STATUTORY INSTRUMENTS

1975 No. 2149

LOCAL GOVERNMENT, ENGLAND AND WALES

The Rate Support Grant 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 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 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.

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

Rate support grants for 1976–7

3. For the purpose of rate support grants for the year 1976–7, this order fixes and prescribes—

(1) As the estimated aggregate of the rate support grants	£5,921,000,000
divided as follows:—	
the aggregate amount of the needs element ...	£3,565,000,000
the aggregate amount of the domestic element ...	£640,000,000
the estimated aggregate amount of the resources element	£1,716,000,000
(2) As the aggregate amount of supplementary grants for transport purposes	£285,000,000
(3) As the aggregate amount of supplementary grants under section 7 of the Act (supplementary grants towards expenditure with respect to National Parks)	£3,100,000

(**a**) 1974 c. 7. (**b**) 1889 c. 63.

(4) 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... ... ... £1·36

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 Schedule 1 to this order;

(5) 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	18·5p
In relation to a rating area in Wales	36·0p

(6) In pursuance of paragraph 8 of Schedule 2 to the Act—

as the national standard rateable value per head of population £176

Apportionment of transport supplementary grants

4. The provisions of Schedule 2 to this order shall have effect for the purpose of determining the proportion of the aggregate amount of supplementary grants for transport purposes payable for the year to a county council or to the Greater London Council.

Apportionment of supplementary grants (National Parks)

5.—(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(3) 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.

Article 3(4)

SCHEDULE 1

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 the Council of the Isles of Scilly—	
(*a*) the number of education units in their area insofar as it exceeds 205 per 1,000 of the population of their area;	Multiplying that number by £132·03.
(*b*) The number of acres comprised in their area minus a number equivalent to 1·5 times the population of their area (if the resultant number is a positive number);	Multiplying that number by £2·18.
(*c*) The number by which the population of their area on 30th June 1970 exceeded that on 30th June 1975;	Multiplying that number by £0·037 per 1,000 of the population of their area.
(*d*) The number of new permanent dwellings started in their area during the period from 1st April 1975 to 31st March 1976;	Multiplying that number by £363·2.
(*e*) The number of men 65 years of age or over and women 60 years of age or over in their area living alone at the date of the 1971 census, insofar as it exceeds 20 per 1,000 of the population of their area;	Multiplying that number by £177·29.
(*f*) The number of persons in their area living in permanent buildings with a density of occupation greater than 1½ persons per room at the date of the 1971 census insofar as it exceeds 10 per 1,000 of the population of their area;	Multiplying that number by £67·83.
(*g*) The number of persons in their area living in permanent or non-permanent buildings in households without the exclusive use of hot water supply, fixed bath or inside water closet at the date of the 1971 census, insofar as it exceeds 10 per 1,000 of the population of their area;	Multiplying that number by £14·68.
(*h*) The number of lone parent families with dependent children in their area at the date of the 1971 census, insofar as it exceeds 5 per 1,000 of the population of their area;	Multiplying that number by £530·08.
(*i*) The amount to which they are entitled by way of needs element for the year 1975–6, calculated in accordance with the Rate Support Grant (No. 2) Order 1974(a) (before any increase therein under section 4(1) of the Act);	Multiplying that amount by 83·86%.

(a) S.I. 1974/2109 (1974 III, p. 8198).

Additional factor	Manner of determining additional amount
2. In relation to an Outer London borough council—	
(1) The additional factors set out in the following sub-paragraphs of paragraph 1 above—	
sub-paragraph (*c*)	Multiplying that number by £0·255 per 1,000 of the population of their area.
sub-paragraph (*d*)	Multiplying that number by £1,346·30.
sub-paragraph (*i*)	Multiplying that amount by 98·08%.
(2) The following—	
(*a*) The number of education units in their area insofar as it exceeds 223 per 1,000 of the population of their area;	Multiplying that number by £77·21.
(*b*) The number of men 65 years of age or over and women 60 years of age or over in their area living alone at the date of the 1971 census, insofar as it exceeds 17 per 1,000 of the population of their area;	Multiplying that number by £222·80.
(*c*) The number of persons in their area living in permanent buildings with a density of occupation greater than 1½ persons per room at the date of the 1971 census, insofar as it exceeds 10 per 1,000 of the population of their area;	Multiplying that number by £56·57.
(*d*) The number of children in care in their area on 31st March 1974, insofar as it exceeds 67 per 100,000 of the population of their area;	Multiplying that number by £1,587·30.
(*e*) The number of the day time population of their area at the date of the 1971 census, insofar as it exceeds 819 per 1,000 of the population of their area;	Multiplying that number by £4·35.
(*f*) The number by which the population of their area on 30th June 1975 exceeded that on 30th June 1970;	Multiplying that number by £1·922 per 1,000 of the population of their area.
(*g*) The number of the population of their area;	Multiplying that number by £5·81.
3. In relation to an Inner London borough council or the Common Council of the City of London—	
(1) The additional factors set out in the following sub-paragraphs of paragraph 1 above—	
sub-paragraph (*c*)	Multiplying that number by £0·240 per 1,000 of the population of their area.
sub-paragraph (*d*)	Multiplying that number by £967·40.
sub-paragraph (*i*)	Multiplying that amount by 98·08%.
(2) The additional factors set out in the following sub-paragraphs of paragraph 2(2) above—	
sub-paragraph (*b*)	Multiplying that number by £222·80.
sub-paragraph (*d*)	Multiplying that number by £1,587·30.

