

LORDS AMENDMENTS TO THE  
LOCAL GOVERNMENT FINANCE BILL

*[The page and line references are to HL Bill 24, the bill as first printed for the Lords.]*

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**Clause 1**

- 1** Page 1, line 21, at end insert –  
“() paragraph 9A (regulations about payments by billing authorities to major precepting authorities out of deductions from central share payments);”
- 2** Page 2, line 6, at end insert –  
“() paragraph 37 or 38 (regulations about designated areas or classes of hereditament), if the regulations contain provision within paragraph 39 (payments to relevant authorities).”

**Before Clause 9**

- 3** Insert the following new Clause –
- “Council tax reduction schemes: review**
- (1) The Secretary of State shall make provision for an independent review of all council tax reduction schemes made under the provisions of this Act, to consider their effectiveness, efficiency, fairness and transparency and their impact on the localism agenda; and to make recommendations as to whether such schemes should be brought within universal credit.
- (2) A review under subsection (1) shall take place within three years after this Act comes into effect.”

**Clause 11**

- 4** Page 7, line 43, leave out from beginning to end of line 2 on page 8 and insert –  
“(9) In determining whether a dwelling is a long-term empty dwelling, no account is to be taken of any one or more periods of not more

than 6 weeks during which either of the conditions in subsection (8)(a) and (b) is not met (or neither of them is met).

- (10) The Secretary of State may by regulations substitute a different period (of not less than 6 weeks) for the period which is for the time being specified in subsection (9).”

#### Clause 12

5 Page 9, line 5, leave out subsection (2) and insert –

- “( ) This section comes into force on such day as the Secretary of State may by order made by statutory instrument appoint.”

#### Clause 13

6 Page 12, line 28, at end insert –

“(3A) Where –

(a) regulations under this section specify a sum as a penalty (or a minimum or maximum penalty), and

(b) it appears to the Treasury that there has been a change in the value of money since those regulations were made or (as the case may be) the last occasion when an order under this subsection was made,

the Treasury may by order substitute for that sum such other sum as appears to them to be justified by the change.

- (3B) An order under subsection (3A) does not apply in relation to any act done or omission which began before the date on which the order comes into force.”

7 Page 12, line 29, after “of” insert “paragraph 1 of”

8 Page 13, line 21, at end insert –

- “( ) In section 18(1)(c) (death of person liable for penalty), after “him” insert “under regulations under section 14C or”.”

9 Page 13, line 24, at end insert –

- “( ) Schedule 3 (penalties) is amended as follows.

( ) After paragraph 3(1) (appeals) insert –

“(1A) A person (“P”) may appeal to a valuation tribunal if aggrieved by the imposition on P of a penalty under regulations under section 14C, unless P agreed to the imposition of the penalty as an alternative to criminal proceedings being taken against P in respect of the act or omission to which the penalty relates.”

( ) After paragraph 3(3) insert –

“(4) Where a penalty is imposed on a person (“P”) under regulations under section 14C, and P alleges that there is no power in the case concerned to impose a penalty of the amount imposed, P may appeal to a valuation tribunal under this sub-paragraph against the imposition.”

- ( ) In paragraph 6(1) and (5) (regulations about collection) after “paragraph 1 or 2 above” insert “or under regulations under section 14C”.

- ( ) In Schedule 11 to the LGFA 1988 (tribunals), in paragraph 10A(1)(d) (orders), after “under” insert “regulations under section 14C of or”.

#### After Clause 13

10 Insert the following new Clause –

##### “Calculation of billing authority’s council tax base

- (1) In section 34 of the LGFA 1992 (calculations to be made in setting council tax: additional calculations where special item relates to part only of billing authority’s area), after subsection (4) insert –
- “(5) Regulations under subsection (4) that apply to billing authorities in England may contain different rules for the purposes of calculating item TP in relation to different kinds of special item.”
- (2) In section 45 of the LGFA 1992 (calculations to be made in setting council tax: additional calculations where special item relates to part only of major precepting authority’s area), after subsection (5) insert –
- “(5A) Regulations under subsection (4) that apply to authorities in England may contain different rules for the purposes of calculating item TP in relation to different kinds of special item.
- (5B) Regulations under subsection (4) that make provision by virtue of subsection (5A) may make consequential amendments to this Act.””

