



# Local Government (Scotland) Act 1929

## 1929 CHAPTER 25

### PART III

#### EXCHEQUER GRANTS AND OTHER FINANCIAL PROVISIONS.

##### *General.*

**65 Payment of grants.**

The grants under this Part of this Act shall be payable to the county and town councils entitled thereto at such times and in such manner as the Treasury may direct.

**66 Power to reduce grants.**

The Secretary of State may reduce the grant payable in respect of any year under this Part of this Act to any council by such an amount as he thinks just—

- (a) if he is satisfied—
  - (i) that the council have failed to achieve or maintain a reasonable standard of efficiency and progress in the discharge of their functions relating to public health services (including services relating to maternity and child welfare, lunacy and mental deficiency, and the welfare of the blind), regard being had to the standards maintained in any other areas whose financial resources and other relevant circumstances are substantially similar, and that the health or welfare of the inhabitants of the area of the council or some of them has been or is likely to be thereby endangered; or
  - (ii) that the expenditure of the council has been excessive and unreasonable, regard being had to the financial resources and other circumstances of the area; or
- (b) if the Minister of Transport certifies that he is satisfied that the council have failed to maintain their roads or any part thereof in a satisfactory condition:

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Provided that the Secretary of State shall not make such a reduction until he has made and caused to be laid before Parliament a report stating the amount of the reduction, and the reasons therefor.

**67 Application of Exchequer Grants to county and town councils.**

Subject to the provisions of this Part of this Act, all sums received by a county council by way of General or Additional Exchequer Grant shall be applied towards meeting the expenditure of the council (other than any part thereof apportioned and allocated to large burghs in respect of education or police) on all purposes for which the county council exercise functions throughout the whole county including the small burghs therein; and all sums received by the town council of a burgh by way of General or Additional Exchequer Grant shall be applied proportionately towards meeting—

- (a) the expenditure which but for grants under this Part of this Act would be defrayed out of rates payable by owners and occupiers in equal proportions;
- (b) the expenditure which but for such grants would be defrayed out of rates payable wholly by owners; and
- (c) the expenditure which, but for such grants, would be defrayed out of rates payable wholly by occupiers.

**68 Power of Department to pay council's contributions to voluntary association or society out of sums payable as General Exchequer Grant.**

Upon application being made to the Department of Health by the council of any county or large burgh requesting that the contributions of the council towards the expenses of any voluntary association or society having as its object the promotion of public health services (including services relating to maternity and child welfare, lunacy and mental deficiency, and the welfare of the blind) may be paid directly to the association or society out of the amount payable as the General Exchequer Grant of the council, the said Department may pay such contributions accordingly, and any sums so paid shall be deemed to have been paid as part of that grant.

**69 Government property.**

For the purposes of this Part of this Act, any contribution made by the Crown in aid of rates in respect of any lands and heritages owned by the Crown or occupied by or on behalf of the Crown for public purposes shall be treated as money paid as rates, and in the case of agricultural, industrial, and freight transport lands and heritages, the value upon which that contribution would, if this Act had not been passed, have been computed for the year beginning on the sixteenth day of May, nineteen hundred and twenty-nine, shall be treated as the unreduced rateable value of the lands and heritages and the value on which that contribution would have been computed for that year if this Act, except section fifty, had been in operation throughout that year shall be treated as the reduced rateable value of the lands and heritages.

**70 Power to make regulations.**

- (1) The Secretary of State may make regulations for giving effect to the provisions of this Part of this Act, and in particular—
  - (a) as to the apportionment for the purposes of this Part of this Act of the expenditure of any joint authority amongst the areas liable to contribute to

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such expenditure, and for the part of the expenditure so apportioned to any area being treated as expenditure of a spending authority for that area for those purposes; and

- (b) as to the manner in which the amounts of any grants payable under this Part of this Act are to be adjusted if and so far as any such adjustment is required in consequence of any alterations or combinations of authorities or alterations of boundaries made on or after the sixteenth day of May, nineteen hundred and thirty; and
- (c) as to the manner in which, subject to the express provisions of this Act, any calculation or estimate is to be made for the purposes of this Part of this Act and as to the authority or person by or to whom any information required for the purposes of any such calculation or estimate is to be given, and as to the time at which and the form in which it is to be given; and
- (d) for prescribing anything which under this Part of this Act or under the Schedules therein referred to is to be prescribed,

and in particular, the regulations as to the manner in which expenditure falling to be borne by rates is to be calculated or estimated may provide for that expenditure being taken in appropriate cases to be the amount of the payments made in any year and may provide for such adjustments as may be necessary to correct any abnormal treatment of income or expenditure in accounts.

- (2) Where in the standard year a rate is levied in the landward area of a county or in a large burgh by an authority other than the council of the county or burgh, regulations under this section may provide for the ascertainment of the loss on account of the rate so leviable in accordance with the rules set out in Part I of the Seventh Schedule to this Act, and for the payment to the authority by the council—
  - (a) in each year during the first four fixed grant periods of a sum equal to the appropriate percentage of such loss; and
  - (b) in each year in the first and second fixed grant periods of a sum equal to twenty-five per cent. of such loss, and thereafter of such sum as the council may determine,

and any sum so paid by a council to an authority shall be applied to such purposes, and in such manner, as may be prescribed by the regulations.

