



Local Government Finance Act 1988

1988 CHAPTER 41

PART V

GRANTS

Modifications etc. (not altering text)

C1 Part V amended (28.11.1994) by [S.I. 1994/2825](#), [reg. 34](#)

[^{F1}CHAPTER 1

GENERAL]

Textual Amendments

F1 Pt. 5 Ch. 1 formed from s. 76 (27.11.2003) by [Local Government Act 2003](#) (c. 26), s. 128(4)(f), [Sch. 7 para. 12](#) (with [Sch. 7 para. 9\(2\)](#)); [S.I. 2003/3034](#), art. 2, Sch. 1 Pt. 1

76 Interpretation.

- (1) This section applies for the purposes of this Part.
- ^{F2}[(2) A receiving authority is any billing authority or major precepting authority.]
- (4) A specified body is any body which provides services for local authorities and is specified in regulations made by the Secretary of State under this subsection; but a body is not a specified body as regards a financial year unless the regulations specifying it are in force before the year begins.
- (5) Before exercising the power to make regulations under subsection (4) above the Secretary of State shall consult such representatives of local government as appear to him to be appropriate.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (6) Any regulations made under section 2(7) of the ^{M1}Local Government Act 1974 or section 56(9) of the ^{M2}Local Government, Planning and Land Act 1980 shall have effect for the purposes of subsection (4) above as if they had been made under it.

Textual Amendments

- F2** S. 76(2) substituted (6.3.1992) for s. 76(2)(3) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para.8** (with s. 118(1)(2)(4))

Modifications etc. (not altering text)

- C2** S. 76 modified (12.1.2000) (*temp*) by S.I. 1999/3435, **art. 2**

Marginal Citations

- M1** 1974 c. 7.
M2 1980 c. 65.

Introduction

77 ^{F3}

Textual Amendments

- F3** S. 77 repealed by Local Government and Housing Act 1989 (c. 42, SIF 81:1), ss. 139, 194(4), Sch. 5 para. 57(1)(2), **Sch. 12 Pt. II** Note 4

[^{F4}CHAPTER 2

REVENUE SUPPORT GRANT: ENGLAND]

Textual Amendments

- F4** Pt. 5 Ch. 2 formed from ss. 78-84C (27.11.2003) by Local Government Act 2003 (c. 26), s. 128(4)(f), **Sch. 7 para. 13** (with Sch. 7 para. 9(2)); S.I. 2003/3034, art. 2, Sch. 1 Pt. I

[^{F5}Introductory

Textual Amendments

- F5** S. 77A and cross heading inserted (27.11.2003) by Local Government Act 2003 (c. 26), s. 128(4)(f), **Sch. 7 para. 14** (with Sch. 7 para. 9(2)); S.I. 2003/3034, art. 2, Sch. 1 Pt. I

77A Application of Chapter 2

This Chapter applies only in relation to England.]

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

Revenue support grant

78 Revenue support grant.

- (1) For each chargeable financial year the Secretary of State shall pay a grant (to be called revenue support grant) to receiving authorities and specified bodies in accordance with this [^{F6}Chapter].
- (2) For each chargeable financial year the Secretary of State shall make a determination under this section.
- (3) A determination shall state—
 - (a) the amount of the grant for the year,
 - (b) what amount of the grant he proposes to pay to receiving authorities, and
 - (c) what amount of the grant he proposes to pay to each specified body.
- (4) Different amounts may be stated under subsection (3)(c) above in relation to different specified bodies.
- (5) Before making a determination the Secretary of State shall—
 - (a) consult such representatives of local government as appear to him to be appropriate, and
 - (b) obtain the Treasury's consent.

^{F7}(6)

^{F7}(7)

Textual Amendments

- F6** Word in s. 78(1) substituted (27.11.2003) by [Local Government Act 2003 \(c. 26\)](#), s. 128(4)(f), [Sch. 7 para. 15](#) (with [Sch. 7 para. 9\(2\)](#)); [S.I. 2003/3034](#), art. 2, [Sch. 1 Pt. I](#)
- F7** S. 78(6)(7) repealed (6.3.1992) by [1992 c. 14](#), ss. 104, 117(2), [Sch. 10 Pt. II para. 9](#), [Sch.14](#) (with s. 118(1)(2)(4))

[^{F8}78A Local government finance reports.