#### Clause 15

11 Page 17, line 7, at end insert –

- “( ) In Schedule 11 to the LGFA 1988, in paragraph 8(3)(ea) (regulations about procedure before tribunals) –
- (a) for sub-paragraph (iv) substitute –
- “(iv) paragraph 15A or 15B of Schedule 2 to the 1992 Act or regulations under that Schedule;”,
- (b) omit the “or” following that sub-paragraph, and
- (c) after “1996” insert “or of information supplied under section 131 of the Welfare Reform Act 2012 for purposes relating to council tax;”.

12 Page 17, line 8, leave out subsection (6)

#### After Clause 15

13 Insert the following new Clause –

##### “Power for HMRC to supply information for purposes of rates in Northern Ireland

- (1) A Revenue and Customs official may supply information which is held by the Revenue and Customs in connection with a function of the Revenue and Customs to a qualifying person for prescribed purposes relating to rates.
- (2) The following are qualifying persons –

- (a) the Department of Finance and Personnel in Northern Ireland (“DFP”);
  - (b) the Northern Ireland Housing Executive (“NIHE”);
  - (c) a person authorised to exercise any function of DFP or NIHE relating to rates;
  - (d) a person providing services to DFP or NIHE relating to rates.
- (3) Information supplied under this section may be used for another prescribed purpose relating to rates.
- (4) Information supplied under this section may be supplied to another qualifying person for a prescribed purpose relating to rates (whether or not that is a purpose for which it was supplied).
- (5) A person to whom subsection (6) applies is guilty of an offence if the person discloses without lawful authority any information –
  - (a) which comes to the person by virtue of this section, and
  - (b) which relates to a particular person.
- (6) This subsection applies to –
  - (a) a qualifying person other than DFP;
  - (b) a person who is or has been a director, member of the committee of management, manager, secretary or other similar officer of a qualifying person;
  - (c) a person who is or has been an employee of a qualifying person.
- (7) A person guilty of an offence under this section is liable –
  - (a) on conviction on indictment, to imprisonment for a term not exceeding 2 years or a fine, or both;
  - (b) on summary conviction, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum, or both.
- (8) It is not an offence under this section –
  - (a) to disclose information in the form of a summary or collection of information so framed as not to enable information relating to any particular person to be identified from it;
  - (b) to disclose information which has previously been disclosed to the public with lawful authority.
- (9) It is a defence for a person (“D”) charged with an offence under this section to prove that at the time of the alleged offence –
  - (a) D believed that D was making the disclosure in question with lawful authority and had no reasonable cause to believe otherwise, or
  - (b) D believed that the information in question had previously been disclosed to the public with lawful authority and had no reasonable cause to believe otherwise.
- (10) For the purposes of this section, “lawful authority” has the meaning given by section 117 of the Social Security Administration (Northern Ireland) Act 1992.
- (11) In this section –

“Revenue and Customs official”, “the Revenue and Customs” and “function of the Revenue and Customs” have the same meaning as in section 18 of the Commissioners for Revenue and Customs Act 2005;

“rates” has the same meaning as in the Rates (Northern Ireland) Order 1977 (S.I. 1977/2157 (N.I.28));

“prescribed” means prescribed by regulations made by DFP.

- (12) Regulations under this section must not be made except with the consent of the Commissioners for Her Majesty’s Revenue and Customs.
- (13) The power to make regulations under this section is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I.12)).
- (14) Regulations under this section are to be subject to negative resolution (within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954).”

