

1974 No. 2108

LOCAL GOVERNMENT, ENGLAND AND WALES

The Rate Support Grant (Increase) Order 1974

Made	- - -	3rd December 1974
Laid before the House of Commons		5th December 1974
Coming into Operation		13th December 1974

The Secretary of State for the Environment, in exercise of the powers conferred on him by section 4 of and paragraph 3 of Schedule 1 to the Local Government Act 1974(a), and of all other powers enabling him in that behalf, with the consent of the Treasury and after consultation with the associations of local authorities appearing to him to be concerned and the local authority with whom consultation appeared to him to be desirable, hereby makes the following order:—

Title and commencement

1. This order may be cited as the Rate Support Grant (Increase) Order 1974 and shall come into operation on the day following the day on which it is approved by a resolution of the Commons House of Parliament.

Interpretation

2.—(1) In this order “the Act” means the Local Government Act 1974 and “the Order” means the Rate Support Grant Order 1974(b).

(2) The Interpretation Act 1889(c) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

Increase of rate support grants and needs element

3. The amounts fixed by article 3(1) of the Order as the estimated aggregate amount of the rate support grants and the aggregate amount of the needs element for the year 1974-5, as set out in column (2) of the following table, shall be increased by each of the following amounts:—

- (a) pursuant to section 4 of the Act (which provides for an increase where there is an increase of costs of which no account was taken when the amounts were originally fixed), by the amounts specified in column (3) and

(a) 1974 c. 7.

(b) S.I. 1974/550 (1974 I, p.2251).

(c) 1889 c. 63.

(b) pursuant to paragraph 3 of Schedule 1 to the Act (which provides for an increase equal to the increase for which provision would have been made in an order under section 3 of the Local Government Act 1966(a) with regard to the year 1973-4 if that section had not ceased to have effect), by the amounts specified in column (4),

to produce the respective totals shown in column (5).

TABLE

<i>For the year 1974-5</i>	<i>Amounts fixed by the Order</i>	<i>Increase under s.4 of the Act</i>	<i>Increase under Sch. 1 of the Act</i>	<i>Totals</i>
(1)	(2)	(3)	(4)	(5)
Estimated aggregate amount of rate support grants	£3,076,000,000.	£1,020,000,000.	£57,000,000.	£4,153,000,000.
Aggregate amount of needs element	£1,907,000,000.	£740,000,000.	£41,000,000.	£2,688,000,000.

(a) 1966 c.42.

Amount of resources element

4.—(1) The actual aggregate amount of the resources element for the year 1974-5 is (pursuant to subsections (4) and (5)(a) of section 4 of the Act) hereby specified as £1,019,000,000.

(2) The amount of the resources element payable to a local authority entitled to payment in respect of that element shall be correspondingly varied by adding to the amount which would have been payable to that authority under the Order an amount equal to $\frac{x}{X}$ of the difference between the actual aggregate amount of the resources element and the aggregate of the amounts calculated pursuant to Part III of Schedule 2 to the Act in relation to all such authorities where—

x is the amount calculated in relation to that authority pursuant to Part III of Schedule 2 to that Act and

X is the aggregate of the amount calculated as for x in relation to all such authorities.

Supplementary grants for National Parks

5. The amount fixed by article 3(2) of the Order as the aggregate amount of supplementary grants under section 7 of the Act (supplementary grants towards expenditure with respect to National Parks) shall be increased from £1,400,000 to £1,900,000.

Sum to be multiplied by the population

6. The sum fixed by article 3(3) of the Order as the sum to be multiplied by the population of a local authority's area for the purposes of paragraph 1(a) of Schedule 2 to the Act shall be increased from £16.62 to £23.05.

Needs element—additional factors

7. The manner of determining the additional amount of needs element attributable to any additional factor prescribed by the Schedule to the Order for the purposes of paragraph 1(b) of Schedule 2 to the Act as respects the year 1974-5 and referred to in column (1) of the following table shall be varied by substituting for the manner of determination set out in column (2) that specified in column (3).

TABLE

<i>Additional factor</i> (1)	<i>Existing manner of determining additional amount</i> (2)	<i>Substituted manner</i> (3)
1. In relation to the council of a non-metropolitan county, a metropolitan district or a London borough, the Common Council of the City of London or the Council of the Isles of Scilly—		
(a) The number of education units in excess of 200 per 1,000 of the population of their area—	Multiplying that number by £112.95.	Multiplying that number by £156.64.
(b) The acreage of their area in excess of 1.5 per head of the population of their area—	Multiplying that acreage by— (a) £1.22 if it exceeds 1.5 but does not exceed 3 or (b) £3.12 if it exceeds 3.	Multiplying that acreage by— (a) £1.69 if it exceeds 1.5 but does not exceed 3 or (b) £4.33 if it exceeds 3.
(c) The number by which the population on 30th June 1972 fell short of the population on 30th June 1962 of the area which constitutes their area on 1st April 1974—	Multiplying that number by £44.68.	Multiplying that number by £61.97.
(d) The number of personal social services units in their area—	Multiplying that number by £600.57.	Multiplying that number by £832.92.
2. In relation to the county council of Berkshire, Buckinghamshire, Essex, Hertfordshire, Kent or Surrey—		
The number of the population of their area—	Multiplying that number by £5.99.	Multiplying that number by £10.00.

<i>Additional factor</i>	<i>Existing manner of determining additional amount</i>	<i>Substituted manner</i>
(1)	(2)	(3)
3. In relation to the county council of Bedfordshire, East Sussex, Hampshire, Isle of Wight, Oxfordshire or West Sussex—		
The number of the population of their area—	Multiplying that number by £1.04.	Multiplying that number by £1.44.
4. In relation to the county council of Hereford and Worcester, Salop, Staffordshire or Warwickshire—		
The number of the population of their area—	Multiplying that number by £1.44.	Multiplying that number by £2.00.
5. In relation to a London borough council or the Common Council of the City of London—		
The aggregate of the amounts payable to that council by virtue of article 3(3) of the Order and the preceding provisions of the Schedule thereto—	Multiplying that aggregate by 3 per cent.	Multiplying that aggregate by 12 per cent.

Anthony Crosland,

Secretary of State for the Environment.

3rd December 1974.

We consent.

James A. Dunn,

Donald R. Coleman,

Two of the Lords Commissioners
of Her Majesty's Treasury.

3rd December 1974.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order came into operation on 13th December 1974 and increases the rate support grants for the financial year 1974-5.

Specifically it—

- (a) increases from £3,076,000,000 to £4,153,000,000 the aggregate amount of the rate support grants (payable to local authorities in England and Wales under Part I of the Local Government Act 1974);
- (b) increases the aggregate amount of the needs element of rate support grants, while varying the manner of determining additional amounts attributable to certain additional factors prescribed by the Rate Support Grant Order 1974 (which are not themselves varied);
- (c) specifies the actual (and not the estimated) aggregate amount of the resources element, after making an adjustment necessary to maintain the expected ratio between the resources element and the needs element.

These increases are primarily referable to the increase in the level of costs since the grants for the year 1974-5 were originally fixed; but they also include an amount equal to the comparable increases for which provision would have been made in an order under section 3 of the Local Government Act 1966, relating to the year 1973-4, if that section had not ceased to have effect.

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