- (1) A determination under section 78 above shall be specified in a report (to be called a local government finance report).
- (2) A local government finance report shall also specify the basis (the basis of distribution) on which the Secretary of State proposes to distribute among receiving authorities the amount of revenue support grant which under this [^{F9}Chapter] falls to be paid to such authorities for the financial year to which the report relates (the financial year concerned).
- (3) Before making the report the Secretary of State shall notify to such representatives of local government as appear to him to be appropriate the general nature of the basis of distribution.
- (4) The report shall be laid before the House of Commons.
- (5) As soon as is reasonably practicable after the report is laid before the House of Commons, the Secretary of State shall send a copy of it to each receiving authority.]

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

- F8** S. 78A inserted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para.10** (with s. 118(1)(2)(4))
- F9** Word in s. 78A(2) substituted (27.11.2003) by Local Government Act 2003 (c. 26), s. 128(4)(f), **Sch. 7 para. 15** (with **Sch. 7 para. 9(2)**); S.I. 2003/3034, art. 2, Sch. 1 Pt. I

Modifications etc. (not altering text)

- C3** s. 78A modified (12.1.2000) (*temp*) by S.I. 1999/3435, **art. 2**

79 Effect of report's approval.

- (1) This section applies where in accordance with [^{F10}sections 78 and 78A] above a determination as regards revenue support grant has been made for a financial year and specified in a report which has been laid before the House of Commons.
- (2) If the report is approved by resolution of the House of Commons the Secretary of State shall pay the amount stated in the determination as the amount of the revenue support grant for the year.
- (3) The Secretary of State shall pay to receiving authorities the amount stated in the determination under section 78(3)(b) above, and shall pay to specified bodies the aggregate of the amounts stated in the determination under section 78(3)(c) above.
- (4) The amount falling to be paid to receiving authorities shall be distributed among and paid to them in accordance with [^{F11}sections 82 and 83 below].
- (5) The amount to be paid to a particular specified body shall be the amount stated in relation to it under section 78(3)(c) above.
- (6) Where a sum falls to be paid to a specified body by way of revenue support grant it shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State determines with the Treasury's consent; and any such time may fall within or after the financial year concerned.

Textual Amendments

- F10** Words in s. 79(1) substituted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para. 11(1)** (with s. 118(1)(2)(4))
- F11** Words in s. 79(4) substituted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para. 11(2)** (with s. 118(1)(2)(4))

Modifications etc. (not altering text)

- C4** S. 79(2)(3) modified by S.I. 1990/493, **reg. 8(1)** and by S.I. 1990/609, **reg. 5(1)**
- S. 79(2)(3) modified (1.4.1993) by S.I. 1992/2996, **reg. 4(1)**
- S. 79(2)(3) restricted (1.4.1993) by S.I. 1993/613, **reg. 5(1)**

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F12 S. 80 repealed (6.3.1992) by 1992 c. 14, ss. 104, 117(2), Sch. 10 Pt. II para. 12, **Sch.14** (with s. 118(1)(2)(4))

F13 **81**

Textual Amendments

F13 S. 81 repealed (6.3.1992) by 1992 c. 14, ss. 104, 117(2), Sch. 10 Pt. II para. 12, **Sch.14** (with s. 118(1)(2)(4))

[F14 **82** **Calculation of sums payable.**

- (1) As soon as is reasonably practicable after a local government finance report for a financial year has been approved by resolution of the House of Commons, the Secretary of State shall calculate what sum, if any, falls to be paid to each receiving authority by way of revenue support grant for the year in accordance with the basis of distribution specified in the report as so approved.
- (2) Subject to subsection (3) below, after making a calculation under subsection (1) above the Secretary of State may, at any time before the end of the financial year following the financial year concerned, make one further calculation of what sum, if any, falls to be paid to each receiving authority by way of revenue support grant for the year in accordance with the basis of distribution so specified.
- (3) The power to make a calculation under subsection (2) above shall not be exercisable after the approval by resolution of the House of Commons of any amending report made under section 84A below in relation to the local government finance report.
- (4) If the Secretary of State decides that he will leave out of account information received by him after a particular date in making a calculation under subsection (1) or (2) above the calculation shall be made accordingly, and he may decide different dates for different kinds of information.
- (5) Subsection (4) above applies only if the Secretary of State informs each receiving authority in writing of his decision and of the date (or the dates and kinds of information) concerned; but he may do this at any time before the calculation is made under this section (whether before or after a determination is made for the year under section 78 above).
- (6) As soon as is reasonably practicable after making a calculation under subsection (1) or (2) above the Secretary of State shall, subject to subsection (7) below, inform each receiving authority of the sum he calculates falls to be paid to it by way of revenue support grant for the year.
- (7) If the Secretary of State calculates in the case of a particular receiving authority that no sum falls to be paid to it as mentioned in subsection (6) above, he shall inform the receiving authority of that fact.]

