

**Local Government
Finance (England)**

**Council Tax
Referendums
2023-24**

**Information Note for
Local Government**

9 February 2023

COUNCIL TAX REFERENDUMS 2023-24

INFORMATION NOTE

- 1. Scope of the Information Note**
- 2. Introduction**
 - Referendums relating to council tax increases
 - Conduct of council tax referendums regulations
 - Contact details
- 3. Council tax referendum principles for 2023-24**
 - Core referendum principle
 - Adult social care precept
 - The Greater London Authority
 - Shire district councils
 - Police and crime commissioners
 - Fire and Rescue Authorities
 - Mayoral combined authorities
 - Cumberland Council, North Yorkshire Council, Somerset Council, and Westmorland and Furness Council
 - Croydon London Borough Council
 - Slough Borough Council and Thurrock Council
 - West Northamptonshire Council
 - Local Precepts
 - Referendum principles report
 - Alternative Notional Amounts ('ANA's')
 - Disapplying a council tax referendum
 - Determining an excessive increase and making substitute calculations
 - Referendum costs
 - Result of the referendum
- 4. Conduct regulations: rules for holding a council tax referendum**
 - Summary
 - Responsibility for organising the referendum
 - Timing of referendums
 - Combination of polls
 - Organising the referendum
 - Campaigning and expenses limits
 - The Greater London Authority

- **Cumberland Council, North Yorkshire Council, Somerset Council, West Northamptonshire and Westmorland and Furness Council**
- **The referendum question**
- **Challenges to a referendum result**

Section 1: Scope of the Information Note

1. This information note summarises the legislative provisions for council tax referendums and the responsibilities of local authorities, police and crime commissioners ('PCCs'), fire and rescue authorities ('FRAs') and mayoral combined authorities in the event that a referendum is required in their area for the financial year beginning on 1 April 2023 ('2023-24').
2. The information note is being provided following the provisional Local Government Finance Settlement to help authorities fully consider the potential implications of the council tax referendum principles which were approved by the House of Commons on **8 February 2023**.
3. The note is particularly relevant to:
 - major precepting authorities that are contemplating setting an increase in council tax that exceeds the council tax referendum principle applying to them;
 - billing authorities that are either contemplating setting an increase in council tax that exceeds the council tax referendum principle applying to them, or acting on behalf of a major precepting authority that has chosen to hold a referendum;
 - electoral administrators in billing authorities who may be required to hold a referendum in respect of an increase set by their billing authority, or by a major precepting authority that issues precepts to that billing authority.
4. All references in this Note to 'the regulations' refer to the Local Authorities (Conduct of Referendums) (Council Tax Increases) (England) Regulations 2012¹, unless otherwise stated.
5. This note refers to major precepting authorities and billing authorities using the following terminology:
 - a) 'Major precepting authorities' means county councils that are not unitary county councils, the Greater London Authority ('the GLA'), PCCs fire and rescue authorities and mayoral combined authorities.
 - b) 'Billing authorities' means unitary county councils, district councils, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.
6. The Secretary of State is not setting referendum principles for local precepting authorities in 2023–24, so the note is not directly relevant to them. For the avoidance of doubt, 'local precepting authorities' means parish councils, the sub-treasurer of the Inner Temple, the under-treasurer of the Middle Temple, the chairman of a parish meeting and charter trustees.

¹ S.I. 2012/444. Amended by Schedule 24 of the Sentencing Act 2020 (c. 17) and by S.I. 2013/409, 2014/231, 2014/925, 2017/67, 2018/1310 and 2022/500. Modified in respect of mayoral combined authorities where the mayor exercises PCC functions by S.I. 2017/611.

