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STATUTORY INSTRUMENTS

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1985 No. 246 (S.23)

## LOCAL GOVERNMENT, SCOTLAND

**The Local Government (Rate Product) (Scotland)  
Regulations 1985**

*Made* - - - - - 20th February 1985

*Laid before Parliament* 6th March 1985

*Coming into Operation* 27th March 1985

In exercise of the powers conferred on me by sections 111 and 233 of the Local Government (Scotland) Act 1973(a) as read with section 9(1) of the Local Government (Financial Provisions) (Scotland) Act 1963(b) and of all other powers enabling me in that behalf, and after consultation with such associations of local authorities as appear to me to be concerned, I hereby make the following regulations:—

*Citation and commencement*

1. These regulations may be cited as the Local Government (Rate Product) (Scotland) Regulations 1985 and shall come into operation on 27th March 1985.

*Interpretation*

2. In these regulations, unless the context otherwise requires—

- “the 1947 Act” means the Local Government (Scotland) Act 1947(c);
- “the 1956 Act” means the Valuation and Rating (Scotland) Act 1956(d);
- “the 1966 Act” means the Local Government (Scotland) Act 1966(e);
- “the 1973 Act” means the Local Government (Scotland) Act 1973;
- “the 1975 Act” means the Local Government (Scotland) Act 1975(f);
- “area” means, in relation to a district, the whole area within which the council of the district are empowered to levy a district rate, and in relation to an islands area the whole area within which the council of the islands area are empowered to levy a general rate and in relation to a region the sum of the areas of all the districts in the region;

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(a) 1973 c. 65; section 111(1)(f) was added by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981 (c. 23), Schedule 3, paragraph 27, and section 111(1) was amended by the Local Government and Planning (Scotland) Act 1982 (c. 43), Schedule 3, paragraph 20, and by S.I. 1983/1074.

(b) 1963 c. 12; section 9(1) was amended by the Local Government (Scotland) Act 1973, section 122, and Schedule 9, paragraph 54(a).

(c) 1947 c. 43.

(d) 1956 c. 60.

(e) 1966 c. 51.

(f) 1975 c. 30.

“rate” means, in relation to any district, the sum of the district rate and the regional rate, and in relation to any islands area the general rate, determined in accordance with the provisions of section 108 of the 1973 Act(a), or redetermined in accordance with the provisions of section 108A of the 1973 Act(b), or determined or deemed to have been determined under section 5 of the 1966 Act(c) or deemed to be determined under section 108B(7) of the 1973 Act(d) and levied in accordance with those provisions and the provisions of section 7 and section 9 of the 1975 Act(e) within the area of the district or the islands area as the case may be (disregarding the reduction thereof made in respect of dwellinghouses under section 7 of the 1966 Act)(f);

“rating authority” has the same meaning as in section 109(1) of the 1973 Act;

“year” means the financial year of a local authority as defined in section 96(5) of the 1973 Act(g);

“housing body” means a district or islands authority, the Scottish Special Housing Association or a body which is a Development Corporation in terms of the New Towns (Scotland) Act 1968(h);

“gross rate income”, in relation to the area of any district or any islands area and any year, means an aggregate of the following amounts, namely;—

- (a) the total amount produced by levying on all lands and heritages within that area (not being lands and heritages referred to in the next two succeeding heads) the rate applicable to that area for that year; and
- (b) the amount of any contribution made by the Crown in aid of rates for that year in respect of any lands and heritages within that area owned by the Crown or occupied by or on behalf of the Crown for public purposes; and

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(a) Section 108(1) was amended by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, Schedule 3, paragraph 25, by the Local Government and Planning (Scotland) Act 1982, Schedule 3, paragraph 18 and by the Rating and Valuation (Amendment) (Scotland) Act 1984 (c. 31), section 4.

(b) Section 108A was inserted by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, section 15 and amended by the Local Government and Planning (Scotland) Act 1982, Schedule 3, paragraph 19.

(c) Section 5 was amended by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, section 14, by the Local Government and Planning (Scotland) Act 1982, section 1 and by the Rating and Valuation (Amendment) (Scotland) Act 1984, section 2.

(d) Section 108B was inserted by the Rating and Valuation (Amendment) (Scotland) Act 1984, section 3.

(e) Section 9 was amended by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, section 8.

(f) Section 7 was amended by the Local Government (Scotland) Act 1973, Schedule 9, paragraph 67 and by the Local Government (Scotland) Act 1975, Schedule 2, paragraph 4.

(g) Section 96(5) was amended by the Local Government (Scotland) Act 1975, section 18.

(h) 1968 c. 16.

- (c) the amount of any contribution made in aid of rates for that year in respect of lands and heritages within that area under sections 20 and 21 of the 1956 Act<sup>(a)</sup> (which provides for the making of such contributions by police authorities and the Commissioners of Northern Lighthouses); and
- (d) any amount recovered by the rating authority in that year for that area in respect of rates previously written off as irrecoverable; and
- (e) any rates recovered in respect of a previous year less such rates repaid by the rating authority in that year under section 9(2) of the 1975 Act;

“net rate income”, in relation to the area of any district or any islands area and any year, means the gross rate income for that area for that year reduced by the aggregate of the following amounts, namely:—

- (a) the amount by which the aggregate of all sums payable for that area for that year by way of rates in respect of lands and heritages to which any of the following provisions apply or as the case may be in respect of which a reduction, remission, relief or exemption has been granted under any of those provisions, fall short of the aggregate of the sums which would have been so payable but for those provisions—
  - (i) section 243 and section 243B of the 1947 Act<sup>(b)</sup> (which relate to exemption from rates or remission thereof in respect of unoccupied and unfurnished subjects, and non-domestic lands and heritages not in active use);
  - (ii) section 244 of the 1947 Act (which relates to relief of rates on account of poverty);
  - (iii) section 22 of the 1956 Act<sup>(c)</sup> (which relates to the exemption from rates of churches, etc.);
  - (iv) sections 4 and 5 of the Local Government (Financial Provisions, etc.) (Scotland) Act, 1962<sup>(d)</sup> (which relate to the reduction and remission of rates payable by charitable and other organisations);

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<sup>(a)</sup> Section 21 was amended by the Local Government (Scotland) Act 1973, section 122, and Schedule 9, paragraph 48 and Schedule 29.