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F14 S. 82 substituted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para.13** (with s. 118(1)(2)(4))

Modifications etc. (not altering text)

C5 S. 82 modified (12.1.2000) (*temp*) by S.I. 1999/3435, **art. 2**

83 Payment of sums.

- (1) Where a calculation is made under section 82(1) above the Secretary of State shall pay to each receiving authority any sum calculated as falling to be paid to it.
- (2) The sum shall be paid in instalments of such amounts, and at such times in the financial year concerned, as the Secretary of State determines with the Treasury’s consent.
- (3) Where a calculation is made under section 82(2) above and the sum it shows as falling to be paid to a receiving authority exceeds that shown as falling to be paid to it by the calculation for the financial year concerned under section 82(1) above, the Secretary of State shall pay to the authority a sum equal to the difference.
- (4) The sum shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State determines with the Treasury’s consent; but any such time must fall after the end of the financial year concerned.
- (5) Where a calculation is made under section 82(2) above and the sum it shows as falling to be paid to a receiving authority is less than that shown as falling to be paid to it by the calculation for the financial year concerned under section 82(1) above, a sum equal to the difference shall be paid by the authority to the Secretary of State on such day after the end of the financial year concerned as he may specify; and if it is not paid on or before that day it shall be recoverable in a court of competent jurisdiction.

Modifications etc. (not altering text)

C6 S. 83 modified by S.I. 1990/493, **reg. 8(1)** and by S.I. 1990/609, **reg. 5(1)**

S. 83(1)-(5) modified (1.4.1993) by S.I. 1992/2996, **reg. 4(1)**

C7 S. 83 restricted (1.4.1993) by S.I. 1993/613, **reg. 5(1)**

S. 83 modified (12.1.2000) (*temp*) by S.I. 1999/3435, **art. 2**

F15 84

Textual Amendments

F15 S. 84 repealed (6.3.1992) by 1992 c. 14, ss. 104, 117(2), Sch. 10 Pt. II para. 14, **Sch.14** (with s. 118(1)(2)(4))

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

^{F16}Revenue support grant: amending reports

Textual Amendments

F16 Ss. 84A-84C and cross heading inserted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para.15** (with s. 118(1)(2)(4))

84A Amending reports.

- (1) Subject to subsection (6) below, after a local government finance report has been made the Secretary of State may, at any time before the end of the financial year following the financial year concerned, make in relation to the report one or more amending reports under this section.
- (2) An amending report under this section shall contain amendments to the basis of distribution specified in the local government finance report.
- (3) Before making the report the Secretary of State shall notify to such representatives of local government as appear to him to be appropriate the general nature of the amendments which he proposes to make.
- (4) The report shall be laid before the House of Commons.
- (5) As soon as is reasonably practicable after the report is laid before the House of Commons, the Secretary of State shall send a copy of it to each receiving authority.
- (6) Where an amending report under this section has been approved by resolution of the House of Commons, the Secretary of State may not make a subsequent amending report under this section in relation to the same local government finance report.

84B Calculation of sums payable under amending reports.

- (1) As soon as is reasonably practicable after an amending report made under section 84A above has been approved by resolution of the House of Commons, the Secretary of State shall calculate what sum, if any, falls to be paid to each receiving authority by way of revenue support grant for the financial year concerned in accordance with the basis of distribution specified in the local government finance report as amended by the amending report.
- (2) Subject to subsection (3) below, after making a calculation under subsection (1) above the Secretary of State may make one further calculation of what sum, if any, falls to be paid to each receiving authority by way of revenue support grant for the year in accordance with that basis of distribution.
- (3) A calculation may not be made under subsection (2) above after whichever is the later of—
 - (a) the end of the financial year following the financial year concerned, and
 - (b) the end of the period of 3 months beginning with the day on which the amending report is approved by resolution of the House of Commons.
- (4) Subsections (4) to (7) of section 82 above apply in relation to calculations made under subsections (1) and (2) above as they apply in relation to calculations made under subsections (1) and (2) of that section.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

84C Payment of sums under amending reports.