#### Clause 17

14 Page 17, line 27, leave out “an Act” and insert “any of the following”

15 Page 17, line 28, at end insert “–

- ( ) an Act of Parliament;
- ( ) an Act of the Scottish Parliament;
- ( ) an Act or Measure of the National Assembly for Wales;
- ( ) Northern Ireland legislation as defined in section 24 of the Interpretation Act 1978.”

#### Clause 19

16 Page 18, line 2, leave out “subsection (2)” and insert “subsections (2) and (2A)”

17 Page 18, line 3, leave out “Sections 15 and 17 extend” and insert “Section 15 extends”

18 Page 18, line 3, at end insert –

“(2A) Sections (*Power for HMRC to supply information for purposes of rates in Northern Ireland*) and 17 extend to England and Wales, Scotland and Northern Ireland.”

#### Schedule 1

19 Page 19, line 33, at end insert –

“(ba) amounts received by the Secretary of State in the year under regulations under section 99(3) (treatment of surplus or deficit in collection fund) that make provision in relation to non-domestic rates,”

20 Page 20, line 14, at end insert “, and

(g) amounts received by the Secretary of State in the year under regulations under paragraph 39A (payments following estimates of amounts to be disregarded).”

21 Page 20, line 16, at end insert –

“(za) payments made by the Secretary of State in the year under regulations under section 99(3) that make provision in relation to non-domestic rates,”

22 Page 20, line 24, at end insert “, and

(e) payments made by the Secretary of State in the year under regulations under paragraph 39A.”

23 Page 20, line 33, leave out “and (c)” and insert “, (ba), (c) and (g)”

24 Page 20, line 35, leave out “(2)(a)” insert “(2)(za), (a) and (e)”

25 Page 22, line 10, leave out “sub-paragraph (2)” and insert “this paragraph”

26 Page 22, line 20, at end insert –

“( ) This paragraph is subject to regulations under paragraph 7A.”

27 Page 22, line 35, at end insert –

“( ) about the making of a payment by a billing authority to the Secretary of State or vice versa where –

- (i) a calculation of a payment under paragraph 6 is made by reference to an estimate of an amount, and
- (ii) it is subsequently determined that the actual amount is more or less than the estimate.”

28 Page 22, line 35, at end insert –

*“Regulations about deductions from central share payments*

7A (1) The Secretary of State may by regulations make provision for the deduction from a payment to be made under paragraph 6 by a billing authority to the Secretary of State of an amount to be determined in accordance with the regulations.

(2) The regulations may, in particular, make provision for the determination of an amount to be deducted to be made by reference to the operation in relation to the billing authority of section 47 (discretionary relief).

(3) The consent of the Treasury is required to regulations under this paragraph.”

29 Page 23, line 13, leave out “the local share of”

30 Page 23, line 16, leave out “sub-paragraph (4)” and insert “this paragraph”

31 Page 23, line 26, at end insert –

“( ) The regulations may not have the effect that the total amount payable by a billing authority under the regulations for a year exceeds the billing authority’s local share of its non-domestic rating income for a year.”

32 Page 23, line 36, leave out “or this paragraph” and insert “, this paragraph or Part 6 (funds) so far as applying to non-domestic rates”

33 Page 24, line 6, at end insert –

“(ea) about the making of a payment by a billing authority to a major precepting authority or vice versa where –

- (i) a calculation of a payment under regulations under paragraph 8 is made by reference to an estimate of an amount, and
- (ii) it is subsequently determined that the actual amount is more or less than the estimate;”

