CHAPTER 24.

An Act to provide for the payment out of the Exchequer in respect of three years of grants towards local government expenses supplementary to the General Exchequer Contribution, for the making in certain contingencies of contributions by county councils towards such grants, and for purposes connected therewith. [14th February 1946.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Payment of Interim Supplementary Exchequer Contributions for three years.

1.—(1) A contribution towards local government expenses in counties and county boroughs, to be called the "Interim Supplementary Exchequer Contribution", shall be paid out of moneys provided by Parliament in respect of the years beginning on the first day of April, nineteen hundred and forty-five, nineteen hundred and forty-six and nineteen hundred and forty-seven respectively (in this Act referred to respectively as the first, second and third supplementary contribution years).

(2) The amount of the Interim Supplementary Exchequer Contribution for the said years respectively shall be—

(*a*) for the first supplementary contribution year, ten million pounds;

(*b*) for the second supplementary contribution year, eleven million pounds;

(*c*) for the third supplementary contribution year, twelve million pounds.

(3) The Interim Supplementary Exchequer Contribution for each of the said years shall be paid in addition to the General Exchequer Contribution for that year, and, except as therein expressly provided, nothing in this Act shall affect the payment of any grant under the enactments relating to that Contribution.

1 Edw. 8 & 1 Geo. 6. c. 22.

(4) In section one of the Local Government (Financial Provisions) Act, 1937 (which provides that the General Exchequer Contribution for the fourth or any subsequent fixed grant period shall be of an amount bearing a proportion not less than is therein mentioned to the total amount of rate and grant borne expenditure in the penultimate year of the preceding fixed grant period), the references to grant borne expenditure shall include references to such local expenditure as fell to be borne by grants paid under this Act and to such local expenditure as the Minister may determine to have fallen to be borne by advances made by him, out of moneys provided by Parliament, otherwise than under this Act or the Local Government Act, 1929, or any other enactment relating to the functions of local authorities.

19 & 20 Geo. 5. c. 17.

Apportionment amongst counties and county boroughs.

2.—(1) The Interim Supplementary Exchequer Contribution in respect of each of the supplementary contribution years shall be apportioned amongst the several counties and county boroughs in accordance with the following provisions of this section.

(2) For the purposes of the apportionment for the first supplementary contribution year, there shall be ascertained in the case of each county and county borough the amount by which the produce of a rate of eight pence in the pound levied in that county or county borough for the year to be regarded for computation purposes (which shall be the year beginning three years before the beginning of the first supplementary contribution year) shows a deficiency as compared with the amount yielded for that county or county borough by making the following computation, that is to say—

(*a*) by first adding to the amount of the Interim Supplementary Exchequer Contribution for the first supplementary contribution year the aggregate of the produces of rates of eight pence in the pound levied in all counties and county boroughs for the year to be regarded for computation purposes; and

(*b*) by then assigning to that county or county borough a part of the sum obtained by the said addition bearing to the whole thereof the same proportion as the rate and grant borne expenditure of that county or county borough in the year to be regarded for computation purposes bears to the aggregate of the rate and grant borne expenditure of all counties and county boroughs in that year;

and the apportionment shall be amongst the several counties and county boroughs in the case of which deficiencies are shown in proportion to the respective amounts of those deficiencies.

(3) For the purposes of the apportionment for the second and third supplementary contribution years, the provisions of subsection (2) of this section shall be applied with the substitution, for references to a rate of eight pence in the pound, of references to rates of nine pence and of ten pence in the pound respectively, and, for references to the first supplementary contribution year, of references to the second and third supplementary contribution years respectively.

County grants.

3.—(1) Out of any sum apportioned under the last preceding section for any year to a county, other than the county of London, there shall be set aside such amount as will be sufficient to provide for making, in the case of county districts situate within that county, the payments required by the next succeeding section to be made for that year to the councils of county districts; and the residue of any sum so apportioned, after the amount aforesaid has been set aside, shall be paid to the council of the county.

(2) Out of any sum apportioned under the last preceding section for any year to the county of London there shall be set aside such amount as will be sufficient to provide for making to the common council of the City of London and to the councils of metropolitan boroughs the payments required by the next succeeding section to be made for that year to those councils; and the residue of any sum so apportioned, after the amount aforesaid has been set aside, shall be paid to the London County Council.

(3) If in the case of any county—

(*a*) a sum is apportioned under the last preceding section for any year to that county less than the amount mentioned in subsection (1) or (2) of this section in respect of that year; or

(*b*) by reason of there being no deficiency shown in the case of that county on the ascertainment made under the last preceding section for the purposes of the apportionment of the Interim Supplementary Exchequer Contribution in respect of any year, no sum is apportioned under that section for that year to that county,

the council of that county shall contribute for that year a sum equal to the deficiency in the amount mentioned in subsection (1) or (2) of this section, or to the whole of that

amount, as the case may be, and that contribution shall be set aside to make up the amount so mentioned.

County district, City of London, and metropolitan borough grants.

