STATUTORY INSTRUMENTS

1977 No. 1941

LOCAL GOVERNMENT, ENGLAND AND WALES

The Rate Support Grant Regulations 1977

Made - - -	*23rd November* 1977
Laid before Parliament	*30th November* 1977
Coming into Operation	*1st April* 1978

The Secretary of State for the Environment, in exercise of the powers conferred upon him by section 10(3) of, and paragraphs 2, 6, 9 and 11 of Schedule 2 to the Local Government Act 1974(**a**) and by section 48(4) of the General Rate Act 1967(**b**), and of all other powers enabling him in that behalf, after consultation with the associations of local authorities appearing to him to be concerned and with the local authority with whom consultation appeared to him to be desirable, hereby makes the following regulations:—

Title and Commencement

1. These regulations may be cited as the Rate Support Grant Regulations 1977 and shall come into operation on 1st April 1978.

Interpretation

2.—(1) In these regulations, unless the context otherwise requires—
"the Act" means the Local Government Act 1974;
"the Order" means the Rate Support Grant Order 1977;
"the Secretary of State" means the Secretary of State for the Environment;
"year" means a period of twelve months beginning with 1st April;
and in Regulation 11 expressions used in the Education Acts 1944 to 1976 have the same meanings as in those Acts.

(2) In these regulations any references to an enactment or instrument shall be construed as referring to that enactment or instrument as amended by any other enactment or instrument.

(3) The Interpretation Act 1889(**c**) shall apply for the interpretation of these regulations as it applies for the interpretation of an Act of Parliament.

Regulations to apply to year 1978–9

3. These regulations shall have effect for the purposes of rate support grants for the year 1978–9; and any references in these regulations to a year not otherwise identified are references to that year.

Submission of Information

4.—(1) Each local authority shall submit to the Secretary of State, by such date as he may specify, such information as he may from time to time require in connection with the total estimated expenditure to be incurred by them during the year, for the purposes of paragraph 10(3) of Part III of Schedule 2 to the Act (which relates to the calculation of the uniform rate for purposes of the resources element).

(**a**) 1974 c. 7. (**b**) 1967 c. 9. (**c**) 1889 c. 63.

(2) Where the Secretary of State is not satisfied that the information submitted to him by a local authority under paragraph (1) above accurately reflects the amount by reference to which the authority have calculated the general rate for that year, he may, after giving notice of his intention to the authority and affording them an opportunity to submit representations, make such adjustment of the information submitted to him under paragraph (1) above as he considers appropriate.

Estimates and conclusive calculations

5.—(1) The Secretary of State shall, upon the best information available to him, estimate and notify to each local authority the amounts of the constituent elements of rate support grant which will become payable to the authority for the year; and he may make and notify to the authority such further estimates of the said amounts, taking into account information not previously available, as he may think fit.

(2) As soon as practicable after he has received what appears to him to be sufficient information for the purpose, the Secretary of State shall make a conclusive calculation of the said amounts and notify the result thereof to each local authority.

(3) The amount of any element of rate support grant payable to a local authority shall be calculated to the nearest pound.

(4) Where it appears to the Secretary of State from any estimate or calculation made under this regulation that a sum in excess of the amount of the estimate or calculation has already been paid to a local authority in respect of rate support grants for the year, he may recover that sum by deduction from any amounts due to that authority in respect of rate support grants, whether for the year or for any subsequent year, or by payment to him by the authority after a demand therefor or partly by such deduction and partly by such a payment, as he thinks fit.

Population and area

6.—(1) For the purposes of Schedule 2 to the Act, and Schedule 1 to the Order, the population of an area shall be the number estimated by the Registrar General and certified by him to the Secretary of State for rate support grant purposes; and, except where the Order otherwise provides, the number shall be estimated by reference to the population on 30th June 1976.

(2) For the purposes of Schedule 1 to the Order, the day time population of an area shall be ascertained by taking the aggregate of the number of persons resident in the area, and the number of persons working but not resident in the area, at the date of the 1971 census, and subtracting therefrom the number of persons resident in but working outside the area at the date of the 1971 census.

(3) Subject to paragraph (4) below, for the purposes of Schedule 1 to the Order the number of acres comprised in the area of a local authority shall be the number so comprised on 1st April 1977, and certified by the Ordnance Survey.

(4) The number of acres comprised in the Isles of Scilly shall, for the purposes of Schedule 1 to the Order, be taken to be 32,508 acres.

(5) For the purposes of Schedule 1 to the Order, the number of persons per acre in an area shall be ascertained by dividing the number of the population of the area by the number of acres comprised in the area.

