



The Chief Executive
County Councils in England
District Councils in England
London Borough Councils
Metropolitan District Councils
Unitary Authorities
Greater London Authority
The Town Clerk, City of London
The Clerk
Council of the Isles of Scilly
Police Authorities in England
Fire and Rescue Authorities

JANET DOUGHARTY
LOCAL GOVERNMENT FINANCE – DATA
COLLECTION ANALYSIS AND ACCOUNTANCY
DIVISION
DEPARTMENT FOR COMMUNITIES AND LOCAL
GOVERNMENT
ZONE 5/H4
ELAND HOUSE
BRESSENDEN PLACE
LONDON, SW1E 5DU

TELEPHONE: 0303 44 42123
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2 FEBRUARY 2012

Dear Sir/Madam

LOCAL GOVERNMENT FINANCE ACT 1992: SECTION 52ZY
LOCAL GOVERNMENT FINANCE ACT 1992: SECTION 68
LOCAL GOVERNMENT FINANCE ACT 1988: SECTION 139A
LOCAL GOVERNMENT ACT 1972: SECTION 230
NOTICE OF INFORMATION REQUIREMENTS

1. The Secretary of State for Communities and Local Government in accordance with sections 52ZY and 68 of the Local Government Finance Act 1992 ('the 1992 Act'), section 139A of the Local Government Finance Act 1988, section 230 of the Local Government Act 1972 and all other powers enabling them in that behalf, hereby gives notice that the above mentioned authorities are required to supply the information specified in the Schedule to this Notice in the form and manner and at the time specified herein.

2. In accordance with the provisions of the Local Government Finance (New Parishes) Regulations 1998 (SI 1998/119) (as amended by the Local Government Finance (New Parishes) (Amendment) Regulations 1998 (SI 1998/3270)) and the provisions of the Local Government Finance (New Parishes) (England) Regulations 2008 (SI 2008/626)), billing authorities subject to an order made under section 14 of the Local Government and Rating Act 1997 or under section 86 of the Local Government and Public Involvement in Health Act 2007, which provides for the creation of a new parish in 2012-13 should complete lines 1 to 5 of the CTR1 return taking account of the amount specified in the relevant order as the maximum which the council tax requirement of the new parish is not to exceed.

3. In completing line 3 of the CTR1 return billing authorities should *only* include the aggregate amount of any precepts which were taken into account in calculating the authority's council tax requirement under section 31A of the Local Government Finance Act 1992, namely amounts in respect of parish precepts issued or which the authority anticipates will be issued under section 41 of the 1992 Act. Line 3 does *not* therefore include any payments to parishes by way of grants or reimbursing the parish for expenses incurred on behalf of the billing authority, nor does it include any special expenses referred to in section 35(1)(b) of the 1992 Act.

4. Two of the nine unitary authorities established on 1 April 2009 (Central Bedfordshire and Shropshire) are still able to calculate their basic amounts of council tax under Part 4 of the Local Government (Structural Changes) (Finance) Regulations 2008 (SI 2008/3022) ('the 2008 Regulations') and consequently to calculate different band D amounts for some or all of their former districts ('predecessor areas'). The 2008 Regulations allow different band D

amounts to be set for predecessor areas in these authorities for up to five financial years beginning on and after 1 April 2009. In the supplementary part of the CTR1 form, these authorities should indicate whether they are calculating the basic amounts of council tax for their predecessor areas under Part 4 of the 2008 Regulations. Only if they are doing so should they complete the remainder of the supplementary form as well as also providing the information mentioned in paragraphs 4 to 6 of the additional notes in the CTR1 Guidance Notes 2012-13.

5. Authorities should comply with the relevant statutory provisions governing the council tax setting process. Authorities may wish to look at the relevant CTR return before setting their council tax. **If in doubt, authorities should seek their own legal advice.** However, enclosed with this notice is a question and answer paper detailing some of the more commonly asked questions by authorities when completing their CTR return.