34 Page 24, line 7, leave out “audit” and insert “certification”

- 35 Page 24, line 10, leave out “or this paragraph” and insert “, this paragraph or Part 6 (funds) so far as applying to non-domestic rates”
- 36 Page 24, line 11, leave out from “a” to “does” in line 12 and insert “certified calculation or certified information”
- 37 Page 24, line 14, after “or” insert “certified”
- 38 Page 24, line 14, at end insert –  
“( ) The regulations may confer power on the Secretary of State to give directions about the certification of calculations or information.”
- 39 Page 24, line 14, at end insert –  
*“Payments out of deduction from central share payments*
- 9A (1) The Secretary of State may by regulations make provision for a billing authority to make a payment for a year to one or more major precepting authorities of an amount equal to a proportion of the amount that is to be deducted in accordance with regulations under paragraph 7A from the billing authority’s payment under paragraph 6 to the Secretary of State for the year.
- (2) The regulations may make provision about the administration of payments to major precepting authorities under the regulations.
- (3) The regulations may, in particular, make provision in relation to payments to major precepting authorities of the same kind as the provision that may be made under sub-paragraph (2) of paragraph 9 in relation to payments to major precepting authorities to which that sub-paragraph applies.”
- 40 Page 31, line 27, leave out “paid” and insert “payable”
- 41 Page 31, line 31, leave out “paid to it for the year” and insert “of the amounts payable in respect of the year under those sections to the billing authorities that are required to make payments to it for the year”
- 42 Page 32, leave out lines 10 to 13 and insert –  
“( ) if the authority is subject to a requirement imposed by a direction under paragraph 40 (direction to make calculations or supply information) or by or under regulations under paragraph 40A (regulations about calculations and supply of information) for the purposes of this paragraph, as soon as is reasonably practicable after the time for compliance with that requirement,”
- 43 Page 33, line 2, leave out “paid” and insert “payable”
- 44 Page 33, line 6, leave out “paid to it for the year” and insert “of the amounts payable in respect of the year under those sections to the billing authorities that are required to make payments to it for the year”
- 45 Page 33, leave out lines 28 to 31 and insert –  
“( ) if the authority is subject to a requirement imposed by a direction under paragraph 40 (direction to make calculations or supply information) or by or under regulations under paragraph 40A (regulations about calculations and supply of information) for the purposes of this paragraph, as soon as is reasonably practicable after the time for compliance with that requirement,”

- 46 Page 34, line 14, leave out “(an “in-year calculation”)”
- 47 Page 34, line 24, leave out “an in-year” and insert “a”
- 48 Page 34, line 26, leave out “an in-year” and insert “the”
- 49 Page 34, line 31, leave out “an in-year” and insert “a”
- 50 Page 34, line 33, leave out “an in-year” and insert “the”
- 51 Page 34, line 39, leave out “an in-year” and insert “a”
- 52 Page 38, line 42, leave out “audit” and insert “certification”
- 53 Page 38, line 47, leave out from “a” to “does” in line 48 and insert “certified calculation or certified information”
- 54 Page 38, line 50, after “or” insert “certified”
- 55 Page 39, line 4, at end insert—  
“( ) The regulations may confer power on the Secretary of State to give directions about the certification of calculations or information.”
- 56 Page 39, leave out lines 39 to 43
- 57 Page 40, line 1, leave out from “designation” to end of line 2
- 58 Page 40, line 27, leave out from “consult” to end of line 28 and insert “the authorities covered by the designation.”
- 59 Page 40, line 30, leave out from “notify” to end of line 32 and insert “those authorities.”
- 60 Page 46, line 11, at end insert—  
*“Estimates of amounts to be disregarded*
- 39A (1) The Secretary of State may by regulations make provision for—
- (a) calculations of a kind mentioned in paragraph 37(1)(d) or 38(1)(d) to be made on the basis of an estimate of an amount or proportion that is to be disregarded under regulations under that paragraph;
  - (b) for the making of a payment by the Secretary of State to a billing authority or vice versa where it is subsequently determined that the amount or proportion to be disregarded is more or less than the amount of the estimate.
- (2) Regulations under this paragraph may make provision about the administration of payments under the regulations, including as to—
- (a) the time and manner in which a payment is to be made, and
  - (b) the consequences of non-payment.”
- 61 Page 46, line 16, after “Schedule” insert “or Part 6 (funds) so far as applying to non-domestic rates”
- 62 Page 46, line 23, leave out “audited” and insert “certified”
- 63 Page 46, line 34, leave out “by an audit”
- 64 Page 47, line 3, at end insert—