4.—(1) There shall be paid, for each of the supplementary contribution years to the council of each county district, out of what is set aside for that purpose under the last preceding section for that year, a sum equal to the following amount per head of the population thereof in the year nineteen hundred and thirty-six, as estimated by the Registrar General of births, death and marriages, that is to say—

(*a*) in the case of a non-county borough or urban district, for the first, second and third supplementary contribution years respectively, twenty-four pence, twenty-seven pence and thirty pence, respectively;

(*b*) in the case of a rural district, for those years respectively, eight pence, nine pence and ten pence, respectively.

(2) There shall be paid for each of the supplementary contribution years to the common council of the City of London and to the council of each metropolitan borough, out of what is set aside for that purpose under the last preceding section for that year, a sum calculated in accordance with a scheme to be made by the Minister, after consultation with the London County Council, the common council of the City of London, and any association or committee which appears to him to be representative of metropolitan borough councils.

County borough grants.

5. The whole of any sum apportioned under section two of this Act for any year to a county borough shall be paid to the council thereof.

Payment of grants, and of any contributions by county councils, and disposal of county grants.

6.—(1) A sum to be paid under this Act to a council, in this Act referred to as an " Interim Supplementary Exchequer Grant " of that council, shall be paid out of moneys provided by Parliament in such manner and at such time as the Treasury may direct.

(2) A contribution to be made under this Act by the council of a county shall be paid to the Minister at such time as he may direct and shall be paid by him into the Exchequer, or, if the Minister so directs, the liability to make such a contribution shall be discharged in whole or in part by deduction from any General Exchequer Grant payable to the council of the county.

(3) Interim Supplementary Exchequer Grants of the council of a county shall be applicable for general county purposes,

Application of certain provisions of Part VI of 19 & 20 Geo. 5. c. 17.

7. The following provisions in Part VI of the Local Government Act, 1929, shall apply for the purposes of this Act as they apply for the purposes of that Part of that Act, that is to say—

(*a*) section one hundred and four of that Act (which relates to the reduction of grants in the circumstances therein mentioned);

(*b*) paragraph (*b*) of subsection (1) of section one hundred and eight thereof (which confers power to make regulations as to adjustments in consequence of alterations of boundaries and like matters), with the substitution for the reference therein to the appointed day of a reference to the first day of April, nineteen hundred and forty-five, and with the addition to the reference to grants of a reference to any contributions to be made by councils of counties; and

(*c*) paragraph (*c*) of subsection (1) of section one hundred and eight thereof (which confers power to make regulations as to calculations and estimates and like matters).

Definitions.

8. In this Act the following expressions have the meanings hereby assigned to them respectively, that is to say—

" county " means an administrative county, but does not include a county borough, and " county of London " means the administrative county of London;

" the Minister " means the Minister of Health;

" produce of a rate of eight pence in the pound " means, in the case of references to such a rate levied in a county, the aggregate of the produces of such rates levied in all rating areas in the county, and, in the case of references to such a rate levied in a county borough, the produce of such a rate levied in the borough, and in both cases the produce of such a rate levied for the year that is to be regarded for computation purposes shall be ascertained in accordance with the following provisions, that is to say,—

(*a*) the produce of a rate of eight pence in the pound levied in any rating area for any year shall be deemed to be an amount bearing the same proportion to the produce of the general rate or rates made for that area for that year (treating rates made for any period in that year as made for that year) as the sum of eight pence bears to the total amount in the pound of the general rate or rates so made;

(*b*) for the purposes of the preceding paragraph, the produce of a rate or rates made for any rating area for any year shall be deemed to be the amount actually realised during that year by the collection of rates in that area;

(*c*) where it is desired to ascertain the produce of a rate of eight pence in the pound levied in any rating area comprising two or more parts which are differentially rated, the produce of such a rate levied in each of those parts shall be separately ascertained in accordance with the preceding paragraphs, with the substitution for references to a rating area of references to each of those parts, and the sum of the amounts so ascertained shall be the produce of a rate of eight pence in the pound levied in that area;

and references to the produces of rates of nine pence and of ten pence in the pound respectively shall be construed in like manner with the substitution, for references to eight pence, of references to nine pence and to ten pence respectively;

"rate and grant borne expenditure" means such local expenditure as fell to be borne by rates and by grants made under Part VI of the Local Government Act, 1929, out of the General Exchequer Contribution, and such local expenditure as the Minister may determine to have fallen to be borne by advances made by him, out of moneys provided by Parliament, otherwise than under that Act or any other enactment relating to the functions of local authorities.

Short title, citation and extent.

9.—(1) This Act may be cited as the Local Government (Financial Provisions) Act, 1946, and this Act and the Local Government Acts, 1929 to 1941, may be cited together as the Local Government Acts, 1929 to 1946.

(2) This Act shall not extend to Scotland or to Northern Ireland.

(3) This Act shall, in its application to the Isles of Scilly, have effect subject to such exceptions, adaptations and modifications as the Minister may by order direct.

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