



Local Government (Scotland) Act 1966

1966 CHAPTER 51

PART I

GRANTS

Rate support grants for local authorities

2 Rate support grants.

- (1) Subject to the provisions of this Part of this Act, the Secretary of State shall, for the year 1967-68 and each subsequent year, make grants to local authorities in Scotland in accordance with this section; and any grants made in pursuance of this subsection shall be known as " rate support grants ".
- (2) For the purpose of fixing the aggregate amount of the rate support grants for any year the Secretary of State shall determine—
 - (a) the aggregate amount which is to be available for the payment out of moneys provided by Parliament of grants (other than housing subsidies) to local authorities in respect of their reckonable expenditure for that year; and
 - (b) the portion of that amount which the Secretary of State estimates will be allocated to grants in respect of such services as the Secretary of State may determine and grants under the Rating Act 1966 ;and the amount remaining after deducting that portion from the aggregate amount aforesaid shall, subject to section 4 of this Act, be the aggregate amount of the rate support grants for that year.
- (3) Before determining the amount and the portion mentioned in paragraphs (a) and (b) of subsection (2) of this section the Secretary of State shall consult with such associations of local authorities as appear to him to be concerned and shall take into consideration—
 - (a) the current level of prices, costs and remuneration, any future variation in that level which can be foreseen and the latest information available to him as to the rate of reckonable expenditure ;

Status: This is the original version (as it was originally enacted).

- (b) any probable fluctuation in the demand for services giving rise to reckonable expenditure so far as the fluctuation is attributable to circumstances prevailing in Scotland as a whole which are not under the control of local authorities ; and
- (c) the need for developing those services and the extent to which, having regard to general economic conditions, it is reasonable to develop those services ;

and for the purpose of determining the said amount and portion the Secretary of State may make such adjustments in respect of reckonable expenditure and grants as appear to him to be required to offset the effects on those factors of the constitution or alteration after the passing of this Act of any joint board.

- (4) After consultation with such associations of local authorities as appear to the Secretary of State to be concerned, the aggregate amount of the rate support grants for any year shall be divided by the Secretary of State into three parts (to be known respectively as "the needs element", "the resources element" and " the domestic element") which shall be of such amounts respectively as may be prescribed; and the provisions of Schedule 1 to this Act shall, subject to sections 4 and 5 of this Act, have effect with respect to the determination of the amounts payable to any local authority in respect of those elements for any year and with respect to the other matters there mentioned.
- (5) Payments in respect of elements of rate support grant shall be made to any local authority at such times as the Secretary of State may, with the consent of the Treasury, determine and shall be made in aid of the revenues of the authority generally,

- (6) In this section—

" housing subsidies " means such grants to local authorities out of moneys provided by Parliament for the provision of housing accommodation as may be determined by the Secretary of State to be housing subsidies for the purposes of this section ;

" reckonable expenditure ", in relation to any year, means the amount estimated by the Secretary of State to be the amount of expenditure for that year falling to be defrayed out of the rates of a local authority (excluding sums falling to be paid to another local authority by virtue of a requisition or other instrument), reduced by the amount of any payment falling to be made for that year into the housing revenue account or a trading account of the authority and by the amount of any payments of such descriptions as the Secretary of State may determine which fall to be made for that year ;

" trading account " means any account of a kind determined by the Secretary of State to be a trading account for the purposes of this section.

Before making any determination under this subsection the Secretary of State shall consult with such associations of local authorities as appear to him to be concerned.