7. **This note is not intended as a definitive interpretation of the primary legislation or statutory instruments relating to council tax referendums. Billing or major precepting authorities that trigger a council tax referendum will need to satisfy themselves that they are complying with all the applicable primary and secondary legislation and must seek their own legal advice, where appropriate.**

Section 2: Introduction

Referendums relating to council tax increases

8. Chapter 4ZA of Part 1 of the Local Government Finance Act 1992 ('the 1992 Act')² makes provision for council tax referendums to be held if an authority increases its 'relevant basic amount of council tax' in excess of principles determined by the Secretary of State and approved by the House of Commons. A council tax increase above these principles is referred to as an 'excessive' increase.

Relevant basic amount of council tax

9. The definition of *relevant basic amount of council tax* is set out in section 52ZX of the 1992 Act.³ It is essentially an authority's basic amount of council tax, including the value of any special expenses, but excluding local precepts issued to or anticipated by a local authority. Levies raised on a local authority by a levying body are also included within the definition of *relevant basic amount of council tax*.
10. This means that, to all intents and purposes, the *relevant basic amount of council tax* is an authority's own average level of Band D council tax.⁴
11. The GLA calculates two relevant basic amounts of council tax under section 52ZX(4) of the 1992 Act –
 - a) An **unadjusted relevant basic amount**, which relates to the amount calculated under section 88(2) of the Greater London Authority Act 1999 (the "GLA Act 1999").⁵ This applies to the City of London and does not include any amount in respect of the Mayor's Office for Policing and Crime; and
 - b) An **adjusted relevant basic amount**, which relates to the amount calculated under section 89(3) of the GLA Act 1999. This applies to all parts of Greater London other than the City of London and includes an amount in respect of the Mayor's Office for Policing and Crime.

The GLA will need to determine whether either or both of these exceed the specific principles that apply to those amounts.

12. Where a combined authority mayor exercises PCC functions, two relevant basic amounts of council tax are calculated under paragraph 10 of the Schedule to the Combined Authorities (Finance) Order 2017.⁶ These relate to the distinct general and police and crime commissioner components of the mayoral precept. The mayoral combined authority will need to determine whether either or both of these amounts exceed any specific principles that apply to them.

² Chapter 4ZA was inserted by Schedule 5 to the Localism Act 2011 (c. 20).

³ Section 52ZX was amended by section 41 of the Local Audit and Accountability Act 2014 (c. 2). In respect of mayoral combined authorities where the mayor exercises PCC functions, it is also modified by S.I. 2017/611.

⁴ For billing authorities, section 34 of the 1992 Act requires this average amount subsequently to be adjusted upwards or downwards when billing a particular dwelling depending upon whether that dwelling lies within or outside the authority's special expense area. Section 45 is the equivalent provision for county councils in two tier areas. But for the avoidance of doubt, referendum principles apply to the average amount set by the authority across its whole area.

⁵ (c. 29). Sections 88(2) and 89 were amended by section 77 of the Localism Act 2011 and by SI 2000/1435.

⁶ S.I. 2017/611.

Conduct of council tax referendums regulations

13. The regulations came into force in February 2012 and were amended in February 2013 in relation to the referendum question to be asked and the wording used on the ballot paper. The regulations were also amended in minor respects in 2014 to reflect the change to the definition of the relevant basic amount of council tax, and as part of a programme of modernisation of electoral practice. Further minor amendments were also made in 2017 to allow council tax referendums to be combined with mayoral combined authority elections, and in 2018 as a consequence of leaving the EU. The key requirements covered by the regulations are summarised in section 4 of this note.

Contact details

14. Should you require any further information about the contents of this note or council tax referendums more generally, please contact the Local Taxation Division:

**Local Taxation Division
Department for Levelling Up, Housing and Communities
Fry Building
2 Marsham Street
Westminster
London SW1P 4DF**

council.tax@levellingup.gov.uk

Section 3: Council tax referendum principles 2023-24

Core referendum principle

15. A core 3% referendum principle will apply in 2023-24, with additional flexibilities for different categories of authority in 2023-24. These are set out below:

Adult Social Care Precept

16. The 2015 Spending Round and Autumn Statement announced an additional flexibility on top of the core principle for local authorities with responsibility for adult social care ('ASC authorities') for all years of the Spending Review (i.e. up to and including 2019-20), subject to annual approval by the House of Commons. This is known as the 'Adult Social Care precept'. Subsequent Spending Rounds have announced the continuation of further such flexibilities.
17. In 2023–24 ASC authorities can increase their council tax by up to **2% on top of the 3% core principle**.
18. By way of illustration, this means that for an authority with ASC responsibilities its relevant basic amount of council tax will be excessive in 2023-24 if it increases by **5%, or more than 5%**,

For the avoidance of doubt, the referendum principles do not apply separately to the core referendum principle and the Adult Social Care precept. They only apply to the combined council tax flexibility.

19. Details of any assurance process relating to the use of the ASC precept in 2023-24 will be issued to Finance Directors in due course.
20. Councils must also display information about the use of the Adult Social Care Precept on the face of the demand notice issued to council tax payers. This requirement is set out in the Council Tax (Demand Notices) (England) Regulations 2011.⁷

The Greater London Authority

21. For the GLA a referendum will be required if
 - its unadjusted relevant basic amount of council tax for 2023-24 is more than £23.55 greater than its 2022-23 level; **or**
 - its adjusted relevant basic amount of council tax for 2023-24 is **more than £38.55** above its 2022-23 level.

Exceeding either principle will require a referendum.

Shire district councils

⁷ S.I. 2011/3038. Amended by S.I. 2012/3087, 2013/2977, 2016/188, 2017/13, 2020/21 and 2022/127. In respect of mayoral combined authorities where the mayor exercises PCC functions, it is also modified by S.I. 2017/611.

22. For shire district councils their relevant basic amount of council tax in 2023-24 will require a referendum if it is both
- a) **3%, or more than 3%**, above its 2022-23 level; **and**
 - b) **more than £5** above its 2022-23 level.
23. This means that a shire district authority will need to exceed **both** the percentage and cash referendum thresholds in order to be subject to a referendum; exceeding one principle but not the other would not require a referendum.

Police and crime commissioners

24. PCCs will be subject to a referendum if their relevant basic amount of council tax in 2023-24 is **more than £15** above their 2022-23 level.

Fire and Rescue Authorities

25. FRAs will be subject to a referendum if their relevant basic amount of council tax in 2023-24 is **more than £5** above its 2022-23 level.

Mayoral combined authorities

26. For the Greater Manchester Combined Authority ('GMCA') and the West Yorkshire Combined Authority ('WYCA') a referendum will be required if the relevant basic amount of council tax for their PCC component precept for 2023-24 is **more than £15** above its 2022-23 level.
27. There is no referendum principle the general component of the GMCA and WYCA precepts in 2023-24, in line with the proposal **not to set referendum principles for mayoral combined authorities** with precepting powers in 2023-24.

Cumberland Council North Yorkshire Council Somerset Council Westmorland and Furness Council

28. Following Orders made under the provisions of the Local Government and Public Involvement in Health Act 2007⁸, these councils will assume the functions of various predecessor county and shire district councils from 1 April 2023. The new authorities will be responsible for setting the 2023-24 council tax for their areas, including determining whether a referendum is required.
29. Under the provisions of the Local Government (Structural Changes)(Finance) Regulations 2008⁹, these authorities have the power to set different amounts of council tax in their predecessor areas for up to seven years in order to equalise more equitably the amounts charged there. The regulations modify the definition of relevant basic amount of council tax and provide the authorities with a choice of how to apply the referendum principles according to local preference.

⁸ 2007 c.28. Amended by the Local Democracy, Economic Development and Construction Act 2009 (c. 20), sections 65(1), (5) and (6), 67, 146(1), Schedule 4, paragraphs 11, 15 and 19, and Schedule 7, Part 3.

⁹ S.I. 2008/3022. Amended by S.I. 2012/20 and 2018/1296.