New permanent dwellings

7. For the purposes of Schedule 1 to the Order, the number of new permanent dwellings started in an area during the period from 1st April 1974 to 31st March 1977 shall be the number of such dwellings estimated by the Secretary of State from returns submitted to him for the purpose of compilation of local housing statistics in England and Wales in respect of that period.

Domestic hereditaments

8. For the purposes of Schedule 1 to the Order, the number of domestic hereditaments in an area shall be the number of such hereditaments shown in the valuation list on 1st April 1977.

Number of persons living in certain circumstances

9.—(1) For the purposes of Schedule 1 to the Order—

(*a*) the number of persons in the area of a local authority living in parishes or wards (not being parts of parishes or wards), whose density exceeded 50 or, in the case of a London borough council or the Common Council of the City of London 60, persons per hectare at the date of the 1971 census shall be the number of such persons estimated by the Secretary of State on the basis of the 1971 census returns;

(*b*) the number of persons in the area of a local authority living in parts of parishes or wards whose density exceeded 50 persons per hectare at the date of the 1971 census shall be the number of such persons estimated by the Registrar General on the basis of the 1971 census returns and certified by him to the Secretary of State for rate support grant purposes;

(*c*) the number of men 65 years of age or over and women 60 years of age or over living alone, and the number of persons 65 years of age or over living in the area of a local authority at the date of the 1971 census shall be the number of such persons shown in the relevant report on that census;

(*d*) the number of persons 65 years of age or over living in the area of a local authority on 30th June 1976 shall be the number of such persons estimated by the Registrar General and certified by him to the Secretary of State for rate support grant purposes;

(*e*) the number of persons in the area of a local authority living in permanent buildings with a density of occupation greater than one and a half persons per room at the date of the 1971 census shall be the number of such persons shown in the relevant report on that census;

(*f*) the number of persons in the area of a local authority 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 shall be the number of such persons calculated by the Secretary of State on the basis of the relevant report on that census;

(*g*) the number of lone parent families with dependent children in the area of a local authority at the date of the 1971 census shall be the number of such families estimated by the Secretary of State on the basis of the 1971 census returns;

(*h*) the number of persons in the area of a local authority living in shared households in permanent buildings at the date of the 1971 census shall be the number of such persons calculated by the Secretary of State on the basis of the relevant report on that census;

(*i*) the number of children under 5 years of age living in the area of a local authority shall be the number estimated by the Registrar General and certified by him to the Secretary of State for rate support grant purposes; and the number shall be estimated by reference to the population on 30th June 1976;

(*j*) the number of families with three or more children, living in the area of a local authority at the date of the 1971 census, shall be the number of such families estimated by the Secretary of State on the basis of the 1971 census returns.

(2) In sub-paragraphs (*a*) and (*b*) above "parts of parishes or wards" means parts of those parishes or wards existing immediately before 1st April 1974 of which, by virtue of the Local Government Act 1972(**a**), a part only is comprised in the area of a non-metropolitan county or metropolitan district, as the case may be.

Children in care

10. For the purposes of Schedule 1 to the Order, the number of children in care in the area of a local authority shall be the number of such children on 31st March 1976 as notified to the Secretary of State by the Greater London Council for rate support grant purposes.

Pupils in schools and students in establishments of further education

11.—(1) Subject to the provisions of this regulation, for the purposes of Schedule 1 to the Order—

(*a*) the number of primary school pupils in the area of a local authority shall be the aggregate number of pupils who—

(i) had attained the age of 5 on 31st December 1976 but had not attained the age of 11 on 31st August 1976, and at the beginning of the spring term 1977 were registered as pupils at county or voluntary schools maintained by the authority; or

(ii) on 31st December 1976 had not attained the age of 12, and at the beginning of the spring term 1977 were registered as pupils at independent schools (not being pupils receiving special educational treatment) and in respect of whom the tuition fees were paid in full by the authority; or

(iii) on 31st December 1976 had not attained the age of 12, and during January 1977 received education in pursuance of arrangements made by the authority under section 56 of the Education Act 1944(**b**);

(*b*) the number of secondary or special school pupils under 16 years of age in the area of a local authority shall be the aggregate number of pupils who—

(i) on 31st August 1976 had attained the age of 11, but not the age of 16, and at the beginning of the spring term 1977 were registered as pupils at county or voluntary schools maintained by the authority; or

(ii) had attained the age of 5 on 31st December 1976 but had not attained the age of 16 on 31st August 1976, and at the beginning of the spring term 1977 were registered as pupils at special schools maintained by the authority; or

(a) 1972 c. 70. (b) 1944 c. 31.