- (1) This section applies where a calculation (the relevant calculation) is made under section 84B(1) or (2) above in relation to an amending report.
- (2) Where the sum shown by the relevant calculation as falling to be paid to a receiving authority for the financial year concerned exceeds that shown as falling to be paid to it by the relevant previous calculation, the Secretary of State shall pay to the authority a sum equal to the difference.
- (3) The sum shall be paid at such times, or in instalments of such amounts and at such times, as the Secretary of State determines with the Treasury’s consent; but any such time must fall after the end of the financial year in which the amending report was made.
- (4) Where the sum shown by the relevant calculation as falling to be paid to a receiving authority for the financial year concerned is less than that shown as falling to be paid to it by the relevant previous calculation, a sum equal to the difference shall be paid by the authority to the Secretary of State.
- (5) The sum shall be paid on such day after the end of the financial year in which the amending report was made as the Secretary of State may specify; and if it is not paid on or before that day it shall be recoverable in a court of competent jurisdiction.
- (6) In this section “the relevant previous calculation” means—
 - (a) in relation to a calculation made under section 84B(1) above, the calculation under section 82(1) above or, where a further calculation has been made under section 82(2) above, that further calculation;
 - (b) in relation to a calculation made under section 84B(2) above, the calculation made under section 84B(1) above.]

Modifications etc. (not altering text)

- C8** S. 84C modified (1.4.1993) by [S.I. 1992/2996, reg. 4\(1\)](#)
 S. 84C restricted (1.4.1993) by [S.I. 1993/613, reg. 5\(1\)](#)

[^{F17}CHAPTER 3

REVENUE SUPPORT GRANT: WALES

Textual Amendments

- F17** Pt. 5 Ch. 3 inserted (27.11.2003 for the purpose of and in relation to financial years beginning on or after 1.4.2004) by [Local Government Act 2003 \(c. 26\)](#), s. 128(4)(e), [Sch. 2 para. 1](#) (with s. 40(2)); [S.I. 2003/3034, art. 2, Sch. 1 Pt. I](#)

84D Application of Chapter 3

This Chapter applies only in relation to Wales.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

84E Revenue support grant: Wales

- (1) The National Assembly for Wales shall pay a grant for each financial year to—
 - (a) receiving authorities, and
 - (b) specified bodies.
- (2) Grant under this section shall be known as revenue support grant.
- (3) Revenue support grant shall be payable in accordance with this Chapter.

84F Determination of grant

- (1) The National Assembly for Wales shall for each financial year make—
 - (a) a determination under subsection (2), or
 - (b) a determination under each of subsections (3) and (4).
- (2) A determination under this subsection shall state—
 - (a) the total amount of revenue support grant for the year,
 - (b) the amount of the grant the Assembly proposes to pay to receiving authorities, and
 - (c) the amount of the grant the Assembly proposes to pay to each specified body.
- (3) A determination under this subsection shall state—
 - (a) the total amount of revenue support grant for the year for—
 - (i) receiving authorities other than police authorities, and
 - (ii) specified bodies,
 - (b) the amount of the grant the Assembly proposes to pay to receiving authorities that are not police authorities, and
 - (c) the amount of the grant the Assembly proposes to pay to each specified body.
- (4) A determination under this subsection shall state the total amount of revenue support grant for the year for police authorities.
- (5) Before making a determination under this section, the Assembly shall consult such representatives of local government as appear to it to be appropriate.
- (6) Different amounts may be stated under subsection (2)(c) or (3)(c) in relation to different specified bodies.
- (7) In this section “police authority” means a police authority established under section 3 of the Police Act 1996.

84G Local government finance reports

- (1) The National Assembly for Wales shall specify a determination under section 84F in a report, to be called a local government finance report.
- (2) A local government finance report shall also specify the basis on which the Assembly proposes to distribute among the receiving authorities to which the report relates the amount stated under section 84F(2)(b) or, as the case may be, section 84F(3)(b) or (4).
- (3) Before making a report under this section, the Assembly shall notify the general nature of the basis of distribution proposed to be specified in the report to such representatives of local government as appear to it to be appropriate.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (4) A report made under this section shall be published by the Assembly.
- (5) As soon as is reasonably practicable after a report is published under subsection (4), the Assembly shall send a copy of the report to each of the receiving authorities to which the report relates.

84H Effect of publication of local government finance report

- (1) This section applies where the National Assembly for Wales publishes a local government finance report.
- (2) The Assembly shall pay revenue support grant for the year to which the report relates in accordance with the determination specified in the report.
- (3) The amount of revenue support grant to be paid to receiving authorities in accordance with subsection (2) shall be distributed among, and paid to, them in accordance with sections 84J and 84K.
- (4) The amount of revenue support grant to be paid to a specified body in accordance with subsection (2) shall be paid at such time, or in instalments of such amounts and at such times, as the Assembly may determine.
- (5) The time of payment under subsection (4) may be during or after the financial year for which the grant is payable.