*“Regulations about calculations and supply of information*

- 40A The Secretary of State may by regulations—
- (a) make any provision that could be made by a direction under paragraph 40;
  - (b) make provision for the Secretary of State to give a direction that could be given under that paragraph;
  - (c) make any provision made by that paragraph in relation to a direction under it—
    - (i) in relation to provision made by regulations under this paragraph, or
    - (ii) in relation to a direction given by the Secretary of State under regulations under this paragraph.”

**Schedule 3**

- 65 Page 55, line 5, at end insert—  
 “() In subsection (1)(b), after “major precepting authority” insert “or the Secretary of State”.”
- 66 Page 55, line 26, after “(2)(e)” insert “or (ea)”
- 67 Page 55, line 27, at end insert—  
 “() under provision made by regulations under paragraph 9A of that Schedule (regulations about payments by billing authorities to major precepting authorities out of deductions from the central share),”
- 68 Page 55, line 35, after “authorities),” insert “, or  
 () under provision made by regulations under paragraph 39A of that Schedule (payments by Secretary of State following estimates of amounts relating to designated areas or classes),”
- 69 Page 55, line 35, at end insert—  
 “() In subsection (2)(b), after “major precepting authority” insert “or the Secretary of State”.”
- 70 Page 56, line 10, after “(2)(e)” insert “or (ea)”
- 71 Page 56, line 11, at end insert—  
 “() under provision made by regulations under paragraph 9A of that Schedule (regulations about payments by billing authorities to major precepting authorities out of deductions from the central share),”
- 72 Page 56, line 19, at end insert “, or  
 () under provision made by regulations under paragraph 39A of that Schedule (payments to Secretary of State following estimates of amounts relating to designated areas or classes),”.
- 73 Page 56, line 28, after “under” insert “or by virtue of”
- 74 Page 56, line 31, at end insert—

“(2B) The Secretary of State may by regulations make provision requiring a billing authority to transfer from its general fund to its collection fund such amounts as may be specified in or determined in accordance with the regulations by reference to sums received by the authority in respect of non-domestic rates under this Act.””

75 Page 56, line 34, leave out ““, (3) or (4A)” substitute “or (3)”” and insert ““97(1), (3) or (4A) above” substitute “97(1) or (3) or regulations under section 97(2A) above””

76 Page 56, line 34, at end insert –

“( ) In subsection (1)(c), after “97(2) or (4) above” insert “or regulations under section 97(2B) above”.

( ) In subsection (3) –

- (a) in paragraph (b)(i), for “major precepting authorities” substitute “one or more relevant authorities”,
- (b) in paragraph (c), for “any major precepting authorities” substitute “prescribed relevant authorities”, and
- (c) in each of paragraphs (d) and (f), for “major precepting authority” substitute “relevant authority”.

77 Page 56, line 35, at end insert –

“( ) Before subsection (4) insert –

“(3C) In subsection (3) “relevant authority” means –

- (a) a major precepting authority, or
- (b) the Secretary of State.

(3D) Regulations under subsection (3) may make separate provision in relation to council tax and non-domestic rates, with the effect that –

- (a) more than one estimate is to be made by a billing authority of whether there is a deficit or surplus in its collection fund for a financial year and, if so, of the amount of the deficit or surplus,
- (b) each estimate takes into account different amounts to be paid into or met from that fund, and
- (c) each estimate has different consequences as to the payments to be made, or other functions to be exercised, by the billing authority, major precepting authorities or the Secretary of State.””