(iii) on 31st December 1976 had not attained the age of 12, and at the beginning of the spring term 1977 were registered as pupils (not being pupils to whom sub-paragraph 1(*a*)(ii) applies) at independent schools and in respect of whom the tuition fees were paid in full by the authority; or

(iv) on 31st December 1976 had not attained the age of 16 and at the beginning of the spring term 1977 were registered as pupils at schools approved by the Secretary of State as special schools under section 9(5) of the Education Act 1944 (being schools which were not maintained by any authority) and in respect of whom the tuition fees were paid in full by the authority;

(v) on 31st December 1976 had attained the age of 12, but not the age of 16, and during January 1977 received education in pursuance of arrangements made by the authority under section 56 of the Education Act 1944; or

(*c*) the number of secondary or special school pupils 16 years of age or over in the area of a local authority shall be the aggregate number of pupils who—

(i) on 31st August 1976 had attained the age of 16, and at the beginning of the spring term 1977 were registered as pupils at schools maintained by the authority; or

(ii) on 31st December 1976 had attained the age of 16, and at the beginning of the spring term 1977 were registered as pupils at independent schools and in respect of whom the tuition fees were paid in full by the authority; or

(iii) on 31st December 1976 had attained the age of 16 and at the beginning of the spring term 1977 were registered as pupils at schools approved by the Secretary of State as special schools under section 9(5) of the Education Act 1944 (being schools which were not maintained by any authority) and in respect of whom the tuition fees were paid in full by the authority; or

(iv) on 31st December 1976 had attained the age of 16 and during January 1977 received education in pursuance of arrangements made by the authority under section 56 of the Education Act 1944;

(*d*) the number of pupils under 16 years of age and the number of pupils 16 years of age or over who are attending direct grant grammar schools at the expense of a local authority shall be respectively the aggregate number of pupils who on 31st December 1976 had not attained the age of 16 or had attained that age, as the case may be, and in either case were at the beginning of the spring term 1977 registered as pupils at schools recognised as grammar schools for the purposes of regulation 4 of the Direct Grant Schools Regulations 1959(**a**) and in respect of whom the full tuition fees were paid by the authority;

(*e*) the number of further education students, full time or full time equivalent, in the area of a local authority shall be the aggregate number of persons who on 1st November 1976 were attending courses of further education at establishments which at that date were providing full time education pursuant to a scheme of further education made under section 42 of the Education Act 1944 and which were maintained or assisted by the authority, except persons attending—

(a) S.I. 1959/1832 (1959 I, p. 1034).

(i) courses for the training of teachers;

(ii) courses to which paragraph (*a*) (*b*) or (*d*) of Schedule 1 to the Further Education Regulations 1975(**a**) applies; or

(iii) courses provided in the evening only, other than courses of post-graduate study or of research or courses for any one of the qualifications specified in the Schedule to these regulations.

(2) The numbers referred to in paragraph (1) above shall be estimated by the Secretary of State for Education and Science and certified by her to the Secretary of State for rate support grant purposes.

(3) For the purpose of paragraph (1) above any pupil or student who belonged to the area of one authority and was registered as a pupil at a school or was attending a course at an establishment of further education maintained or assisted by another authority shall be treated as if the school or further education establishment were maintained or assisted by the authority for the first mentioned area and not by the other authority.

(4) For the purposes of estimating the number of students full time or full time equivalent under sub-paragraph (1)(*e*) above the numbers of day students attending other than full time and students attending only in the evening shall be taken as 20 per cent and 10 per cent respectively of the numbers of such students.

(5) In this regulation references to the authority are references to the local education authority for the area of a local authority.

Number of unemployed persons

12. For the purposes of Schedule 1 to the Order, the number of persons unemployed and registered for employment shall, in the case of the area of a non-metropolitan county or the Isles of Scilly be the number of such persons in respect of October 1977 estimated by the Secretary of State for Employment and notified by him to the Secretary of State, and in the case of the area of a metropolitan district shall be a proportion estimated by the Secretary of State of the number of such persons in respect of October 1977 in the relevant metropolitan county so estimated and notified by the Secretary of State for Employment.

Cost of labour

13. For the purposes of Schedule 1 to the Order, the labour cost differential shall be the amount by which the average weekly cost of a composite unit of labour in the area of a local authority exceeds the weekly cost of a composite unit of labour generally prevailing in the areas of local authorities in England and Wales outside Greater London other than those authorities in relation to which the labour cost differential factor applies, and shall be estimated by the Secretary of State on the basis of the 1975 and 1976 New Earnings Survey published by the Secretary of State for Employment.

Rateable values

14.—(1) Subject to the provisions of this regulation, for the purposes of paragraph 9(2) of Part III of Schedule 2 to the Act (which provides for the determination of effective rateable value in relation to any hereditament in the area of a local authority in order to arrive at a rateable value per head of

(**a**) S.I. 1975/1054 (1975 II, p. 3676).

population of the area, in connection with entitlement to resources element), effective rateable value shall be the rateable value ascribed to a hereditament in the valuation list on 1st April 1977.