30. In determining whether their relevant basic amount of council tax for 2023-24 is excessive, these authorities can apply the referendum principle to either the increase in each individual predecessor area, or to the increase in the average amount charged across all predecessor areas. As well as councils formally resolving whether its council tax is excessive by reference to the principles in the usual way, they will be required to indicate how they applied the referendum principle in their annual 'Council Tax Requirement' statistical return to the Department during March 2023. As ASC authorities, a referendum will be required if a council increases its relevant basic amount of council tax by 5%, or more than 5% in 2023-24.
31. As set out in paragraphs 37 - 38 below, alternative notional amounts have been approved to adjust the relevant basic amounts of council tax for Cumberland, Somerset and Westmorland and Furness Councils, reflecting the different ways in which they may apply the referendum principles.

Croydon London Borough Council

32. Croydon Council has been set a referendum principle of 15%, comprising 2% for the ASC Precept and 13% for general expenditure, meaning that its relevant basic amount of council tax will require a referendum if it is 15%, or more than 15%, above their 2022-23 level.

Slough Borough Council Thurrock Council

33. These two authorities have been set a referendum principle of 10%, comprising 2% for the ASC Precept and 8% for general expenditure meaning that their relevant basic amount of council tax will require a referendum if it is 10%, or more than 10%, above their 2022-23 level.

West Northamptonshire Council

34. Following an Order made under the provisions of the Local Government and Public Involvement in Health Act 2007 West Northamptonshire Council assumed the functions of Northamptonshire County Council and three shire district councils from 1 April 2021. West Northamptonshire Council is able to set different levels of council tax for its predecessor areas and to choose how to apply the referendum principles, in the same way as the authorities set out in the preceding paragraph. As an ASC authority, a referendum will be required the Council increases its relevant basic amount of council tax **by 5%, or more than 5%** in 2023-24.

Local precepting authorities

35. The Secretary of State is not setting any referendum principles for local precepting authorities in 2023-24.

Referendum Principles Report

36. The full details of the referendum principles for 2023-24 can be found in the referendum principles report on the gov.uk website:
<https://www.gov.uk/government/publications/final-council-tax-reports-2023-to-2024>

Alternative Notional Amounts (ANAs)

37. The House of Commons has approved ANAs for the following local authorities:
- An ANA for the band D amounts for the Allerdale, Carlisle and Copeland predecessor areas of Cumberland Council in 22-23 to reflect the transfer of fire functions to the Cumbria Commissioner Fire and Rescue Authority
 - An ANA for the average band D amount across all of Cumberland Council's predecessor areas in 22-23 to reflect the transfer of fire functions to the Cumbria Commissioner Fire and Rescue Authority
 - An ANA for the band D amounts for the Barrow-in-Furness, Eden and South Lakeland predecessor areas of Westmorland and Furness Council in 2022-23 to reflect the transfer of fire functions to the Cumbria Commissioner Fire and Rescue Authority.
 - An ANA for the average band D amount across all of Westmorland and Furness Council's predecessor areas in 2022-23 to reflect the transfer of fire functions to the Cumbria Commissioner Fire and Rescue Authority
 - An ANA for Cumbria Commissioner Fire and Rescue Authority reflecting the transfer of services and council tax to it from Cumbria County Council.
 - An ANA for the band D amount of the Somerset West and Taunton predecessor area of Somerset Council in 2022-23 to reflect the transfer of functions and council tax to the new town council
 - An ANA for the average band D amount across all of Somerset Council's predecessor areas in 2022-23 to reflect the transfer of functions and council tax to the new town council

The ANAs will enable like-for-like comparisons to be made between each of their 2022-23 relevant basic amounts of council tax and the amounts set for 2023-24, for the purposes of determining whether a referendum is required.

38. The rationale, underpinning calculations and amounts of the ANAs can be found in the ANA report on the gov.uk website:
<https://www.gov.uk/government/publications/final-council-tax-reports-2023-to-2024>

Disapplying a council tax referendum

39. Sections 52ZR to 52ZW of the 1992 Act allow the Secretary of State to direct that the council tax referendums provisions are not to apply to individual authorities. This power is available if the Secretary of State is of the opinion that, unless an authority is allowed to set a council tax increase that would be deemed excessive by reference to the principles determined for the year, it will either:

(a) be unable to discharge its functions in an effective manner; or

(b) be unable to meet its financial obligations.