84J Calculation of grant payable to receiving authorities

- (1) This section applies where the National Assembly for Wales publishes a local government finance report.
- (2) As soon as is reasonably practicable after the report has been published, the Assembly shall calculate in relation to each receiving authority to which the report relates what sum, if any, falls to be paid to the authority by way of revenue support grant for the year to which the report relates.
- (3) The calculation under subsection (2) shall be in accordance with the basis of distribution specified in the report.
- (4) The Assembly may carry out the subsection (2) calculation again at any time before the end of the financial year immediately following the one to which the report relates.
- (5) The power under subsection (4) may only be exercised once and ceases to be exercisable if the Assembly publishes under section 84L a report amending the local government finance report.
- (6) As soon as is reasonably practicable after making a calculation under subsection (2) or (4), the Assembly shall inform each receiving authority to which the report relates of the outcome, so far as relating to it.

84K Payment of grant to receiving authorities

- (1) The National Assembly for Wales shall pay any sum calculated under section 84J(2) as falling to be paid by way of revenue support grant to a receiving authority in instalments of such amounts, and at such times in the financial year for which the grant is payable, as the Assembly may determine.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (2) Where the Assembly makes a calculation under section 84J(4) that shows an increase in the sum that falls to be paid to a receiving authority, the Assembly shall pay the authority a sum equal to the difference.
- (3) Payment under subsection (2) shall be at such time, or in instalments of such amounts and at such times, as the Assembly may determine, subject to subsection (4).
- (4) The time for payment under subsection (2) must be after the end of the financial year for which the grant is payable.
- (5) Where the Assembly makes a calculation under section 84J(4) that shows a decrease in the sum that falls to be paid to a receiving authority, the authority shall pay to the Assembly a sum equal to the difference.
- (6) The time for payment under subsection (5) shall be such day after the end of the financial year for which the grant is payable as the Assembly may specify.

84L Amending reports

- (1) Where the National Assembly for Wales has published a local government finance report, the Assembly may make a report containing amendments to the basis of distribution specified under section 84G(2) in the published report.
- (2) Where the Assembly has published two local government finance reports relating to the same financial year, the power under subsection (1) may (in particular) be exercised by making a single report relating to both of the published reports.
- (3) In relation to any particular local government finance report, the power under subsection (1) is exercisable—
 - (a) at any time before the end of the financial year immediately following the one to which the report relates, but
 - (b) only once.
- (4) Before making a report under this section, the Assembly shall notify to such representatives of local government as appear to it to be appropriate the general nature of the amendments it proposes to make.
- (5) A report made under this section shall be published by the Assembly.
- (6) As soon as is reasonably practicable after the Assembly publishes under this section a report relating to a local government finance report, the Assembly shall send a copy of the published report to each receiving authority to which the local government finance report relates.

84M Recalculation of grant following amending report

- (1) This section applies where the National Assembly for Wales publishes under section 84L a report (“the amending report”) relating to a local government finance report (“the original report”).
- (2) As soon as is reasonably practicable after the Assembly publishes the amending report, the Assembly shall calculate in relation to each receiving authority to which the original report relates what sum, if any, falls to be paid to the authority by way of revenue support grant for the financial year to which the original report relates.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (3) The calculation under subsection (2) shall be in accordance with the amended basis of distribution.
- (4) The Assembly may carry out the subsection (2) calculation again at any time before—
 - (a) the end of the financial year immediately following the one to which the original report relates, or
 - (b) if later, the end of the period of 3 months beginning with the day on which the Assembly publishes the amending report.
- (5) The power under subsection (4) may only be exercised once.
- (6) As soon as is reasonably practicable after making a calculation under subsection (2) or (4), the Assembly shall inform each receiving authority to which the original report relates of the outcome, so far as relating to it.

84N Payment of grant following amending report

- (1) Where the National Assembly for Wales makes a calculation under section 84M(2) or (4) that shows an increase in the sum that falls to be paid to a receiving authority, it shall pay the authority a sum equal to the difference.
- (2) Payment under subsection (1) shall be at such time, or in instalments of such amounts and at such times, as the Assembly may determine, subject to subsection (3).
- (3) The time for payment under subsection (2) must be after the end of the financial year in which the report under section 84L was made.
- (4) Where the Assembly makes a calculation under section 84M(2) or (4) that shows a decrease in the sum that falls to be paid to a receiving authority, the authority shall pay a sum equal to the difference to the Assembly.
- (5) The time for payment under subsection (4) shall be such day after the end of the financial year in which the report under section 84L was made as the Assembly may specify.

