STATUTORY INSTRUMENTS

1988 No. 19 (S.3)

LOCAL GOVERNMENT, SCOTLAND

The Local Government (Rate Product) (Scotland) Amendment Regulations 1988

Made - - - -	*12th January 1988*
Laid before Parliament	*13th January 1988*
Coming into force	*3rd February 1988*

The Secretary of State, in exercise of the powers conferred on him by section 111 of the Local Government (Scotland) Act 1973(**a**) as read with section 9(1) of the Local Government (Financial Provisions) (Scotland) Act 1963(**b**), and of all other powers enabling him in that behalf, and after consultation with such associations of local authorities as appear to him to be concerned, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Local Government (Rate Product) (Scotland) Amendment Regulations 1988 and shall come into force on 3rd February 1988.

Interpretation

2. In these Regulations, "the principal Regulations" means the Local Government (Rate Product) (Scotland) Regulations 1985(**c**).

Amendment of principal Regulations

3. After the words "the 1966 Act; and" in the proviso to paragraph (a) of the definition of "net rate income" in regulation 2 of the principal Regulations, there shall be inserted the following additional proviso, namely:–

"provided also that, in respect of the year 1988-89, the shortfall under head (iv) of this paragraph shall be reduced by the amount set out in respect of that area in column 2 of Table II of Appendix E to the Report to the Rate Support Grant (Scotland) (No. 3) Order 1987(**d**), which is the amount of the reduction or remission of rates granted under section 4(5)(c) of the said Act of 1962(**e**) as estimated by the Secretary of State, which the Secretary of State has determined to be appropriate to be taken into account for the purposes of apportioning a part of the needs element of rate support grants for the year 1988-89 under paragraph 2A of Part I of Schedule 1 to the 1966 Act(**f**) (grant for rate relief given to certain recreational clubs); and".

(**a**) 1973 c.65; section 111(1)(f) was added by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981 (c.23), Schedule 3, paragraph 27, and section 111(1) was amended by the Local Government and Planning (Scotland) Act 1982 (c.43), Schedule 3, paragraph 20, and by S.I. 1983/1074.
(**b**) 1963 c.12; section 9(1) was amended by the Local Government (Scotland) Act 1973, Schedule 9, paragraph 54(a).
(**c**) S.I. 1985/246, as amended by S.I. 1986/407.
(**d**) S.I. 1987/2279; the Report was laid before the House of Commons on 11th December 1987.
(**e**) 1962 c.9.
(**f**) 1966 c.51; paragraph 2A of Part I of Schedule 1 was added by the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (c.47), section 27.

New St Andrew's House, Edinburgh
12th January 1988

Ian Lang
Minister of State,
Scottish Office

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Local Government (Rate Product) (Scotland) Regulations 1985 ("the principal Regulations") which provide the method of calculation of the product of a rate of one penny in the pound by local authorities in Scotland for the purpose of distribution of Government grants.

At present under the principal Regulations, where a local authority grants any reduction or remission of rates payable by charitable or other organisations under section 4 of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 (c.9) ("the 1962 Act"), the whole amount of the reduction or remission is included in the deductions made from the local authority's "gross rate income" to arrive at the authority's "net rate income". The calculation of a local authority's product of a rate of one penny in the pound is based on its net income.

These Amendment Regulations provide that the deductions made under the principal Regulations to arrive at the net rate income of a local authority, for the year 1988-89, shall be reduced by the amount set out in respect of that authority's area in column 2 of Table II of Appendix E to the Report to the Rate Support Grant (Scotland) (No 3) Order 1987 ("the 1987 Order"). That Table sets out the Secretary of State's estimate of the amount of any reduction or remission of rates in respect of certain recreational clubs which is to be granted by local authorities under section 4(5)(c) of the 1962 Act. These amounts have been taken into account by the Secretary of State in apportioning part of the needs element of rate support grants for the year 1988-89 to local authorities in terms of article 3(1) to the 1987 Order. Local authorities will therefore receive an amount of needs element of rate support grant in respect of these amounts and consequently there will be no loss of income which requires to be taken into account in the calculation of their net rate income under the principal Regulations.

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