Council tax freeze

6. A billing authority will be entitled to a section 31 grant under the Government's scheme to freeze council tax in 2012-13 if the figure in the second cell of line 12 of the CTR1 form is equal to, or lower than the figure in the first cell (i.e. if the level of band D council tax excluding local precepts for 2012-13 is lower than or equal to the same amount for 2011-12). A major precepting authority other than the GLA will be entitled to this grant if the figure in the second cell of line 5 of the CTR2 is equal to, or lower than the figure in the first cell. The GLA will be entitled to this grant if the line 6 of the CTR3 is equal to, or lower than the figure in line 15 of the 2011-12 BR3 form.

Council tax referendums

7. If the Referendums Relating to Council Tax Increases (Principles) (England) Report 2012-13 is approved by the House of Commons, authorities will be required to seek the approval of their local electorate in a referendum if their relevant basic amount of council tax is excessive by reference to the principles set out in that Report. The Report will be debated by the House of Commons at the same time as the Local Government Finance Report for 2012-13. The principles relate to a comparison of the increase from 2011-12 to 2012-13 in an authority's relevant basic amount of council tax as defined by the new section 52ZX of the 1992 Act. This is derived from a calculation of the authority's basic amount of council tax modified by leaving out of account (i) precepts issued to or anticipated by a billing authority by local precepting authorities; and (ii) the total amount of any levies or special levies issued to or anticipated by the authority.

8. For 2012-13, the comparison mentioned in paragraph 7 above has been modified to take account of the changes made by the Localism Act 2011 to the requisite calculations made by local authorities¹. This comparison has also been modified in relation to Central Bedfordshire and Shropshire².

9. It is the responsibility of each authority to determine whether its relevant basic amount of council tax is excessive. However, hopefully we have set out the form in such a way that it assists authorities in this determination. This will be a comparison of the amounts on line 13 of the CTR1 form for billing authorities and lines 6 of the CTR2 form for major precepting authorities. Principles have been set for the GLA in respect of (i) the relevant basic amount of council tax for the City of London ('the unadjusted relevant basic amount'), and/or (ii) the relevant basic amount of council tax for all other areas of Greater London ('the adjusted

¹ See article 3 of the Localism Act 2011 (Commencement No. 1 and Transitional Provisions) Order 2011 (S.I. 2011/2896) (C.103). The changes to the requisite calculations are made by sections 73 to 78 of the Localism Act 2011.

² For 2012-13 the modifications in paragraphs 9 to 16 of Schedule 3 to the 2008 Regulations apply to the 1992 Act in relation to these authorities.

relevant basic amount'). For (i), the 2012-13 amount is line 7 of the CTR3 form and for (ii) this is line 8.

Forms

10. The following information has today been emailed to the relevant officer in your authority:

- A copy of this Notice
- CTR1 form & CTR1 Guidance Notes (billing authorities only)
- CR1 Supplementary form (two authorities only)
- CR2 form & CTR2 Guidance Notes (major precepting authorities other than the Greater London Authority only)
- CTR3 form & CTR3 Guidance Notes (Greater London Authority only)
- Validation Checks for CTR1, CTR2 and CTR3 Returns

Any queries on the emailed documents should be addressed to John Farrar, **LGF-DCAA, Department for Communities and Local Government, Zone 5/J6, Eland House, Bressenden Place, London SW1E 5DU** or **br.statistics@communities.gsi.gov.uk**. If the relevant officer in your authority has not received the e-mail with the described documents attached, please note that they are also available on the Department for Communities and Local Government website at

<http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/usefulinformation/formstimetable/otherforms/>.

Returning information

11. The **Schedule** to this Notice specifies certain statutory periods for the submission of CTR1, CTR2 and CTR3 returns. Authorities must supply the relevant return **as soon as is practicable**.

12. For the purposes of this Notice information is supplied when it is received at the **Department** for Communities and Local Government, Eland House, Bressenden Place, London SW1E 5DU. Please address all correspondence and forms to **John Farrar, LGF-DCAA, Department for Communities and Local Government, Zone 5/J6, Eland House, Bressenden Place, London SW1E 5DU**. Information should also be e-mailed to the department to **br.statistics@communities.gsi.gov.uk** or faxed to 0303 44 43294. **However, a printed and certified version must be received by the Department for Communities and Local Government as outlined above.**

13. If an authority, because of a matter being drawn to its attention by the department or otherwise, **discovers** that a return it has supplied contains an error, it should submit a new return, again certified by the Chief Financial Officer. Errors should be notified at the first opportunity and the revised returns should be clearly marked as replacing a previous return submitted.