40. It is anticipated that use of this power would not be routinely applied and would only occur in exceptional circumstances. An example provided by Ministers during Parliamentary scrutiny of the Localism Act 2011 was where an authority was unable to service its debt and the High Court has appointed a receiver, and conferred on the receiver the power to set council tax.
41. We would expect that any authority which considers it might find itself in a position where it is unable to discharge its functions in an effective manner, or is unable to meet its financial obligations, would contact the Department well in advance of setting its council tax for any given year.

Determining an excessive increase and making substitute calculations

42. The legislation places the onus on each authority to determine whether its relevant basic amount of council tax is excessive by reference to the council tax referendum principles in force for that financial year (see section 52ZB of the 1992 Act).
43. If a billing authority has determined that its council tax increase is excessive, it must arrange for a referendum to be held (see sections 52ZB(2) and 52ZG of the 1992 Act¹⁰). If a major precepting authority has determined that its increase is excessive, it must notify the billing authorities to which it issues precepts (see sections 52ZB(4) and 52ZK of the 1992 Act¹¹). Those billing authorities must then make arrangements to hold a referendum in relation to the precepting authority's council tax increase (see section 52ZN of the 1992 Act). Entitlement to vote in the referendum is to be determined by reference to the register of local government electors (see sections 52ZG(5) and 52ZN(6) of the 1992 Act).
44. If any authority determines that it has set an excessive council tax increase, it must also make 'substitute calculations' for a council tax level which does not exceed the excessiveness principles (see sections 52ZF, 52ZJ and 52ZL of the 1992 Act¹²). If a billing authority sets an increase in excess of the principles, the substitute calculations automatically take effect in the event that voters reject the authority's increase in a referendum (see section 52ZH of the 1992 Act¹³). If a precepting authority sets an increase in excess of the principles, it must issue a substitute precept based on its substitute calculations to its appropriate billing authorities when giving notice that a referendum must be held. If the precepting authority's council tax is not approved by voters, the substitute precept will take effect (see section 52ZO of the 1992 Act¹⁴).
45. If, for any reason, a billing authority fails to hold a valid council tax referendum when it is required to do so, the substitute calculations for the

¹⁰ Section 52ZG was amended by section 41 of the Local Audit and Accountability Act 2014 (c. 2).

¹¹ Section 52ZK was amended by section 41 of the Local Audit and Accountability Act 2014 (c. 2).

¹² Sections 52ZF and 52ZJ were amended by section 3 of the Local Government Finance Act 2012 (c. 17) and S.I. 2013/733.

¹³ Section 52ZH was amended by section 41 of the Local Audit and Accountability Act 2014 (c. 2).

¹⁴ Section 52ZO was amended by section 41 of the Local Audit and Accountability Act 2014 (c. 2).

authority triggering the referendum automatically take effect (see section 52ZI(1) of the 1992 Act).

46. If, for any reason, a billing authority sets an excessive increase but fails to hold a referendum and fails to make substitute calculations as required, the authority has no power to transfer any amount from its collection fund to its general fund during a 'period of restriction'. This period would begin with the latest date on which the referendum could have been held (which would be either the first Thursday in May, or a date the Secretary of State had specified by order) and end on whatever date the substitute calculations are finally made (see section 52ZI(2) and (3) of the 1992 Act).
47. If, for any reason, a major precepting authority sets an excessive increase but fails to hold a referendum and fails to make substitute calculations as required, billing authorities have no power to transfer to it the funds collected on its behalf during the 'period of restriction'.
48. In 2023-24, a billing authority may potentially be required to hold a referendum on its own council tax increase, as well as for one or all of, a county council, PCC and/ or fire and rescue authority. In London, a billing authority could potentially be required to hold a referendum on its own council tax increase, as well as for one for the GLA.

