STATUTORY INSTRUMENTS

# 1974 No. 550

# LOCAL GOVERNMENT, ENGLAND AND WALES

## The Rate Support Grant Order 1974

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|---|---|
| *Made* - - - - | 14*th March* 1974 |
| *Laid before the House of Commons* | 14*th March* 1974 |
| *Coming into Operation* | 26*th March* 1974 |

The Secretary of State for the Environment, in exercise of the powers conferred upon him by section 3(1) 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 Order 1974 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;

"education unit" and "personal social services unit" bear the respective meanings ascribed to them by the Rate Support Grant Regulations 1974**(b)**; and

"Wales" means the area consisting of the counties established by section 20 of the Local Government Act 1972**(c)** (new local government areas in Wales), and England does not include any area included in any of those counties.

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

*Rate support grants for* 1974–5

**3.** For the purposes of rate support grants for the year 1974–5, this order fixes and prescribes—

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|---|---|
| (1) As the estimated aggregate of the rate support grants ... ... ... ... ... | £3,076,000,000 |
| divided as follows— | |
| the aggregate amount of the needs element | £1,907,000,000 |
| the aggregate amount of the domestic element ... ... ... ... ... | £446,000,000 |
| the estimated aggregate amount of the resources element ... ... ... | £723,000,000 |

**(a)** 1974 c. 7.
**(b)** S.I. 1974/428 (1974 I, p.1384).
**(c)** 1972 c. 70.
**(d)** 1889 c. 63.

| | |
|---|---|
| (2) As the aggregate amount of supplementary grants under section 7 of the Act (supplementary grants towards expenditure with respect to National Parks) ... ... | £1,400,000 |
| (3) With respect to the needs element—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 ... | £16·62 |

and the additional factors with respect to which additional amounts are to be payable by virtue of paragraph 1(*b*) of that Schedule and the manner in which those amounts are to be determined shall be those set out in the Schedule to this order;

| | |
|---|---|
| (4) In pursuance of paragraph 5 of Schedule 2 to the Act— | |
| As the amount in the pound for the purposes of section 48 of the General Rate Act 1967**(a)** (reduction of rates on dwellings by reference to domestic element)— | |
| In relation to a rating area in England... | 13p |
| In relation to a rating area in Wales ... | 33.5p |
| (5) In pursuance of paragraph 8 of Schedule 2 to the Act— | |
| As the national standard rateable value per head of population ... ... ... | £154 |

*Apportionment of supplementary grants (National Parks)*

**4.**—(1) The proportion of the aggregate amount of supplementary grants under section 7 of the Act payable for the year to a county council shall be determined by—

(*a*) multiplying the aggregate amount of supplementary grants as prescribed by article 3(2) of this order by $\frac{x}{X}$, where—

x is the amount of the estimated expenditure of the county council or councils liable for meeting the expenses incurred with respect to a particular National Park and

X is the aggregate amount of the estimated expenditure of county councils incurred with respect to all National Parks,

in order to ascertain the proportion of the aggregate amount referable to that particular National Park and

(*b*) allocating that proportion to the county council or councils responsible for meeting the expenses incurred with respect to that National Park and, where there is more than one such council, dividing it between them in the same manner as the liability for meeting those expenses is divided.

(2) In this article any reference to estimated expenditure refers to so much of the estimated expenditure of a council with respect to National Parks as the Secretary of State, in exercise of his powers under section 7(3) of the Act, determines to be appropriate to be taken into account for purposes of that section.

(a) 1967 c. 9.

## SCHEDULE

### NEEDS ELEMENT—ADDITIONAL FACTORS

| *Additional factor* | *Manner of determining additional amount* |
|---|---|
| 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 1000 of the population of their area— | Multiplying that number by £112·95. |
| (*b*) The acreage of their area in excess of 1·5 per head of the population of their area— | Multiplying that acreage by—<br>(*a*) £1·22 if it exceeds 1·5 but does not exceed 3 or<br>(*b*) £3·12 if it exceeds 3. |
| (*c*) The number by which the population on 30th June 1972 fell short of the population on 30th June 1962 of the area which constitutes their area on 1st April 1974— | Multiplying that number by £44·68. |
| (*d*) The number of personal social services units in their area— | Multiplying that number by £600·57. |
| 2. In relation to the county council of Berkshire, Buckinghamshire, Essex, Hertfordshire, Kent or Surrey— | |
| The number of the population of their area— | Multiplying that number by £5·99. |
| 3. In relation to the county council of Bedfordshire, East Sussex, Hampshire, Isle of Wight, Oxfordshire or West Sussex— | |
| The number of the population of their area— | Multiplying that number by £1·04. |
| 4. In relation to the county council of Hereford and Worcester, Salop, Staffordshire or Warwickshire— | |
| The number of the population of their area— | Multiplying that number by £1·44. |
| 5. In relation to a London borough council or the Common Council of the City of London— | |
| The aggregate of the amounts payable to that council by virtue of article 3(3) above and the preceding provisions of this Schedule— | Multiplying that aggregate by 3%. |

*Anthony Crosland,*
Secretary of State for the Environment.

14th March 1974.

We consent.

*T. Pendry,*
*Donald R. Coleman,*
Two of the Lords Commissioners of Her Majesty's Treasury.

14th March 1974.

## EXPLANATORY NOTE

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

This Order, which came into operation on 26th March 1974, fixes and prescribes for the year 1974–5—

(1) 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;

(2) The division of this amount between the needs element, the resources element and the domestic element;

(3) The amount of the supplementary grants to county councils towards expenditure on national parks;

(4) The amount by which rates on dwelling-houses are to be reduced in each rating area to take account of the domestic element;

(5) Various matters which have to be, or may be, prescribed for purposes of Part I of or Schedule 2 to the Local Government Act 1974 in connection with rate support grants.

The Order is complemented by the Rate Support Grant Regulations 1974, which prescribe how calculations are to be made for various purposes of the Order.

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