(2) The reference in the preceding paragraph to a hereditament includes a reference to a notional hereditament which a body is treated as occupying by virtue of any enactment.

(3) Effective rateable value of a hereditament falling within section 40(1) of the General Rate Act 1967 (relief for charitable and other organisations) throughout the year 1976–1977 and in respect of which relief from rates during the whole of that period has been given under that subsection shall be one half of the rateable value ascribed to the hereditament in the valuation list on 1st April 1977.

(4) For the purposes of paragraph 11(1)(*b*) of Part III of Schedule 2 to the Act (which provides for the recalculation of the resources element payable to a local authority following a reduction in the rateable value of hereditaments in their area if that reduction exceeds a specified percentage) the specified percentage shall be $2\frac{1}{2}$ per cent.

Distribution of the domestic element

15.—(1) The amount of the domestic element payable to a local authority for the year shall be determined by multiplying the amount of the domestic element fixed by article 3(1) of the Order by $\frac{a}{A}$, where—

a is the domestic rateable value of the area of the local authority for the year multiplied by the amount of the reduction prescribed in relation to that area by article 3(5) of the Order, and

A is the aggregate of the amounts calculated as for a in respect of each local authority in England and Wales entitled to receive domestic element in the year.

(2) For the purposes of this regulation the domestic rateable value of the area of a local authority shall be the amount divided by two, of the aggregate of the rateable values of dwellinghouses in the area shown in the valuation list on 1st April 1978 and of those shown on 31st March 1979 as certified by the valuation officer.

(3) No payment in respect of the domestic element shall be made to the Sub-Treasurer of the Inner Temple or the Under Treasurer of the Middle Temple if no rate in the nature of a general rate is levied in the Temple in question during the year.

Apportionment of rate reductions in the City of London by reference to the domestic element

16.—(1) Section 48 of the General Rate Act 1967 and paragraph 5 of Schedule 2 to the Act (which provide for the reduction of rates on dwellings by reference to the domestic element) shall, in their application to the City of London, have effect subject to the provisions of this regulation.

(2) Reductions of rates under the said provisions shall be apportioned between the poor rate and the general rate in the relevant proportions (taken to the nearest whole penny).

(3) Payments in respect of the domestic element shall be treated as being, in the relevant proportions, the proceeds of the poor rate and the general rate.

(4) In this regulation "the relevant proportions" means the proportions which, for the year, the number of pence in the pound of the poor rate and the general rate bear respectively to the aggregate of the number of pence in the pound of both of the said rates.

SCHEDULE

Regulation 11

QUALIFICATIONS REFERRED TO IN SUB-PARAGRAPH (1)(*e*)(iii)

University degrees and diplomas (including higher degrees).

Degrees, diplomas and certificates of the Council for National Academic Awards.

All post graduate and research studies whether or not comprising organised courses of lectures and whether or not leading to a qualification.

National Certificates and Diplomas.

College qualifications.

General Certificate of Education.

Art qualifications (including studies preceding the Diploma in Art and Design).

Nursing qualifications.

City and Guilds Certificates.

Membership of professional institutions (including College of Technologists).

Certificates of regional examining unions (except shorthand and typing courses).

National Certificate endorsements giving exemption from Part 2 or 3 of the examination of a professional institution.

The Certificate in Office Studies.

Certificate of Secondary Education.

Peter Shore,

23rd November 1977 Secretary of State for the Environment

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations provide for carrying into effect the provisions of the Local Government Act 1974 with respect to the payment of rate support grants to local authorities for the year 1978–9. Rate support grants comprise three elements—namely, the needs element, the resources element and the domestic element. The actual amounts payable in respect of each of these elements are fixed by the Rate Support Grant Order 1977, but the method of making various calculations is left over to these Regulations.

In particular, the Regulations—

(*a*) determine how certain numbers relating to population referred to in the Rate Support Grant Order are to be ascertained;

(*b*) determine how other factors referred to in the order are to be calculated;

(*c*) provide for determination of effective rateable values for purposes of arriving at rateable value per head of population in any area;

(*d*) provide for submission by local authorities to the Secretary of State of information required by him in connection with certain rate support grant calculations;

(*e*) provide for estimates and conclusive calculation of the amounts of the constituent elements of rate support grants and for the adjustment of excess payments;

(*f*) provide how the domestic element is to be distributed.

The Regulations also make special provision with regard to the City of London so that payment of the domestic element can take account of its special rating circumstances.

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