Additional factor	Manner of determining additional amount
sub-paragraph (*e*)	Multiplying that number by £4·35.
sub-paragraph (*g*)	Multiplying that number by £5·81.
(3) The following:—	
(*a*) The number of education units in the area of Inner London insofar as it exceeds 223 per 1,000 of the population of that area;	Multiplying that number by £77·21 and multiplying the result by the population ratio.
(*b*) The number by which the population of the area of Inner London on 30th June 1970 exceeded that on 30th June 1975;	Multiplying that number by £0·014 per 1,000 of the population of the area of Inner London and multiplying the result by the population ratio.
(*c*) The number of new permanent dwellings started in the area of Inner London during the period from 1st April 1975 to 31st March 1976;	Multiplying that number by £378·90 and multiplying the result by the population ratio.
(*d*) The number of persons in the area of Inner London living in permanent buildings with a density of occupation greater than 1½ persons per room at the date of the 1971 census, insofar as it exceeds 10 per 1,000 of the population of that area;	Multiplying that number by £56·57 and multiplying the result by the population ratio.

In this Schedule—

"education unit" has the meaning assigned thereto by the Rate Support Grant Regulations 1975(a);

"Inner London borough council" means the council of the London Borough of Camden, Greenwich, Hackney, Hammersmith, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth or Westminster; and "the area of Inner London" means the areas of those councils, the City of London, the Inner Temple and the Middle Temple;

"Outer London borough council" means the council of a London borough which is not an Inner London borough council;

" the population ratio" means the proportion which the population of the area of an authority bears to the population of the area of Inner London.

Article 4

SCHEDULE 2

Transport Supplementary Grant

Interpretation

1. In this Schedule—

"accepted estimated expenditure", in relation to a council, means so much of their estimated expenditure as the Secretary of State determines, pursuant to subsection (5) of section 6 of the Act, to be appropriate to be taken into account for the purposes of that section;

"council" means a county council or the Greater London Council; and any reference to the area of a council, however expressed, shall be construed as a reference to the relevant county or to Greater London, as the case may be;

"threshold level", in relation to a council, means a level of expenditure determined in relation to that council, in accordance with this Schedule and by reference to the factors prescribed therein, for the purposes of the said section 6.

(a) S.I. 1975/1950 (1975 III, p.7246).

Threshold level

2. The threshold level in relation to a council shall be the lower of the following amounts:—

(*a*) the amount obtained by multiplying the population of their area as at 30th June 1974 (as certified by the Registrar General to the Secretary of State for rate support grant purposes) by £9·4174; and

(*b*) the amount obtained by subtracting from their accepted estimated expenditure the amounts included therein which appear likely to be expended by them or by any district council within their area during the year ending 31st March 1977 for any purpose referred to in paragraph 3 below.

3. The purposes referred to in paragraph 2(*b*) above are—

(*a*) any purpose described in section 235(1) of the Highways Act 1959(a) (which provides for advances in respect of the construction and improvement of highways, etc.) in relation to which the Secretary of State has before 13th December 1974 given an undertaking to make advances;

(*b*) any purpose described in section 56 of the Transport Act 1968(b) (which provides for assistance towards capital expenditure on public transport facilities), as affected by paragraph 9 of Schedule 1 to the Act, in relation to which the Secretary of State has before 13th December 1974 given an undertaking to make a grant; and

(*c*) the making of payments to a Passenger Transport Executive pursuant to section 13(1) of the Transport Act 1968 as having effect by virtue of section 202(3) of and paragraph 12 of Part II of Schedule 24 to the Local Government Act 1972(c) (which empowers a county council to make grants) in respect of payments made by the Executive to the British Railways Board pursuant to section 20(4) of that Act (which empowers certain Executives to make payments to the Board with respect to railway passenger services).

4. In the event of any disagreement between a council and the Secretary of State as to the amount likely to be expended during any relevant year for any purpose referred to in this Schedule, the Secretary of State shall determine the issue.

Distribution of transport supplementary grant

5. The proportion of the aggregate amount of supplementary grants for transport purposes payable for the year to a council shall be determined by multiplying that amount by $\frac{x-y}{X-Y}$ where—

x is the accepted estimated expenditure determined in relation to the council for the year;

y is the threshold level determined in relation to the council for the year;

X is the aggregate of the amounts calculated as for x in relation to each council;

Y is the aggregate of the amounts calculated as for y in relation to each council.

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

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

We consent

Donald R. Coleman,
M. Cocks,
Two of the Lords Commissioners of
Her Majesty's Treasury.

27th November 1975

(a) 1959 c. 25. (b) 1968 c. 73. (c) 1972 c. 70.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order, which came into operation on 16th December 1975, fixes and prescribes for the year 1976–7—

(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 (namely, £5,921,000,000);

(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 and the Greater London Council for transport purposes;

(4) The amount of the supplementary grants to county councils towards expenditure on National Parks;

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

(6) Various matters which have to be, or may be, prescribed for purpose 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 1975 which prescribe how calculations are to be made for various purposes of the Order.

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