STATUTORY INSTRUMENTS

1962 No. 1317

ACQUISITION OF LAND

The General Grant (Relevant Expenditure) Regulations 1962

Made - - - -	*26th June* 1962
Laid before Parliament	*2nd July* 1962
Coming into Operation	*5th July* 1962

The Minister of Housing and Local Government, with the consent of the Treasury, in exercise of the powers conferred on him by paragraph 5 (3) of Part I of Schedule 1 to the Local Government Act 1958(a) and of all other powers enabling him in that behalf, hereby makes the following regulations:—

Citation and commencement

1. These regulations may be cited as the General Grant (Relevant Expenditure) Regulations 1962 and shall come into operation on 5th July 1962.

Interpretation

2.—(1) In these regulations, except where the context otherwise requires—

"notional loan charges" means in relation to any expenditure the amount of the annual payment that would be required to repay that expenditure if it had been borrowed from the Public Works Loan Commissioners at the time when the expenditure was defrayed and were repayable together with interest at the rate appropriate to such a borrowing, by equal annual instalments of principal and interest combined over a period of sixty years;

"paragraph 5" means paragraph 5 of Part I of Schedule 1 to the Local Government Act 1958;

"relevant expenditure" means the expenditure mentioned in paragraph 5, and includes the cost mentioned in regulation 3 of these regulations, but excludes the expenditure mentioned in paragraphs 4 and 5 of Part II of Schedule 1 to the Local Government Act 1958;

"the annual equivalent of the capital value" means in respect of any land the amount of the annual payment that would be required to repay the amount represented by the capital value of that land if that last mentioned amount had been borrowed from the Public Works Loan Commissioners at the time of development, appropriation, sale or disposal, as the case may be, and were repayable, together with interest at the rate appropriate to such a borrowing, by equal annual instalments of principal and interest combined over a period of sixty years.

(2) The Interpretation Act 1889(b) shall apply to the interpretation of these regulations as it applies to the interpretation of an Act of Parliament.

(a) 6 & 7 Eliz. 2. c. 55. (b) 52 & 53 Vict. c. 63.

Appropriations, how treated

3. The appropriation of any land shall be treated as equivalent for the purposes of paragraph 5 to the acquisition of that land for the purpose for which it is appropriated at a cost equal to the amount taken as the value of the land for the purpose of adjusting the accounts of the local authority in respect of the appropriation.

Calculation of relevant expenditure

4. Relevant expenditure shall be ascertained in any year by—

(*a*) taking the total amount of:—

(i) the notional loan charges calculated by reference to capital expenditure incurred up to 31st March 1959 and treated, for the purpose of calculating grant under section 93 of the Town and Country Planning Act 1947(**a**) up to that date, as defrayed from money borrowed by the local authority,

(ii) the notional loan charges on capital expenditure, incurred on or after 1st April 1959, on a purpose for which money may be borrowed under section 195 of the Local Government Act 1933(**b**), and

(iii) the expenditure on a purpose for which money may not be so borrowed, defrayed in that year;

(*b*) taking the total amount of:—

(i) the annual equivalent of the capital value of land which was the subject of expenditure and which has at the end of that year been sold or otherwise disposed of or appropriated,

(ii) the annual equivalent of any capital receipts arising from any other action which has been the subject of expenditure (calculated as if the receipt was the capital value of land disposed of at the date of the receipt), and

(iii) the net income received during that year from land which was the subject of expenditure and which has not by the end of that year been sold or otherwise disposed of or appropriated or put to use as a public open space; and

(*c*) subtracting from the total amount arrived at under paragraph (*a*) of this regulation the total amount arrived at under paragraph (*b*) thereof.

Given under the official seal of the Minister of Housing and Local Government on 26th June 1962.

(L.S.) *Charles Hill,*
Minister of Housing and Local Government.

We consent to the making of these regulations.

John Hill,
John Peel,
Two of the Lords Commissioners of Her Majesty's Treasury.

26th June 1962.

(a) 10 & 11 Geo. 6. c. 51. (b) 23 & 24 Geo. 5. c. 51.

EXPLANATORY NOTE

(This Note is not part of the Regulations, but is intended to indicate their general purport.)

These regulations prescribe the method by which the amount of any expenditure incurred by a local authority under paragraph 5 of Schedule 1 to the Local Government Act 1958 shall be ascertained. (Paragraph 5 of Schedule 1 provides that certain expenditure incurred in connection with the acquisition of land, the payment of compensation and certain other actions taken under the Town and Country Planning Act 1944 or the Town and Country Planning Act 1947 and expenditure incurred in connection with the acquisition of land for use as a public open space is relevant expenditure which is to be taken into account for the purpose of payment of general grants under section 1 of the Act of 1958.)

The regulations also provide that, for the purposes of the said paragraph 5, the appropriation of land is to be treated as equivalent to the acquisition of land.