STATUTORY INSTRUMENTS

2008 No. 626

COUNCIL TAX, ENGLAND AND WALES

LOCAL GOVERNMENT, ENGLAND AND WALES

The Local Government Finance (New Parishes) (England) Regulations 2008

Made - - - -	*3rd March 2008*
Laid before Parliament	*11th March 2008*
Coming into force - -	*8th April 2008*

The Secretary of State, in exercise of the powers conferred by section 32(9) of the Local Government Finance Act 1992(**a**) and sections 97 and 98 of the Local Government and Public Involvement in Health Act 2007(**b**), makes the following Regulations:

Citation, commencement and application

1.—(1) These Regulations may be cited as the Local Government Finance (New Parishes) (England) Regulations 2008 and shall come into force on 8th April 2008.

(2) These Regulations apply in relation to England.

Interpretation

2. In these Regulations—

"the 1992 Act" means the Local Government Finance Act 1992;

"the 2007 Act" means the Local Government and Public Involvement in Health Act 2007;

"billing authority" means a district council or London borough council, the Common Council or the Council of the Isles of Scilly;

"establishment order", as respects a relevant parish council or relevant chairman, means the order under section 86 of the 2007 Act (reorganisation of community governance) which constituted the new parish for which it is the council, or in relation to which he is the chairman;

"new parish" means a parish constituted by an order under section 86 of the 2007 Act;

"prospective billing authority", in relation to a new parish, means the billing authority within whose area the new parish is or will be situated;

"relevant parish council" means a parish council established by an order under section 86 of the 2007 Act; and

(**a**) 1992 c.14
(**b**) 2007 c.28

"relevant year", in relation to a new parish, means the financial year in which the parish is constituted, or, if a separate parish council is established for the parish, the financial year in which that council is first established.

Calculation of budget requirement

3.—(1) This regulation applies—

(a) in relation to a new parish, the prospective billing authority, the relevant year, the relevant chairman and the relevant parish council (if any); and

(b) as respects the period beginning on the day after that on which the establishment order is made and ending immediately before the day on which a precept for the relevant year is issued by the relevant parish council or the relevant chairman (as the case may be).

(2) Subject to paragraph (3), in making calculations in accordance with section 32 of the 1992 Act (calculation of budget requirement), originally or by way of substitute(**a**), the prospective billing authority shall anticipate a precept by taking into account for the purposes of its estimate under subsection (2)(a) of that section an amount equal to that specified in the establishment order, in relation to the relevant parish council or the relevant chairman (as the case may be), for the purposes of these Regulations.

(3) For the purposes of paragraph (2), section 32 of the 1992 Act shall have effect as if subsection (6) were omitted.

(4) The relevant parish council or the relevant chairman (as the case may be), shall make the calculations required by section 50 of the 1992 Act (calculation of budget requirement by local precepting authorities) for the relevant year so as to secure that the amount calculated as its budget requirement for that year does not exceed the amount specified in relation to the council or the chairman in the establishment order.

Special items

4. In relation to an amount taken into account for the purposes of section 32(2)(a) of the 1992 Act by virtue of regulation 3(2), Chapter 3 of Part 1 of the 1992 Act (setting of council tax) shall have effect as if the amount were an item mentioned in section 35(1) of the 1992 Act (special items for purposes of section 34) which related to a part of the area of the prospective billing authority.

Issue of precepts

5.—(1) This regulation applies in relation to a relevant parish council or a relevant chairman (as the case may be), and the relevant year.

(2) Section 41(4) of the 1992 Act (issue of precepts by local precepting authorities) shall have effect as if for "March in the financial year preceding that for which it is issued" there were substituted "October in the financial year for which it is issued".

(3) The reference in section 42(2) to section 41 shall have effect as if it were a reference to section 41 as modified by paragraph (2).

(4) Regulation 3 of the Billing Authorities (Anticipation of Precepts) (Amendment) Regulations 1995(**b**) shall have effect as if the amount to be paid by the prospective billing authority to the relevant parish council or the relevant chairman which issued the precept were a sum equal to the amount of the precept issued (or last issued) by it.

(**a**) As to substitute calculations see section 37 of the 1992 Act.
(**b**) S.I. 1995/235

Limitation of council tax and precepts

6. In relation to a prospective billing authority, a new parish and the relevant year, the references in sections 52X(1) (calculations to be net of precepts) and 52Y(2) (information for purposes of Chapter 4A) of the 1992 Act to the aggregate amount of precepts anticipated by a billing authority in pursuance of regulations under section 41 shall have effect as if the aggregate amount included the amount specified in the establishment order in relation to the relevant parish council or the relevant chairman (as the case may be).

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

John Healey
Minister of State
Department for Communities and Local Government

3rd March 2008

EXPLANATORY NOTE

(This note is not part of the Regulations)

Chapter 3 of Part 4 of the Local Government and Public Involvement in Health Act 2007 ("the 2007 Act") authorises principal councils (as defined in section 102 of the 2007 Act) to undertake community governance reviews in their areas and make recommendations for matters including the creation of new parishes and parish councils. It also requires a principal council which has received a valid community governance petition to undertake a community governance review. Section 86 of the 2007 Act enables a principal council to make an order to give effect to recommendations made in a community governance review.

These Regulations make transitional and consequential provision, in relation to a parish council or a chairman of the parish meeting for a new parish (referred to in the Regulations as the "relevant parish council" or the "relevant chairman") and the financial year in which the new parish is constituted (the "relevant year"), regarding calculation of the billing authority's and new parish council's or relevant chairman's budget requirements, the anticipation, issue and payment of sums in respect of precepts, the calculations to be net of precepts under section 52X of the Local Government Finance Act 1992, and information under section 52Y of that Act.

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