STATUTORY INSTRUMENTS

1975 No. 2150

LOCAL GOVERNMENT, ENGLAND AND WALES

The Rate Support Grant (Increase) (No. 2) Order 1975

Made - - - - - -	*27th November* 1975
Laid before the House of Commons	*5th December* 1975
Coming into Operation - -	*16th December* 1975

The Secretary of State for the Environment, in exercise of the powers conferred on him by section 4 of the Local Government Act 1974(**a**), and of all other powers enabling him in that behalf, with the consent of the Treasury and after consultation with the associations of local authorities appearing to him to be concerned and the local authority with whom consultation appeared to him to be desirable, hereby makes the following order:—

Title and commencement

1. This order may be cited as the Rate Support Grant (Increase) (No. 2) Order 1975 and shall come into operation on the day following the day on which it is approved by a resolution of the Commons House of Parliament.

Interpretation

2.—(1) In this order—

"the Act" means the Local Government Act 1974;

"the Order" means the Rate Support Grant (No. 2) Order 1974(**b**).

(2) The Interpretation Act 1889(**c**) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

Increase of rate support grants and needs element

3. The amounts fixed by article 3(1) of the Order as the estimated aggregate amount of the rate support grants and the aggregate amount of the needs element for the year 1975–6 as set out in column (2) of the following table, shall be increased pursuant to section 4 of the Act (which provides for an increase where there is an increase of costs of which no account was taken when the amounts were originally fixed), by the amounts specified in column (3) to produce the respective totals shown in column (4).

(**a**) 1974 c. 7.
(**b**) S.I. 1974/2109 (1974 III, p. 8198).
(**c**) 1889 c. 63.

TABLE

For the year 1975–6 (1)	Amounts fixed by the Order (2)	Increase under section 4 of the Act (3)	Totals (4)
Estimated aggregate amount of rate support grants ...	£4,705,000,000	£1,042,000,000	£5,747,000,000
Aggregate amount of needs element	£2,758,000,000	£703,000,000	£3,461,000,000

Amount of resources element

4.—(1) The actual aggregate amount of the resources element for the year 1975–6 is (pursuant to subsections (4) and (5)(*a*) of section 4 of the Act) hereby specified as £1,667,000,000.

(2) The amount of the resources element payable to a local authority entitled to payment in respect of that element shall be correspondingly varied in such manner that the amount payable to that authority shall bear the same ratio to the amount which would have been payable to that authority under the Order, apart from this order, as the actual aggregate amount of the resources element as specified by article 4(1) above bears to the aggregate of the amounts calculated pursuant to Part III of Schedule 2 to the Act in relation to all such authorities.

Increase of transport supplementary grant

5. The amount fixed by article 3(2) of the Order as the aggregate amount of supplementary grants for transport purposes shall be increased from £250,000,000 to £286,300,000.

Increase of supplementary grants for National Parks

6. The amount fixed by article 3(3) of the Order as the aggregate amount of supplementary grants under section 7 of the Act (supplementary grants towards expenditure with respect to National Parks) shall be increased from £2,300,000 to £2,700,000.

Sum to be multiplied by the population

7. The sum fixed by article 3(4) of the Order as the sum to be multiplied by the population of a local authority's area for the purposes of paragraph 1(*a*) of Schedule 2 to the Act shall be increased from £2.99 to £3.75.

Needs element—additional factors

8. The manner of determining the additional amount of needs element attributable to any additional factor prescribed by the Schedule to the Order for the purposes of paragraph 1(*b*) of Schedule 2 to the Act as respects the year 1975–6 and referred to in column (1) of the following table shall be varied by substituting for the manner of determination set out in column (2) that specified in column (3).

TABLE

Additional factor (1)	Existing manner of determining additional amount (2)	Substituted manner (3)
1. In relation to the council of a non-metropolitan county, a metropolitan district or a London borough, the Common Council of the City of London or the Council of the Isles of Scilly—		
(*a*) the number of education units in excess of 200 per 1,000 of the population of their area	Multiplying that number by £168	Multiplying that number by £210.83
(*b*) The number of acres comprised in their area minus a number equivalent to 1·5 times the population of their area (if that number is a positive number)	Multiplying that number by £0.63	Multiplying that number by £0.79
(*c*) The number of acres comprised in their area minus a number equivalent to three times the population of their area (if that number is a positive number)	Multiplying that number by £1.81	Multiplying that number by £2.27
(*d*) The number by which the population of this area on 30th June 1974 fell short of the population of the corresponding area on 30th June 1964	Multiplying that number by £22.10	Multiplying that number by £27.73
(*e*) The number of men 65 years of age or over and women 60 years of age or over in their area who were living alone at the date of the 1971 census	Multiplying that number by £198.75	Multiplying that number by £249.42
(*f*) The number of persons living in parishes or wards, or parts of parishes or wards, in their area with a density which exceeded 50 persons per hectare at the date of the 1971 census	Multiplying that number by £4.46	Multiplying that number by £5.59

Additional factor (1)	Existing manner of determining additional amount (2)	Substituted manner (3)
(*g*) The amount to which they are entitled by way of needs element for the year 1974–5, calculated in accordance with the Rate Support Grant Order 1974(a) (before any variation thereto under section 4(1) of the Act)	Multiplying that number by 71·3 per cent	Multiplying that number by 89·5 per cent

John Silkin,
Minister for Planning and Local Government,
Department of the Environment.

Signed by authority of
the Secretary of State
27th November 1975.

We consent,

Donald R. Coleman,
James A. Dunn,
Two of the Lords Commissioners
of Her Majesty's Treasury.

27th November 1975.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order came into operation on 16th December 1975 and increases the rate support grants for the financial year 1975–6.

Specifically it—

(*a*) increases from £4,705,000,000 to £5,747,000,000 the aggregate amount of the rate support grants (payable to local authorities in England and Wales under Part I of the Local Government Act 1974);

(*b*) increases the aggregate amount of the needs element of rate support grants, while varying the manner of determining additional amounts attributable to certain additional factors prescribed by the Rate Support Grant (No. 2) Order 1974 (which are not themselves varied);

(*c*) specifies the actual aggregate amount of the resources element, after making an adjustment necessary to maintain the expected ratio between the resources element and the needs element; and

(*d*) increases the aggregate amount of supplementary grants for transport purposes and National Parks.

These increases are referable to the increase in the level of costs since the grants for the year 1975–6 were originally fixed.

(a) S.I. 1974/550 (1974 I, p. 2251).

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