

1983 No. 268

RATING AND VALUATION

The Rate Product (Amendment) Rules 1983

Made - - - - 28th February 1983

Laid before Parliament 10th March 1983

Coming into Operation 1st April 1983

The Secretary of State for the Environment, after consultation with the local authorities and associations of local authorities with whom consultation appeared to him to be desirable, in exercise of the powers conferred by sections 113 and 114 of the General Rate Act 1967(a) and now vested in him(b), and of all other powers enabling him in that behalf, hereby makes the following rules:—

1. These rules may be cited as the Rate Product (Amendment) Rules 1983 and shall come operation on 1st April 1983.
2. For paragraph 6 of the Schedule to the Rate Product Rules 1981(c) there shall, for the purpose of any determination of the product of a rate of one penny in the pound for the year beginning on 1st April 1983 and any subsequent year, be substituted the following:—

“6.—(1) Subject to sub-paragraph (2), the inclusive product for any area for any year is—

$$£ \frac{EP \times P}{(GRP - GRP_1) \times RV \times M} \text{ where}$$

EP is the amount of the exclusive product for the area,

P is the population of the area,

GRP is the amount which would be the grant-related poundage for the relevant authority, expressed in pounds and calculated to eight decimal places, if that authority's total expenditure were equal to its grant-related expenditure,

GRP₁ is the amount which would be the grant-related poundage for the relevant authority, expressed in pounds and calculated to eight decimal places, if that authority's total expenditure were equal to its grant-related expenditure less one pound per head of population,

RV is the gross rateable value of the area, and

M is the relevant multiplier.

(a) 1967 c.9.

(b) S.I. 1970/1681.

(c) S.I. 1981/327.

(2) Where no block grant would be payable under Part VI of the 1980 Act if the relevant authority's total expenditure were equal to their grant-related expenditure the inclusive product for the area for any year shall be the same as the exclusive product.

(3) In this paragraph—

references to the 1980 Act are to the Local Government, Planning and Land Act 1980(a);

references to total expenditure and grant-related expenditure have the same meanings as in Part VI of the 1980 Act;

the reference to the population of an area is to the population of the area as estimated in accordance with and for the purposes of the Rate Support Grant Report for the year in question;

the reference to the grant-related poundage is to the grant-related poundage in respect of the relevant authority for the year in question determined in the Rate Support Grant Report for that year;

the reference to the gross rateable value is to the gross rateable value for the area of the relevant authority within the meaning of Section 56(8) of the 1980 Act, ascertained in accordance with the provisions of the Rate Support Grant Report for the year in question;

the reference to the relevant multiplier is to the multiplier for the relevant authority determined in the Rate Support Grant Report for the year in question;

any reference to a Rate Support Grant Report is to such a Report made under section 60 of the 1980 Act;

any reference to an area includes a reference to part of an area, and

references to the relevant authority are—

- (i) in relation to the area of a county or district, to the council of the county or the council of the district;
- (ii) in relation to Greater London, to the Greater London Council;
- (iii) in relation to the area of a London borough or the City of London, to the council of the London borough or the Common Council of the City; and
- (iv) in relation to the Isles of Scilly, to the Council of the Isles.”.

Tom King,
Secretary of State for
the Environment.

28th February 1983.

(a) 1980 c.65.

EXPLANATORY NOTE

(This Note is not part of the Rules.)

These Rules amend the method of calculating the product of a rate of one penny where the Rate Product Rules 1981 (“the principal Rules”) require that product to be calculated by the grant inclusive method in the Schedule to the principal Rules.

The new formula contained in these Rules replaces paragraph 6 of the Schedule to the principal Rules, and is designed to ensure that an inclusive product does not vary during a rate period as a result of the making of reports supplementary to the Rate Support Grant Report made under section 60 of the Local Government, Planning and Land Act 1980, and that it is calculated with greater precision than under the principal Rules.

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