84P Information deadlines

- (1) The National Assembly for Wales may set a deadline for the receipt of information to be taken into account by it when making a calculation under section 84J(2) or (4) or 84M(2) or (4).
- (2) Different deadlines may be set under subsection (1) in relation to different kinds of information.
- (3) A deadline under subsection (1) shall have effect only if the Assembly informs each receiving authority concerned of the deadline and of the information to which it relates.
- (4) Notification under subsection (3) may be given at any time before the making of the calculation to which the deadline relates, including a time before the making of a determination under section 84F for the year concerned.
- (5) When making a calculation in relation to which a deadline under subsection (1) has effect, the Assembly shall leave information to which the deadline applies out of account if it is received after the passing of the deadline.]

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

[^{F18}CHAPTER 4

OTHER GRANTS]

Textual Amendments

F18 Pt. 5 Ch. 4 formed from ss. 85-88B (27.11.2003) by [Local Government Act 2003 \(c. 26\)](#), s. 128(4)(f), [Sch. 7 para. 16](#) (with [Sch. 7 para. 9\(2\)](#)); S.I. 2003/3034, art. 2, Sch. 1 Pt. I

Additional grant

85 Additional grant.

- (1) This section applies where a [^{F19}local government finance report] for a chargeable financial year has been approved by the House of Commons, and before the year ends the Secretary of State forms the view that fresh circumstances affecting the finances of local authorities have arisen since the approval.
- (2) For the year concerned the Secretary of State may pay a grant (to be called additional grant) to receiving authorities in accordance with this [^{F20}section and section 86 below].
- (3) Where the Secretary of State proposes to pay additional grant for a financial year he shall make a determination under this section.
- (4) A determination shall state—
 - (a) the amount of the grant for the year, and
 - (b) the basis on which he proposes to distribute it among receiving authorities.
- (5) Before making a determination the Secretary of State shall obtain the Treasury's consent.
- (6) A determination shall be specified in a report and the report shall be laid before the House of Commons.
- (7) As soon as is reasonably practicable after the report is laid before the House of Commons the Secretary of State shall send a copy of it to each [^{F21}receiving authority].

Textual Amendments

F19 Words in s. 85(1) substituted (6.3.1992) by [1992 c. 14, s. 104, Sch. 10 Pt. II para. 16\(1\)](#) (with s. 118(1)(2)(4))

F20 Words in s. 85(2) substituted (27.11.2003) by [Local Government Act 2003 \(c. 26\)](#), s. 128(4)(f), [Sch. 7 para. 17](#) (with [Sch. 7 para. 9\(2\)](#)); S.I. 2003/3034, art. 2, Sch. 1 Pt. I

F21 Words in s. 85(7) substituted (6.3.1992) by [1992 c. 14, s. 104, Sch. 10 Pt. II para. 16\(2\)](#) (with s. 118(1)(2)(4))

86 Effect of report's approval.

- (1) This section applies where in accordance with section 85 above a determination as regards additional grant has been made for a financial year and specified in a report which has been laid before the House of Commons.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (2) If the report is approved by resolution of the House of Commons—
 - (a) the Secretary of State shall pay the amount stated in the determination as the amount of the additional grant for the year, and
 - (b) the amount shall be distributed on the basis stated in the determination.
- (3) Where a sum falls to be paid to a receiving authority by way of additional grant it shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State determines with the Treasury’s consent; and any such time may fall within or after the financial year concerned.

F22(4)

F22(5)

F22(6)

Textual Amendments

F22 S. 86(4)-(6) repealed (6.3.1992) by 1992 c. 14, ss. 104, 117(2), Sch. 10 Pt. II para. 17, **Sch.14** (with s. 118(1)(2)(4))

Modifications etc. (not altering text)

C9 S. 86(2)(3) modified by S.I. 1990/493, **reg. 8(1)** and by S.I. 1990/609, **reg. 5(1)**
 S. 86(2)(3) modified (1.4.1993) by S.I. 1992/2996, **reg. 4(1)**
 S. 86(2)(3) restricted (1.4.1993) by S.I. 1993/613, **reg. 5(1)**

