



Local Government and Miscellaneous Financial Provisions (Scotland) Act 1958

1958 CHAPTER 64 6 and 7 Eliz 2

PART I

EXCHEQUER GRANTS AND EDUCATION (SCOTLAND) FUND

1 General grants to local authorities

- (1) For the year beginning on the sixteenth day of May, nineteen hundred and fifty-nine, and subsequent years the Secretary of State shall make grants to local authorities in accordance with the provisions of this Part of this Act; and those grants (hereinafter referred to as " general grants ") shall be in lieu of the grants paid or payable for those years under any enactment passed before this Act other than the Police (Scotland) Act, 1956, in respect of the expenditure (hereinafter referred to as " relevant expenditure ") specified in the First Schedule to this Act.
- (2) Subject to the provisions of the next following section the Secretary of State shall by order, fix the aggregate amount of the general grants payable for the year beginning on the said sixteenth day of May and each subsequent year; and, subject to the provisions of the next following subsection and of sections three and eighteen of this Act, the general grant payable to any local authority for any year shall be such proportion of the aggregate amount so fixed for that year as shall be ascertained in relation to that authority in accordance with the Second Schedule to this Act.
- (3) For the purpose of making adjustments in respect of the common expenditure and other matters specified in the Third Schedule to this Act—
 - (a) the aggregate amount fixed under the last foregoing sub-section for any year shall, before apportionment, be reduced in accordance with the provisions of Part I of that Schedule, and
 - (b) the general grants payable to local authorities for any year shall be adjusted inter se in accordance with the provisions of Part II of that Schedule.

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- (4) The general grant payable to any local authority shall be paid at such times as the Secretary of State may with the consent of the Treasury direct, and shall be applied by the authority towards meeting expenditure which, but for the grant, would fall to be defrayed out of the county, or, as the case may be, the burgh, rate as defined in subsection (1) of section two hundred and twenty-four of the Act of 1947.
- (5) An order made under subsection (2) of this section (hereinafter referred to as a "general grant order ") shall be made by the Secretary of State with the consent of the Treasury and after consultation with such associations of local authorities as appear to him to be concerned, shall be laid before the Commons House of Parliament together with a report by the Secretary of State explaining the considerations leading to the provisions of the order and shall not have effect until approved by a resolution of that House.
- (6) General grant orders shall be made in advance for successive periods (hereinafter referred to as " grant periods ") of not less than two or more than three years, but any general grant order may make different provision for different years in the grant period to which it relates.

2 Fixing of annual aggregate amount of general grants

- (1) In fixing the aggregate amount of the general grants for any year the Secretary of State shall take into consideration—
 - (a) the latest information available to him of the rate of relevant expenditure (excluding, except in so far as the Secretary of State with the consent of the Treasury otherwise determines, any expenditure of a descriptor in respect of which no grant has been paid for any year ending before the sixteenth day of May, nineteen hundred and fifty-nine) and the current level of prices, costs and remuneration, together with any future variation in that level which can be foreseen ;
 - (b) any probable fluctuation in the demand for the services giving rise to relevant 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.
- (2) If it appears to the Secretary of State that during any grant period any unforeseen increase has taken place in the level of prices, costs or remuneration, and that its effect on the cost of providing the services giving rise to relevant expenditure is of such magnitude that it ought not to fall entirely on local authorities, the Secretary of State shall by order (made in the like manner and subject to the like provisions as a general grant order) increase the aggregate amount of the general grants for such year of that grant period (beginning either before or after the making of the order) as may be specified in the order.

3 Power to reduce general grant where service not adequately provided, and to prescribe standards of administration

- (1) Subject to the provisions of this section, if the Secretary of State is satisfied that there has been a failure to achieve or maintain reasonable standards in the provision of any of the services giving rise to relevant expenditure, regard being had to the

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standards maintained by local authorities generally, and considers that the general grant payable to any local authority, or local authorities, who in his opinion are concerned in the failure, ought therefore to be reduced, he may, after affording to the authority or authorities so concerned an opportunity of making representations, make and cause to be laid before Parliament a report stating the amount of the reduction, the reasons therefor, and any representations with respect thereto made by the authority or authorities; and if the report is approved by a resolution of the Commons House of Parliament the Secretary of State may reduce the grant accordingly.

- (2) The Secretary of State may make regulations, subject to annulment in pursuance of a resolution of either House of Parliament, for prescribing standards and general requirements for the administration of any of the services giving rise to relevant expenditure, and in determining for the purposes of this section whether there has been any such failure as is referred to in the foregoing subsection regard shall be had to any such regulations and any other standards or requirements imposed by or under any enactment.
- (3) Where the general grant payable to any local authority for any year has been reduced under this section it shall, in any calculation for the purposes of section five of the Act of 1954 of the relevant local expenditure for the area of the local authority for that year, be deemed to have been paid in full.
- (4) For the purposes of this section any service provided by a combination or joint committee of local authorities shall be deemed to be provided jointly by the constituent local authorities of the combination or joint committee.

4 Certain grants to be discontinued

- (1) None of the grants to which this section applies shall be payable for the year beginning on the sixteenth day of May, nineteen hundred and fifty-nine, or any part of that year, or for any subsequent year.
- (2) This section applies to the grants payable under—
 - (a) subsection (2) of section seventeen of the Ministry of Transport Act, 1919, in respect of the salary and establishment charges of highway engineers and surveyors;
 - (b) subsection (3) of section fifty-seven of the Road Traffic Act, 1930 (which relates to weighbridges and other weighing-machines for vehicles);
 - (c) section eleven of the Prevention of Damage by Pests, Act, 1949; and
 - (d) paragraph (b) of subsection (1) of section twenty-four of the Vehicles (Excise) Act, 1949 (which provides for grants representing the amounts which, if the Roads Act, 1920, had not passed, would have been received by local authorities on account of fees or charges for the licensing of mechanically propelled hackney carriages not being public service vehicles).

5 Abolition of Education (Scotland) Fund

- (1) The Education (Scotland) Fund constituted by section sixty-nine of the Education (Scotland) Act, 1946, shall cease to exist and any balance in the Fund at the coming into operation of this section shall be paid into the Exchequer.
- (2) All expenses which are directed or authorised by or under any enactment to be paid out of the Education (Scotland) Fund shall be defrayed by the Secretary of State out

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of moneys provided by Parliament, and all sums which are so directed to be paid into the said Fund shall be paid into the Exchequer.

- (3) This section shall come into operation on the first day of April, nineteen hundred and fifty-nine.

6 Modifications in enactments consequential on this Part of this Act and the Local Government Act, 1958

- (1) The enactments specified in Part I of the Fourth Schedule to this Act shall, subject to Part III of that Schedule, have effect subject to the modifications specified in relation to them respectively in the said Part I, being modifications consequential on this Part of this Act.
- (2) The enactments specified in Part II of the Fourth Schedule to this Act shall, subject to Part III of that Schedule, have effect subject to the modifications specified in relation to them respectively in the said Part II, being modifications consequential on the Local Government Act, 1958.