Referendum costs

49. The costs of holding the referendum are the sole responsibility of the authority that triggered the poll. Consequently, billing authorities are entitled to recover from a precepting authority the expenses incurred in holding a referendum on its behalf.
50. With the agreement of the returning officer, billing authorities can arrange to hold a council tax referendum to coincide with any other polls taking place on 4 May 2023 to reduce costs. Where polls are combined, legislation provides for the mandatorily combined elements (such as the costs of polling stations, including staff) to be split in equal proportions between the organisations responsible for providing the funding for the respective polls. Typically, combining two polls saves around 30% of the polling costs, as compared with holding a standalone poll.

Result of the referendum

51. The result of a council tax referendum will be binding.
52. Should voters approve the excessive council tax increase set for 2023-24, the authority's council tax calculations (i.e. the basis on which council tax bills have been issued) continue to have effect and will apply for the remainder of the financial year.
53. If voters reject the authority's excessive increase, the increase the authority had set for 2023-24 is rendered inoperative and the substitute calculations take effect. As the authority would have set its 2023-24 council tax prior to the start of that financial year and issued bills and collected council tax from 1 April 2023 on the basis of the 'excessive increase', it would then need to make adjustments to council tax payments. Billing authorities have discretion to issue new bills

immediately, offer refunds at the end of the year or allow credits for the following year – subject to the right of council tax-payers to receive a refund where this is requested.

54. If there is an equal number of 'yes' and 'no' votes, then the authority will not have secured approval for its increase and the substitute calculations will take effect.
55. A billing or major precepting authority that triggers a council tax referendum is required to inform the Secretary of State of the result of the referendum.

Section 4: Conduct regulations: rules for holding a council tax referendum

Summary

56. This note highlights some of the key aspects of the regulations of which authorities may wish to take note. It is not a substitute for the regulations; nor does it constitute a definitive interpretation of them.

Responsibility for organising the referendum

57. Responsibility for organising a council tax referendum lies with billing authorities.
- Where a billing authority has set an excessive increase, it must organise its own referendum.
 - Where a major precepting authority has set an excessive increase, all of the billing authorities within the major precepting authority area must organise referendums on its behalf, with the individual results being brought together by a Chief Counting Officer appointed by the major precepting authority to determine the overall result.
 - Local precepting authorities are not subject to referendum principles in 2023-24; any future referendums would be held on their behalf by the relevant billing authority.

Timing of referendums

58. Precepting authorities must calculate their council tax and issue precepts before 1 March each year and billing authorities must set their council tax by 11 March. Where the referendum is **one of two or more** to be held in respect of the same calculation (i.e. across multiple billing authority areas in respect of the council tax of a major precepting authority), it must normally be held on the first Thursday in May. Otherwise, the referendum must be held **by** the first Thursday in May.
59. The effect is that:
- If there is to be a council tax referendum on a **billing authority's** council tax increase for 2023-24, this must be held no later than 4 May 2023.
 - If a **major precepting authority** sets an excessive council tax increase, a referendum covering several billing authority areas must be held in every area on 4 May 2023.

Combination of polls

60. Given the comparatively short period of time in which to organise a referendum once triggered, the regulations allow returning officers for certain elections, and counting officers for referendums, the *discretion* to decide whether to hold a council tax referendum in combination with other

polls (see regulation 17(2) of the regulations). They may also decide whether to combine certain elements of the organisation and administration of the polls, such as the issuing of polling cards (see, for example, rule 16(6) of the Local Government Finance Act Referendums (Combination of Polls) Rules in Schedule 5 to the regulations).

61. The regulations provide that where multiple council tax referendums are to be held *in the same area*, these must be taken together and in combination with each other – for example, a referendum on the increases of the billing authority and one or more precepting authorities (see regulation 17(1) of the regulations).
62. Where more than one council tax referendum is being held on a precepting authority's council tax increase, and the poll at a referendum is combined with the poll at an election, there is no restriction on beginning the count or announcing the result of the poll at the election before the ballot paper accounts have been verified and votes counted in each of the council tax referendums.