78 Page 56, line 42, at end insert ““regulations under section 99(3) above,”

79 Page 56, line 46, after “Schedule,” insert “regulations made under paragraph 39A of that Schedule,”

80 Page 57, line 1, at end insert ““regulations under section 99(3) above,”

81 Page 57, line 5, after “Schedule,” insert “regulations made under paragraph 39A of that Schedule,”

82 Page 57, line 14, leave out from “etc)” to end of line 21 and insert “–

( ) at the end of paragraph (b) insert “or”, and

- ( ) omit paragraph (c) and the “or” at the end of that paragraph (which provides for certification of calculations under Schedule 8 to the LGFA 1988).”

#### Schedule 4

- 83 Page 59, line 33, at end insert –  
 “( ) sections 32 to 34 of the Welfare Reform Act 2007 (benefit for persons taking up employment) so far as applying in relation to council tax benefit.”
- 84 Page 61, line 2, at end insert –  
 “( ) sections 32 to 34 of the Welfare Reform Act 2007 (benefit for persons taking up employment) so far as applying in relation to council tax benefit.”
- 85 Page 62, line 3, at end insert “that make provision in relation to council tax”
- 86 Page 66, line 5, at end insert –  
 “( ) sections 32 to 34 of the Welfare Reform Act 2007 (benefit for persons taking up employment) so far as applying in relation to council tax benefit.”
- 87 Page 66, line 19, at end insert –  
 “LGFA 1988
- 1A In Part 1 of Schedule 11 to the LGFA 1988 (the Valuation Tribunal for England), after paragraph A18 insert –  
 “*Power for member of First-tier Tribunal to act as member of the Tribunal*
- A18A(1) A member of the First-tier Tribunal (an “FTT member”) may act as a member of the Valuation Tribunal for England.
- (2) An FTT member may only act as a member of the Tribunal –  
 (a) at the request of the President and with the approval of the Senior President of Tribunals,  
 (b) in relation to an appeal that relates, in whole or in part, to a council tax reduction scheme made or having effect as if made by a billing authority in England, and  
 (c) if the FTT member is not disqualified from being, or acting as, a member of the Tribunal.
- (3) A request under sub-paragraph (2)(a) –  
 (a) may relate to a particular appeal or to appeals of a particular kind,  
 (b) may be made only if the President thinks that FTT members are likely to have particular expertise that is relevant to the determination of the appeal, or to appeals of the kind, to which it relates.
- (4) An approval under sub-paragraph (2)(a) may relate to a particular appeal or to appeals of a particular kind.

- (5) The President may withdraw a request at any time; and an FTT member acting as a Tribunal member in response to a request must cease to do so if it is withdrawn.
- (6) References in this Schedule and in regulations made under paragraph A19 to a member of the Tribunal include an FTT member acting as a member of the Tribunal.
- (7) But sub-paragraph (6) does not apply –
  - (a) to paragraph A7, A8, A9, A10 or A12 (which make provision about the appointment and removal of, numbers of, and payments to, members of the Tribunal);
  - (b) to regulations under paragraph A19, if and to extent that the regulations provide that it does not apply.
- (8) The Valuation Tribunal Service may make payments to the Lord Chancellor in respect of the expenditure incurred by the Lord Chancellor in paying remuneration, allowances or expenses to an FTT member whilst acting as a member of the Tribunal.
- (9) In this paragraph –
  - (a) references to an appeal include a review by the Tribunal of a decision made by it on an appeal,
  - (b) “council tax reduction scheme” has the same meaning as in Part 1 of the Local Government Finance Act 1992 (see section 13A(9) of that Act).”

88 Page 67, line 5, at end insert –

“6A The Local Government Act 2003 is amended as follows.”

89 Page 67, line 6, leave out “of the Local Government Act 2003”

90 Page 67, line 7, at end insert –

“8 In section 105(2)(aa) (functions of the Valuation Tribunal Service: payments to members of the Valuation Tribunal for England), after “A14” insert “or A18A(8).”

#### **In the Title**

91 Line 2, after “tax;” insert “to make provision about the supply of information for purposes relating to rates in Northern Ireland;”

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