- (3) Regulations made under paragraph (c) of subsection (1) of this section shall make provision for securing that where proposals for the development of institutional treatment in their area were submitted to the Scottish Board of Health by the council of any county or large burgh at such a date that grants in aid of capital expenditure on institutions to be provided thereunder are payable in accordance with the directions of the Treasury, then, if the execution of the proposals was delayed by the directions of the said Board and liabilities in connection with the proposals were incurred by the council with the approval of the said Board before the twelfth day of November, nineteen hundred and twenty-eight, and in consequence of the delay the amount of any grants paid or payable to the council for the standard year is less than the amount thereof which would otherwise have been so payable, the amount of the grants paid or payable to the council in respect of that year shall be estimated and certified as if they had been increased by such amount as may be prescribed.
- (4) All regulations made under this Part of this Act shall be laid before both Houses of Parliament as soon as may be after they are made, and if an Address is presented to His Majesty by either House of Parliament within the next subsequent twenty-eight days on which that House has sat after any such regulations are laid before it, praying that

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the regulations may be annulled, they shall henceforth be void, but without prejudice to the validity of anything previously done thereunder or the making of new regulations.

**71 Method of apportionment between authorities of expenditure and grants for purposes of the Seventh and Eighth Schedules.**

- (1) Where by the rules contained in the Seventh and Eighth Schedules to this Act the expenditure of any authority is required to be apportioned between the several counties or large burghs into which the area of the authority extends, the apportionment shall be made—
- (a) in the case of expenditure in respect of roads, other than loan charges, in proportion to the certified mileage of transferred roads in the parts of the area within the several counties;
  - (b) in the case of any other expenditure of a spending authority, in proportion to the reduced rateable value of the parts of the area within the several counties and burghs.
- (2) Where by the rules contained in the Seventh Schedule to this Act the amounts paid or payable to any authority out of the discontinued grants are required to be apportioned, the apportionment shall be made—
- (a) in the case of grants in respect of roads, in proportion to the certified mileage of roads in respect of which grants were made in the standard year, in the parts of the area within the several counties;
  - (b) in the case of grants to any voluntary association which carries on services for the welfare of the blind, in proportion to the number certified as being the estimated number of beneficiaries of the association ordinarily resident within the jurisdiction of the several authorities;
  - (c) in the case of any other grants, on such basis as the Secretary of State may by order direct.

**72 Investigation of working of Rules of Seventh Schedule, Parts III and IV.**

The Secretary of State shall, before the expiration of the second, fixed grant period., in consultation with such associations of local authorities as appear to him to be concerned and with any local authority with whom consultation appears to him to be desirable, cause an investigation to be made into the working of the rules contained in Parts III and IV of the Seventh Schedule to this Act, and shall cause a report of the result of the investigation to be laid before Parliament.

**73 Interpretation of Part III.**

In this Part of this Act and in the Schedules therein referred to, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say :—

" Appropriate percentage " means as respects the first and second fixed grant periods seventy-five per cent., as respects the third fixed grant period fifty per cent., and as respects the fourth fixed grant period twenty-five per cent. :

" Appropriate year " means as respects the first fixed, grant period the standard year and as respects any subsequent fixed grant period the last year of the preceding fixed grant period:

" Certified " means—

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in relation to roads or road grants, certified by the Minister of Transport :  
in relation to the number of unemployed insured men or women certified by the Minister of Labour :

in relation to any other matter, certified by the Secretary of State or such person as he may appoint for the purpose :

" County " includes any small burgh situate within the county :

" Estimated population " and " estimated number " of children under five years of age per thousand " of the estimated population " mean in relation to any year, the population or number as estimated by the Registrar-General for Scotland for the calendar year in which the year in question begins :

" Losses on account of grants " means in relation to any county, large burgh, or spending authority, such losses calculated in accordance with the rules set out in Part II of the Seventh Schedule to this Act:

" Losses on account of rates " means in relation to any county, large burgh or spending authority, such losses calculated in accordance with the rules set out in Part I of the Seventh Schedule to this Act:

" Prescribed " means prescribed by regulations made under this Part of this Act:

" Reduced rateable value " means in relation to any lands and heritages, the rateable value thereof which would have been entered in the valuation roll for the year beginning on the sixteenth day of May, nineteen hundred and twenty-nine, if this Act, except section fifty, had been in operation throughout that year, and in relation to any area the aggregate of such rateable values of all the lands and heritages in the area :

" Road " means a road maintained by a highway authority and includes a bridge :

" Separately rated area " means—

- (a) as respects a county, a landward parish or the landward part of a parish, so far as within the district of one district council, or a small burgh, except where the burgh is within two or more parishes, in which case each part of the burgh within a separate parish shall be a separately rated area; and
- (b) as respects a large burgh, a burghal parish or the burghal part of a parish:

" Special rate " means a special district rate or a special parish rate and includes a rate levied within a landward area by the rating authority in accordance with the provisions of a local Act for the purpose of meeting a requisition by the Commissioners or other body established under that Act:

" Spending authority " means a county council, town council, district committee, district board of control, education authority or parish council:

" Standard year " means the year beginning on the sixteenth day of May, nineteen hundred and twenty-eight:

" Transferred functions " means the functions transferred to the county councils of counties and the town councils of large burghs by or under Part I of this Act;

" Unemployed insured men " and " unemployed insured women " mean respectively men and women of or over the age of eighteen years, being insured contributors under the Unemployment Insurance Acts, 1920 to 1927, who are for the time being recorded as being unemployed for the purpose of the returns of unemployment made by the Minister of Labour :

" Unreduced rateable value " means in relation to any lands and heritages the rateable value thereof which would have been entered in the valuation roll for

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the year beginning on the sixteenth day of May, nineteen hundred and twenty-nine, if this Act had not been passed, and in relation to any area, the aggregate of such rateable values of all the lands and heritages in the

" Weighted population " means in relation to any county or large burgh, the weighted population calculated in accordance with the rules set out in Part III of the Seventh Schedule to this Act.