Organising the referendum

63. The authority triggering the referendum must publish an initial notice stating that a referendum is to take place. The notice must be in such a manner as the authority considers is likely to attract the attention of people living in the authority's area. The authority must do so as soon as practicable after determining that its council tax increase is excessive and not less than 28 days before the poll (see regulations 4, 5 and 6 of the regulations).
64. The Notice of Referendum will set out information for voters, including:
 - the reason for the referendum
 - the date of the referendum
 - the referendum question
 - the authority that will organise the referendum
 - where further information about the referendum can be obtained.
65. The authority must publish on its website information setting out the consequences of 'yes' and 'no' votes for council tax-payers in all bands – and in different parts of the authority's area, if levies and other special expenses apply. It must also publish information about the costs of the referendum (see regulation 7 of the regulations).
66. Publication of the Notice of Referendum triggers the period in which the **referendum campaign expenses limit** will apply. Regulation 10 sets out restrictions on the publication of promotional material by or on behalf of the authority during the period between it determining that its relevant basic amount of council tax is excessive, and the date of the referendum.
67. However, on or after the notification date, an authority may publish a statement giving its reasons for setting an excessive increase and its view of the consequences for the authority's activities in the event that the electorate rejects the authority's increase. Such a statement would be **subject to the expenses limit for the referendum** and should be published no later than 28 days before the poll (see regulations 11 and 12 of the regulations).

68. Where a billing authority holds a referendum on its council tax increase, the returning officer for the billing authority (or where the authority is the Common Council of the City of London, a person appointed by the Common Council) is responsible for conducting the referendum, including publishing notice of the poll, not less than six days before the referendum is to be held.
69. Where a referendum is required in relation to a major precepting authority's council tax increase, each of the billing authorities in its area must organise a referendum on its behalf. The counting officer for each of the billing authorities must issue a notice of the poll and conduct individual polls within their areas. A Chief Counting Officer should be appointed by the authority triggering the referendum to draw together the statement of results provided by each billing authority and declare and publish the final result. To ensure consistency of approach, and address any difficulties that may arise, the Chief Counting Officer will have a power of direction over the counting officers in individual billing authorities, including the power to order a recount in any area.
70. The regulations apply (with modifications) relevant provisions of other electoral legislation to facilitate the effective conduct of council tax referendums. This includes the application of provisions in the Representation of the People Acts 1983 and 2000, and the Representation of the People (England and Wales) Regulations 2001 to criminalise certain behaviour that may affect the integrity of a council tax referendum.
71. Given the essentially local nature of council tax referendums and the short period of time between the triggering of the referendum and polling day, the regulations do not make provision for official campaigns ('permitted participants') to be designated by the Electoral Commission.

Campaigning and Expenses Limits

72. The limit for expenses incurred by, or on behalf of, any individual or body campaigning in a referendum is the aggregate of £2,362 and the amount found by multiplying 5.9 pence by the number of entries in the relevant electoral register (as defined in regulation 12(1) of the regulations).¹⁵
73. Where referendums are held on a major precepting authority's council tax increase, the limit is calculated by reference to the number of entries in the relevant register for each of those referendums taken together, rather than separately for each billing authority that is organising the referendum. Where more than one council tax referendum is taking place in the same area, each referendum will have a separate expenses limit.
74. Where referendum expenses are incurred in excess of the expenses limit, a person who knew or ought reasonably to have known that the limit would be exceeded, or who, without reasonable excuse, authorised another person to exceed the limit, will be guilty of an offence.

The Greater London Authority (GLA)

¹⁵ This is the same limit as the one set out in regulation 6(1) of the Local Authorities (Conduct of Referendums) (England) Regulations 2012 (S.I. 2012/323).