Transport grants

87 Transport grants.

- (1) The Secretary of State shall pay to a defined council a grant for a chargeable financial year if he accepts that at least some of its estimated relevant transport expenditure for the year is appropriate to be taken into account for the purposes of this section.
- (2) The amount of the grant shall be a proportion of so much of the council’s estimated relevant transport expenditure for the year as he accepts under subsection (1) above.
- (3) The proportion shall be such as is determined for the year by the Secretary of State and shall be the same as regards each council to which a grant is paid for the year under this section.
- (4) A grant under this section shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State thinks fit; and any such time need not fall within the financial year concerned.
- (5) In deciding whether to accept any of a council’s estimated relevant transport expenditure for a financial year under subsection (1) above, and how much of it to accept, the Secretary of State may have regard to the following matters (in addition to any other matters he thinks fit)—
 - (a) whether the council’s relevant transport expenditure for any preceding financial year or years is greater or smaller than its estimated relevant transport expenditure for that year or those years;
 - (b) the extent (if any) to which it is greater or smaller.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (6) The total accepted under subsection (1) above as regards all defined councils for a particular financial year shall not exceed such amount as is approved by the Treasury for the year.

Modifications etc. (not altering text)

C10 S. 87(5)(a) amended (28.11.1994) by [S.I. 1994/2825](#), [reg. 35](#)

88 Transport grants: supplementary.

- (1) This section applies for the purposes of section 87 above.
- (2) Each of the following is a defined council—
- (a) a county council,
 - ^{F23}[(aa) a county borough council,]^[F24 and]
 - (b) a metropolitan district council,
 - ^{F25}(c)
 - ^{F25}(d)
- (3) A council's relevant transport expenditure for a financial year is the expenditure it calculates it incurred in the year in connection with—
- (a) highways or the regulation of traffic (where the council is English), or
 - (b) highways, the regulation of traffic or public transport (where the council is Welsh).
- (4) But in making the calculation expenditure shall be left out of account unless, at the time the calculation is made, it is [^{F26} capital expenditure for the purposes of Chapter 1 of Part 1 of the Local Government Act 2003 (capital finance)].
- (5) A council's estimated relevant transport expenditure for a financial year is the expenditure it estimates it will incur in the year in connection with—
- (a) highways or the regulation of traffic (where the council is English), or
 - (b) highways, the regulation of traffic or public transport (where the council is Welsh).
- (6) But in making the estimate expenditure shall be left out of account unless, at the time the estimate is made, it is [^{F27} capital expenditure for the purposes of Chapter 1 of Part 1 of the Local Government Act 2003 (capital finance)].

Textual Amendments

- F23** S. 88(2)(aa) inserted (3.4.1995) by [1994 c. 19, s. 66\(6\)](#), [Sch. 16 para. 85](#) (with [ss. 54\(5\)\(7\)](#), [55\(5\)](#), [Sch. 17 paras. 22\(1\)](#), [23\(2\)](#)); [S.I. 1995/852, art. 9\(1\)](#), [Sch. 5](#) (with [art. 9\(2\)-\(5\)](#))
- F24** Word in S. 88(2)(aa) inserted (3.7.2000) by [1999 c. 29, s. 159\(8\)\(a\)](#) (with [Sch. 12 para. 9\(1\)](#)); [S.I. 2000/801, art. 2\(2\)\(c\)](#), [Sch. Pt. 3](#)
- F25** S. 88(2)(c)(d) repealed (15.7.2003) by [Greater London Authority Act 1999 \(c. 29\)](#), [ss. 159\(8\)\(b\)\(9\)](#), [425\(2\)](#), [Sch. 34 Pt. II](#) (with [Sch. 12 para. 9\(1\)](#)); [S.I. 2003/1920, art. 2\(f\)\(h\)](#)
- F26** Words in s. 88(4) substituted (27.11.2003 for W. for the purpose of and in relation to financial years beginning on or after 1.4.2004, 1.4.2004 for E.) by [Local Government Act 2003 \(c. 26\)](#), [s. 128\(6\)](#), [Sch. 7 para. 18](#); [S.I. 2003/2938, art. 7\(a\)](#) (with [art. 8, Sch.](#)); [S.I. 2003/3034, art. 2, Sch. 1 Pt. I](#)

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

F27 Words in s. 88(6) substituted (27.11.2003 for W. for the purpose of and in relation to financial years beginning on or after 1.4.2004, 1.4.2004 for E.) by [Local Government Act 2003 \(c. 26\)](#), s. 128(6), [Sch. 7 para. 18](#); S.I. 2003/2938, art. 7(a) (with art. 8, Sch.); S.I. 2003/3034, art. 2, Sch. 1 Pt. I

