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SCHEDULES

FIRST SCHEDULE

Section 4.

EXCHEQUER SUBSIDIES FOR LOCAL AUTHORITIES IN SPECIAL CASES

PART I

SUPPLEMENTAL PAYMENTS

Qualification for supplemental payment

- 1 (1) An additional sum shall be added under this Schedule if and only if in respect of the financial year preceding that in which the dwelling was completed the total of the amounts in the pound of the rates made in the local authority's area exceeded the weighted average of the rates made in the areas of all local authorities in England and Wales.
- (2) In the application of the foregoing sub-paragraph to a rating area in which different rates were made in different parts of the area, the rates made in the area shall be the weighted average of the rates made in those different parts of the area ; and in the application of that sub-paragraph to the London County Council the rates made in the Council's area shall be the weighted average of the rates made in the metropolitan boroughs and the City of London.
- (3) For the purposes of sub-paragraph (1) and sub-paragraph (2) of this paragraph a weighted average in relation to any areas means an average of the total of the amounts in the pound of the rates made in the respective areas weighted by reference to the product of a penny rate in those respective areas for the year in question ; and the average shall be taken by applying to the rate in each area the percentage which the penny rate product for that area represents out of the aggregate of the penny rate products for all the areas in question, and summing the products.
- (4) In ascertaining under the last foregoing sub-paragraph the weighted average of the rates made in different parts of a rating area the following rules shall have effect to take account of any hereditament (hereafter referred to as a special hereditament) which, although treated for certain purposes as included in the rating area, is taken not to be situated in any part of the rating area in which there are leviable (as an additional item of the general rate) expenses which are not leviable in the area taken as a whole—
1. There shall be included in the products to be summed under the last foregoing sub-paragraph the product resulting from applying to the amounts in the pound of the rates made for the year and area in question, otherwise than as additional items for expenses not leviable in the area taken as a whole, the percentage which the penny rate product of any special hereditaments in the rating area represents out of the penny rate product for the rating area as a whole.

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2. The percentage to be applied in ascertaining each other of the products to be summed shall be the percentage which the penny rate product for the part of the area in question (excluding the product from any special hereditament) represents out of the penny rate product for the rating area as a whole.
- (5) In this paragraph "rate" means the general rate except that, in relation to the City of London, it includes the poor rate.

Dwellings completed before April, 1964

- 2 (1) This paragraph applies to any dwelling completed before the first day of April, nineteen hundred and sixty-four.
- (2) The amount of the local authority's deficit as ascertained under section four of this Act (with any reduction required under the next following sub-paragraph) shall be compared with the product in their area for the financial year preceding that in which the dwelling was completed—
- (a) of a rate of one shilling and threepence in the pound, and
 - (b) of a rate of two shillings and sixpence in the pound, and
 - (c) of a rate of three shillings and ninepence in the pound,
- and if the amount of the deficit (with any reduction so required) exceeds the said product of a rate of one shilling and threepence in the pound, then, subject to paragraph 1 of this Schedule, a sum shall be added under this Schedule to arrive at the annual exchequer subsidy, and its amount shall be that specified in the following Table.

TABLE

Where the amount of the deficit (with any reduction so required)—	Sum to be added—
exceeds the product of a rate of one shilling and threepence, but not of a rate of two shillings and sixpence.	five pounds
exceeds the product of a rate of two shillings and sixpence, but not of a rate of three shillings and ninepence.	ten pounds
exceeds the product of a rate of three shillings and ninepence.	sixteen pounds

- (3) If for the local authority's area for the financial year preceding that in which the dwelling was completed, the product of a penny rate is less than the standard penny rate product as defined in section five of the Local Government Act, 1958 (which authorises the payment of Rate-deficiency Grants), then (to exclude from grant under Part I of this Act what would be met out of Rate-deficiency Grants) the last foregoing sub-paragraph shall apply with the amount of the deficit reduced by—
- (a) dividing by the said standard penny rate product, and
 - (b) multiplying by the said product of a penny rate.

For the purposes of this sub-paragraph the said standard penny rate product, as defined in the said section five, and the said product of a penny rate, shall be taken as notified by the Minister to the local authority together with the latest estimate

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of Rate-deficiency Grant which the Minister, in accordance with regulations made under the Local Government Act, 1948, for the purposes of the said section five, notifies to the local authority before the end of the year preceding that in which the dwelling was completed.

Dwellings completed in and after April, 1964

- 3 (1) This paragraph applies to any dwelling completed on or after the first day of April, nineteen hundred and sixty-four.
- (2) The last foregoing paragraph shall apply to any dwelling to which this paragraph applies but as if for references to the sums of one shilling and threepence, two shillings and sixpence and three shillings and ninepence there were substituted respectively references to those sums adjusted by—
- (a) dividing by the aggregate product of a penny rate for the areas of all local authorities in England and Wales for the year beginning on the first day of April, nineteen hundred and sixty-three, and
 - (b) multiplying by the said aggregate for the year beginning on the first day of April, nineteen hundred and sixty-two,
- and rounded off to the nearest penny.

Definition of Product of a Rate

- 4 (1) This paragraph shall apply where for the purposes of any provision in this Part of this Schedule, other than sub-paragraph (3) of paragraph 2, it is necessary to ascertain the product of a rate of a specified sum in the pound for any area.
- (2) If for the area and the year in question the product of a penny rate has been estimated under paragraph (d) of subsection (2) of section nine of the Rating and Valuation Act, 1925, that estimate shall be employed for ascertaining the product of any specified sum in the pound.
- (3) If there is no such estimate, the product shall be that given by such estimate made by the local authority or the Minister as the Minister may direct.

PART II

ASCERTAINMENT OF RELEVANT YEAR AND GROSS VALUE

The relevant year

- 5 (1) Subject to this paragraph, the relevant financial year in relation to any dwelling shall be the financial year preceding that in which the dwelling was completed. .
- (2) If, in the opinion of the Minister, adequate information as to the local authority's Housing Revenue Account for that year will not be available within a reasonable time after the completion of the dwelling, the relevant financial year in relation to that dwelling shall be such earlier financial year as the Minister may determine having regard to the availability of information about the local authority's Housing Revenue Account for that earlier year.

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Ascertainment of gross value

- 6 (1) Subject to this paragraph, the gross value of a local authority's houses for the relevant financial year shall be ascertained by adding—
- (a) the aggregate of the gross value of the houses within the local authority's Housing Revenue Account for the last year preceding the relevant financial year, and
 - (b) the aggregate of the gross value of the houses within their Housing (Revenue Account for the relevant financial year,
- and dividing by two.
- (2) Subject to the next following sub-paragraph, the gross value of the houses under paragraphs (a) and (b) of the foregoing sub-paragraph shall be their gross value for rating purposes as shown in the valuation list on the thirty-first day of March in the year preceding the relevant financial year, or, as the case may be, in the relevant financial year and, if any of those houses are comprised in a hereditament which also comprises premises not used for the purposes of a private dwelling, a proportionate part of the gross value of the hereditament as so shown on the said thirty-first day of March.
- (3) Where gross value is to be ascertained under the last foregoing sub-paragraph at a time after the first day of April, nineteen hundred and sixty-three, that gross value shall continue to be ascertained by reference to the valuation list in force before that date, and for a hereditament not included in that list when it ceases to be in force the valuation officer shall for the purposes of this paragraph determine its gross value in the manner prescribed by the Valuation for Rating Act, 1953.
- (4) In this paragraph " the valuation officer" has the same meaning as in Part III of the Local Government Act, 1948.