

Changes to legislation: Local Government Finance Act 1992, SCHEDULE 7 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](#)

SCHEDULES

SCHEDULE 7

Section 94(2).

REDUCTION OF COUNCIL TAX: SCOTLAND

Parliamentary proceedings for reduction of council tax

- 1 (1) If the Secretary of State is satisfied that the total estimated expenses mentioned in section 93(3) of this Act of a local authority in respect of any financial year are excessive or that there is an excessive increase in those expenses over the total estimated expenses there mentioned of the local authority in respect of the financial year preceding that year, he may make and cause to be laid before the House of Commons a report proposing a reduction in the council tax set by the authority in respect of that year and stating—
- (a) the amount of the reduction so proposed; and
 - (b) his reasons for proposing that reduction.
- (2) A report under sub-paragraph (1) above shall set out any representations made by the local authority to which it relates with respect to the matters referred to in the report or a summary of these representations.
- (3) In determining, for the purposes of sub-paragraph (1) above, whether, in relation to any financial year, the total estimated expenses of a local authority are excessive or that any increase in those expenses is excessive, the Secretary of State—
- (a) may leave out of account such categories of estimated expenses as he thinks fit; and
 - (b) shall have regard to such principles as he may determine in respect of that year.
- (4) Different principles may be determined under sub-paragraph (3) above for different classes of local authority and the Secretary of State may classify local authorities for the purposes of this sub-paragraph by reference to such factors as he thinks fit.
- (5) In determining what amount to state under sub-paragraph (1)(a) above, the Secretary of State may have regard to any balances in the general fund of the local authority.

^{F1}(6)

Textual Amendments

- F1** Sch. 7 para. 1(6) repealed (1.4.1995) by 1994 c. 39, s. 180(2), **Sch. 14** (with s. 128); S.I. 1995/702, art. 3(e), **Sch. 1**

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Procedure prior to Parliamentary proceedings

- 2 The Secretary of State shall not make and cause to be laid a report under paragraph 1 above without having afforded to the local authority to which the report relates an opportunity of making representations on—
- (a) whether the total estimated expenses of the authority are excessive or, as the case may be, whether the increase in those expenses is excessive;
 - (b) the amount of the reduction proposed in the council tax; and
 - (c) his reasons for proposing that reduction,
- but need not afford them such an opportunity where he has, in proposing the reduction, taken account of representations made by the authority in relation to a reduction previously proposed by him in that council tax.

Effect of approval of report

- 3 (1) If a report under paragraph 1 above is approved by the House of Commons, the local authority to which it relates shall forthwith set under this sub-paragraph a new council tax less, by the amount of the reduction proposed in the report or by such smaller amount as the Secretary of State may agree, than the council tax set by them under section 93 or 94 of this Act.
- (2) Where, for any reason whatsoever, by the twenty-eighth day after the House of Commons approve a report, the local authority to whom the report relates have not made a setting required by sub-paragraph (1) above, the authority shall be deemed to have set on that day a council tax under sub-paragraph (1) above such that the reduction proposed in the report is effected.
- (3) Where an authority is deemed to have set a council tax under sub-paragraph (2) above, paragraph (1)(b) of section 93 of this Act shall apply as if that tax had been set by the authority.

Supplementary

- 4 (1) A report under paragraph 1 above may relate to more than one local authority and, if a report so relating is approved by a resolution of the House of Commons, paragraph 3 above shall apply in relation to each of the authorities to which the report relates.
- (2) Any reference in this Act (except in paragraph 3 above) and in any other enactment, whether passed before or after the passing of this Act, to such council tax as is set under section 93 or 94 of this Act shall be construed as including a reference to such council tax as has been set, or is deemed to have been set, under paragraph 3 above.
- (3) In sub-paragraph (2) above “enactment” includes an enactment contained in a statutory order.
- (4) Paragraph 5 of Schedule 12 to this Act shall apply for the purposes of the Secretary of State’s functions under this Schedule as it applies under that paragraph for the purposes of his functions in relation to revenue support grants or non-domestic rate income.

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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\(1\)](#)