75. The GLA will note that special provision has been made in the conduct regulations to reflect the authority's distinct characteristics. As explained in paragraph 9, the GLA calculates an unadjusted and an adjusted relevant basic amount of council tax under section 52ZX of the 1992 Act. This is to reflect the different amounts that are calculated for the part of the GLA's area to which the special item for the Metropolitan Police does not apply (the City of London) and the part of the GLA's area to which this special item applies (the London boroughs). Either or both of these amounts could be set in excess of the Secretary of State's principles and thus trigger a referendum.
76. Where only the GLA's adjusted relevant basic amount of council tax exceeds the principles, the authority is not required to notify the Common Council of the City of London, and accordingly a referendum will not be held in the City of London (see section 52ZK(9) and (10) of the 1992 Act). Where the GLA's unadjusted relevant basic amount of council tax is excessive, it must notify all billing authorities in its area, including the Common Council, and all of those billing authorities must hold a referendum.
77. The regulations ensure that where a billing authority arranges for a referendum to be held on the council tax set by the GLA, the percentage increase stated in the referendum question reflects the relevant basic amount of council tax that will be of concern to voters in that billing authority's area (see regulation 3(2)). Therefore, in the event that a referendum is held on the GLA's increase by the Common Council, the referendum question should state the percentage increase in the authority's unadjusted relevant basic amount of council tax.
78. For other billing authorities in the GLA's area, the referendum question should state the percentage increase in the GLA's adjusted relevant basic amount of council tax. The provisions setting out the information and publicity that must be provided by the GLA also specifically cater for the unique nature of the GLA (see regulation 6).

Cumberland Council
North Yorkshire Council
Somerset Council
Westmorland Council
West Northamptonshire Council

79. As set out in paragraphs 28 to 31, separate provision has been made for authorities undergoing structural change. This is to allow for any such authority to decide to set different amounts of council tax for its predecessor areas under Part 4 (equalisation of council tax) of the Local Government (Structural Changes) (Finance) Regulations 2008 (as amended). These authorities can choose whether the comparison between their 2022-23 and 2023-24 relevant basic amounts is made in respect of the increase in each individual predecessor area, **or** the average increase across all predecessor areas.
80. Where an authority opts for the comparison to be made in respect of individual predecessor areas, an excessive increase in one or more

predecessor areas would trigger a referendum across the whole of the new authority's area.

81. Where an authority opts for the comparison to be made in respect of the increase in the average relevant basic amount across its predecessor areas an average excessive increase would also trigger a referendum across all predecessor areas.
82. In **both cases**, the referendum question would relate to the authority's "uniform amount of council tax" as defined in regulation 12(1) of the of the 2008 regulations (including any special expenses or levies, but ignoring any local precepts.) The implications for bills in each predecessor area would need to be set out in separate detailed information to be published on the authority's website.

The Referendum Question

83. The referendum question is set out in the regulations as follows:

Part of the council tax in your area goes to _____.

For the financial year beginning on 1 April [year] _____ has set an increase of x% in the amount it charges.

If most voters choose 'yes', the increase will be x%.

If most voters choose 'no', the increase will be [y%] instead.

Do you want _____ to increase the amount it charges by x%?

Vote only **once** by marking a cross (X) in the box next to your choice

Yes

No

Challenges to a referendum result

84. Four or more voters have the right to challenge the result of a council tax referendum by petitioning the Courts. This is consistent with pre-existing electoral law and practice. Where a number of referendums are held on a council tax increase set by a major precepting authority, a petition may be presented by four or more people who voted (or had a right to vote) at the referendum in question or at any of the other referendums held by billing authorities on the precepting authority's council tax increase (see section 128 of the Representation of the People Act 1983 as applied and modified by Schedule 6 to the regulations). Until such time as a court hears any petition, the result of the referendum will stand.
85. In the event of a challenge, a court may uphold the result, declare it void or reverse it on the grounds that the original result was not in accordance with the votes cast. In all circumstances where a court declares a result void, it will be considered that the authority had not held a valid

referendum and the authority's substitute calculations will then take effect.
The regulations make no provision for a referendum to be re-run.

Department for Levelling Up, Housing and Communities
9 February 2023