[^{F28}Other grants]

Textual Amendments

F28 Ss. 88A, 88B and cross-heading substituted (6.3.1992) for s. 88A (which was inserted by [1989 c. 42, s. 139, Sch. 5 para. 61](#)) by [1992 c. 14, s. 104, Sch. 10 Pt. II para.18](#) (with s. 118(1)(2)(4))

^{F29}**[88A Council tax grants.**

- (1) If regulations under section 13 of the Local Government Finance Act 1992 (reduced amounts of tax) have effect as regards a financial year the Secretary of State may, with the consent of the Treasury, pay a grant to a billing authority as regards that financial year.
- (2) The amount of the grant shall be such as the Secretary of State may with the consent of the Treasury determine.
- (3) A grant under this section shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State may with the consent of the Treasury determine.
- (4) In making any payment of grant under this section the Secretary of State may impose such conditions as he may with the consent of the Treasury determine; and the conditions may relate to the repayment in specified circumstances of all or part of the amount paid, or otherwise.
- (5) In deciding whether to pay a grant under this section, and in determining the amount of any such grant, the Secretary of State shall have regard to his estimate of any amount which, in consequence of the regulations, the authority might reasonably be expected to lose, or to have lost, by way of payments in respect of the council tax set by it for the financial year concerned.]

Textual Amendments

F29 Ss. 88A, 88B substituted (6.3.1992) for s. 88A (which was inserted by [1989 c. 42, s. 139, Sch. 5 para. 61](#)) by [1992 c. 14, s. 104, Sch. 10 Pt. II para.18](#) (with s. 118(1)(2)(4))

^{F30}**[88B Special grants.**

- (1) The Secretary of State may, with the consent of the Treasury, pay a grant (in this section referred to as a special grant) in accordance with this section to a relevant authority.
- (2) Where the Secretary of State proposes to make one special grant he shall, before making the grant, make a determination stating with respect to the grant—
 - (a) to which authority it is to be paid,
 - (b) the purpose for which it is to be paid, and
 - (c) the amount of the grant or the manner in which the amount is to be calculated.

Status: Point in time view as at 27/11/2003.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (3) Where the Secretary of State proposes to make two or more special grants to different authorities he shall, before making the grants, make a determination stating with respect to the grants—
- (a) to which authorities they are to be paid,
 - (b) the purpose for which they are to be paid, and
 - (c) either—
 - (i) the amount of the grant which he proposes to pay to each authority or the manner in which the amount is to be calculated, or
 - (ii) the total amount which he proposes to distribute among the authorities by way of special grants and the basis on which he proposes to distribute that amount.
- (4) A determination under subsection (2) or (3) above shall be made with the consent of the Treasury and shall be specified in a report (to be called a special grant report) which shall contain such explanation as the Secretary of State considers desirable of the main features of the determination.
- (5) A special grant report shall be laid before the House of Commons and, as soon as is reasonably practicable after the report has been so laid, the Secretary of State shall send a copy of it to any relevant authority to whom a special grant is proposed to be paid in accordance with the determination in the report.
- (6) No special grant shall be paid unless the special grant report containing the determination relating to the grant has been approved by a resolution of the House of Commons.
- (7) A special grant report may specify conditions which the Secretary of State, with the consent of the Treasury, intends to impose on the payment of (or of any instalment of) any special grant to which the report relates; and the conditions may—
- (a) require the provision of returns or other information before a payment is made to the relevant authority concerned, or
 - (b) relate to the use of the amount paid, or to the repayment in specified circumstances of all or part of the amount paid, or otherwise.
- (8) Without prejudice to compliance with any conditions imposed as mentioned in subsection (7) above, a special grant shall be paid at such time or in instalments of such amounts and at such times as the Secretary of State may, with the consent of the Treasury, determine.
- (9) For the purposes of this section each of the following is a relevant authority—
- (a) a receiving authority;
 - (b) a metropolitan county passenger transport authority established by section 28 of the ^{M3}Local Government Act 1985.]

Textual Amendments

F30 Ss. 88A, 88B substituted (6.3.1992) for s. 88A (which was inserted by 1989 c. 42, s. 139, **Sch. 5 para. 61**) by 1992 c. 14, s. 104, **Sch. 10 Pt. II para.18** (with s. 118(1)(2)(4))

Marginal Citations

M3 1985 c. 51.

Status:

Point in time view as at 27/11/2003.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Local Government Finance Act 1988. Any changes that have already been made by the team appear in the content and are referenced with annotations.