orders 0171 873 9090

General enquiries 0171 873 0011

(queuing system in operation for both numbers)

Fax orders 0171 873 8200

HMSO Bookshops

49 High Holborn, London WC1V 6HB

(counter service only)

0171 873 0011 Fax 0171 831 1326

68-69 Bull Street, Birmingham B4 6AD

0121 236 9696 Fax 0121 236 9699

33 Wine Street, Bristol BS1 2BQ

0117 9264306 Fax 0117 9294515

9-21 Princess Street, Manchester M60 8AS

0161 834 7201 Fax 0161 833 0634

16 Arthur Street, Belfast BT1 4GD

01232 238451 Fax 01232 235401

71 Lothian Road, Edinburgh EH3 9AZ

0131 228 4181 Fax 0131 229 2734

The HMSO Oriel Bookshop

The Friary, Cardiff CF1 4AA

01222 395548 Fax 01222 384347

The Parliamentary Bookshop

12 Bridge Street, Parliament Square,
London SW1A 2JX

Telephone orders 0171 219 3890

General enquiries 0171 219 3890

Fax orders 0171 219 3866

HMSO's Accredited Agents

(see Yellow Pages)

and through good booksellers

ISBN 0-10-264896-4



9 780102 648966