



Local Government Finance Act 1992

1992 CHAPTER 14

PART I

COUNCIL TAX: ENGLAND AND WALES

[^{F1}CHAPTER IVZA

REFERENDUMS RELATING TO COUNCIL TAX INCREASES

[^{F1}Excessive increase in council tax by billing authority

Textual Amendments

- F1** Pt. 1 Ch. 4ZA inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), ss. 72(1), 240(2), [Sch. 5](#); S.I. 2011/2896, art. 2(g) (with art. 3(1)(2))

52ZF Billing authority's duty to make substitute calculations

- (1) The billing authority must make substitute calculations for the financial year in compliance with this section; but those calculations do not have effect for the purposes of Chapter 3 above except in accordance with sections 52ZH and 52ZI below.
- (2) Substitute calculations for a financial year comply with this section if—
 - (a) they are made in accordance with sections 31A, 31B and 34 to 36 above, ignoring section 31A(11) above for this purpose,
 - (b) the relevant basic amount of council tax produced by applying section 52ZX below to the calculations is not excessive by reference to the principles determined by the Secretary of State under section 52ZC above for the year, and
 - (c) they are made in accordance with this section.
- (3) In making the substitute calculations, the authority must—

Changes to legislation: Local Government Finance Act 1992, Cross Heading: Excessive increase in council tax by billing authority is up to date with all changes known to be in force on or before 08 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (a) use the amount determined in the previous calculation for the year under section 31A(3) above so far as relating to amounts which the authority estimates it will accrue in the year in respect of [^{F2}locally retained] non-domestic rates, revenue support grant, ^{F3}... special grant or (in the case of the Common Council only) police grant, and
- (b) use the amount determined in the previous calculation for the year for item T in section 31B(1) above and (where applicable) item TP in section 34(3) above.

[In this Chapter, “locally retained non-domestic rates”, in relation to a billing authority ^{F4}(3A) or a major precepting authority, means amounts received by the authority under, or under regulations under, Schedule 7B to the Local Government Finance Act 1988, or under regulations under section 99(3) of that Act in connection with the operation of that Schedule.]

^{F5}(4)

Textual Amendments

F2 Words in s. 52ZF(3)(a) substituted (27.3.2013) by [The Local Government Finance Act 2012 \(Consequential Amendments\) Order 2013 \(S.I. 2013/733\)](#), arts. 1, **2(4)(a)**

F3 Words in s. 52ZF(3)(a) omitted (with effect in accordance with s. 3(13) of the amending Act) by virtue of [Local Government Finance Act 2012 \(c. 17\)](#), s. **3(6)(a)**

F4 S. 52ZF(3A) inserted (27.3.2013) by [The Local Government Finance Act 2012 \(Consequential Amendments\) Order 2013 \(S.I. 2013/733\)](#), arts. 1, **2(4)(b)**

F5 S. 52ZF(4) omitted (with effect in accordance with s. 3(13) of the amending Act) by virtue of [Local Government Finance Act 2012 \(c. 17\)](#), s. **3(6)(b)**

52ZG Arrangements for referendum

- (1) The billing authority must make arrangements to hold a referendum in relation to the authority's relevant basic amount of council tax for the financial year in accordance with this section.
- (2) Subject as follows, the referendum is to be held on a date decided by the billing authority.
- (3) That date must be not later than—
 - (a) the first Thursday in May in the financial year, or
 - (b) such other date in that year as the Secretary of State may specify by order.
- (4) An order under subsection (3) above must be made not later than—
 - (a) 1 February in the financial year preceding the year mentioned in paragraph (b) of that subsection, or
 - (b) in the case of an order affecting more than one financial year, 1 February in the financial year preceding the first of those years.
- (5) The persons entitled to vote in the referendum are those who, on the day of the referendum—
 - (a) would be entitled to vote as electors at an election for members for an electoral area of the billing authority, and

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- (b) are registered in the register of local government electors at an address within the billing authority's area.

[As soon as is reasonably practicable after determining that it is required to hold a ^{F6}(5A) referendum in relation to its relevant basic amount of council tax for the financial year, the billing authority must notify that fact in writing to any body that has issued a levy or a special levy to it for the financial year.]

- (6) In this section—

“electoral area” means—

- (a) where the billing authority is a district council, a London borough council or the Common Council of the City of London, a ward;
(b) where the billing authority is a county council, an electoral division;
(c) where the billing authority is the Council of the Isles of Scilly, a parish;

“register of local government electors” means the register of local government electors kept in accordance with the provisions of the Representation of the People Acts.

- (7) This section is subject to regulations under section 52ZQ below.

Textual Amendments

F6 S. 52ZG(5A) inserted (30.1.2014) by [Local Audit and Accountability Act 2014 \(c. 2\)](#), ss. 41(2), 49(3)

52ZH Effect of referendum

- (1) The billing authority must inform the Secretary of State^{F7}, and any body the authority was required to notify under section 52ZG(5A),] of the result of the referendum.
- (2) Subsection (3) below applies if the result is that the billing authority's relevant basic amount of council tax for the financial year is approved by a majority of persons voting in the referendum.
- (3) The authority's calculations from which that amount was derived continue to have effect for that year for the purposes of this Act.
- (4) Subsection (5) below applies if the result is that the billing authority's relevant basic amount of council tax for the financial year is not approved by a majority of persons voting in the referendum.
- (5) The substitute calculations made in relation to the year under section 52ZF above have effect in relation to the authority and the financial year.

Textual Amendments

F7 Words in s. 52ZH(1) inserted (30.1.2014) by [Local Audit and Accountability Act 2014 \(c. 2\)](#), ss. 41(3), 49(3)

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52ZI Failure to hold referendum

- (1) If the billing authority fails to hold a referendum in accordance with this Chapter, the substitute calculations made in relation to the year under section 52ZF above have effect in relation to the authority and the financial year.
- (2) If the authority has not made those substitute calculations, during the period of restriction the authority has no power to transfer any amount from its collection fund to its general fund; and sections 97 and 98 of the 1988 Act have effect accordingly.
- (3) In subsection (2) above “the period of restriction” means the period—
 - (a) beginning with the latest date on which the referendum could have been held, and
 - (b) ending with the date (if any) when the billing authority makes the substitute calculations.]

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to [legislation.gov.uk](#). The amending S.I. was revoked before ever coming into force by [S.I. 2010/1906, reg. 2](#))

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 6(2)(ea) inserted by [2012 c. 17 s. 13\(1\)](#)