Cancellation

14. This **Notice** shall cease to have effect when it is cancelled by Notice in writing.

15. This Notice cancels the Notice served under sections 52Y and 68 of the Local **Government** Finance Act 1992 and section 139A of the Local Government Finance Act 1988 and section 230 of the Local Government Act 1972, dated 10 February 2011.

Handling queries

16. Any queries about this notice or completion of the form should be addressed to:

a) by post to John Farrar, LGF-DCAA, Department for Communities and Local Government, Zone 5/J6, Eland House, Bressenden Place, London, SW1E 5DU; or

b) by email to br.statistics@communities.gsi.gov.uk

Signed by authority of the Secretary of State for Communities and Local Government

A handwritten signature in black ink, appearing to read 'JZ Dougharty'.

JANET DOUGHARTY

SCHEDULE

(this Schedule is part of the Notice of Information requirements)

Specified information

1. In the case of a billing authority, the information specified for the purposes of paragraph 1 of this Notice is the information described at lines 1 to 25 of the CTR1 Return, read with the *CTR1 Guidance Notes 2012-13*, which have today been e-mailed to all billing authorities in England, and which are in addition available on the Department's website at <http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/usefulinformation/formstimetable/otherforms/>.

Two of the nine unitary authorities established on 1 April 2009 (Central Bedfordshire and Shropshire) should indicate whether they are calculating the basic amounts of council tax for their predecessor areas under Part 4 of the 2008 Regulations. Only if they are doing so should they then complete the remainder of the supplementary form as well as also providing the information mentioned in paragraphs 4 to 6 of the additional notes in the CTR1 Guidance Notes 2012-13.

2. In the case of a major precepting authority, except the Greater London Authority, the information specified for the purposes of paragraph 1 of the Notice is the information described at lines 1 to 11 and section 2 of the CTR2 Return, read with the *CTR2 Guidance Notes 2012-13*, which have today been e-mailed to all major precepting authorities in England (except the Greater London Authority), and which are in addition available on the Department's website at <http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/usefulinformation/formstimetable/otherforms/>.

3. In the case of the Greater London Authority, the information specified for the purposes of paragraph 1 of the Notice is the information described at lines 1 to 15 of the CTR3 Return, read with the *CTR3 Guidance Notes 2012-13*, which have today been e-mailed to the Greater London Authority, and which are in addition available on the Department's website at <http://www.communities.gov.uk/localgovernment/localregional/localgovernmentfinance/statistics/usefulinformation/formstimetable/otherforms/>.

Time, manner and form of supplying specified information

4. The information specified in paragraphs 1, 2 and 3 above shall be supplied by completing the CTR1 Return or, as the case may be, the CTR2 Return or CTR3 Return, printing out a paper copy of the completed Return, and sending it to

John Farrar
LGF-DCAA
Department for Communities and Local Government
Zone 5/J6
Eland House
Bressenden Place
London SW1E 5DU.

5. The information specified in paragraphs 1, 2 and 3 above shall be supplied:

(i) in the case of the information described on the CTR1 Return or the CTR1 Guidance Notes 2012-13, **as soon as practicable** and in any event **not later than the end of a period of seven days beginning with the day on which the authority calculates its council tax requirement** in accordance with section 31A of the 1992 Act;

(ii) in the case of the information described on the CTR2 Return **as soon as practicable** and in any event **not later than the end of a period of seven days beginning with the day on which the authority calculates its council tax requirement** in accordance with section 42A of the 1992 Act;

(iii) in the case of the information specified on the CTR3 Return **as soon as practicable** and in any event **not later than the end of a period of seven days beginning with the day on which the authority calculates its consolidated council tax requirement** in accordance with section 85(8) of the Greater London Authority Act 1999.

Substitute calculations and precepts

6. Where an authority makes a substitute calculation of the council tax requirement, paragraph 1 or, as the case may be, paragraph 2 or paragraph 3 above applies in relation to the substitute calculation or substitute amounts.