<sup>(b)</sup> Section 243 was amended by the Local Government (Financial Provisions) (Scotland) Act 1963, section 18 and Schedule 3, by the Local Government (Scotland) Act 1966, Schedule 5, paragraph 3, by the Local Government (Scotland) Act 1973, Schedule 29, by the Local Government (Scotland) Act 1975, Schedule 6, paragraph 13, by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, section 6 and by the Rating and Valuation (Amendment) (Scotland) Act 1984, Schedule 2, paragraph 7; Section 243B was inserted by the Rating and Valuation (Amendment) (Scotland) Act 1984, section 7.

<sup>(c)</sup> Section 22 was amended by the Local Government (Scotland) Act 1966, section 21.

<sup>(d)</sup> 1962 c. 9; section 4 was amended by the Local Government (Scotland) Act 1975, Schedule 7, by the Rating (Charity Shops) Act 1976 (c. 45), section 1, by the Rating (Disabled Persons) Act 1978 (c. 40), section 5(6), by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, sections 5 and 13 and Schedule 4 and by the Local Government and Planning (Scotland) Act 1982, section 5. Section 5 was amended by the Statute Law (Repeals) Act 1974 (c. 22), section 5, subsection (1) and by the Local Government (Scotland) Act 1975, Schedule 7.

provided that the shortfall under head (i) of this paragraph shall be reduced by the amount of any receipts for that area for that year in respect of rates levied under section 24 of the 1966 Act **(a)**; and

- (b) the amount for that area for that year of any repayment of rates to owners under sections 240 or 241 of the 1947 Act **(b)** (which provide in certain circumstances for repayment of rates levied on an owner); and
- (c) the amount of any repayment by the rating authority for that area for that year under section 20 of the Local Government (Financial Provisions) (Scotland) Act 1963 **(c)**; and
- (d) the amount of any rates written off by the rating authority for that area in that year as irrecoverable; and
- (e) the amount of any rate rebates given by the rating authority for the area of that district or islands area for that year under sections 28 to 30 of the Social Security and Housing Benefits Act 1982 **(d)** less any subsidy towards rebates receivable by the rating authority for that year under sections 32 and 33 of that Act; and
- (f) the amount of rate rebates given by the rating authority for the area of that district or islands area for that year under section 4 of the Rating (Disabled Persons) Act 1978 **(e)** (which relates to rate rebates for lands and heritages with special facilities for disabled persons) and under section 5 of that Act **(f)** (which relates to rate rebates for institutions for disabled persons) less any grant towards rebates receivable by the rating authority in that year under section 69 of the Local Government, Planning and Land Act 1980 **(g)**; and
- (g) the amount of the cost of collection of rates, including any deductions under section 33 of the 1956 Act and the amount of any payment by the rating authority to a housing body, for the collection by them of rates levied by the rating authority, for that area excluding any amount apportioned by the rating authority as the cost of collection of domestic water rates; calculated
  - (i) in the case of an islands area by ascertaining the net cost of collecting and recovering rates during the year; and

**(a)** Section 24 was amended by the Local Government (Scotland) Act 1975, Schedule 6, paragraph 33 and by Schedule 7.

**(b)** Section 240 was amended by the Valuation and Rating (Scotland) Act 1956, section 33 and by Schedule 7, by the Local Government (Financial Provisions) (Scotland) Act 1963, section 17 and by the Local Government (Scotland) Act 1973, Schedule 29. Section 241 was amended by the Valuation and Rating (Scotland) Act 1956, Schedule 7 and by the Local Government (Scotland) Act 1973, Schedule 29.

**(c)** Section 20 was amended by the Local Government (Scotland) Act 1973, Schedule 29 and by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981, Schedule 3, paragraph 5.

**(d)** 1982 c. 24.

**(e)** 1978 c. 40; section 4 was amended by the Social Security and Housing Benefits Act 1982 (c. 24), Schedule 4, paragraph 28.

**(f)** Section 5 was amended by the Rating and Valuation (Amendment) (Scotland) Act 1984, section 5.

**(g)** 1980 c. 65.

- (ii) in the case of a district by calculating the sum which bears to the net cost, ascertained for the region in which it is situated, of making, collecting and recovering rates during the year, the same proportion as the gross rate income for that district for the year bears to the gross rate income for that region for that year;

provided that for the purposes of this paragraph “net cost” shall include a proper proportion of such expenses as are attributable to the matters in this paragraph and paragraphs (a) to (f) above and that the cost of collection of rates shall not include any additional cost of collection which arises from a determination of a lower rate under section 108A of the 1973 Act or from a determination or deemed determination of a lower rate under section 5 of the 1966 Act or a deemed determination of a rate under section 108B(7) of the 1973 Act.

*Rate products*

3. The product of a rate of one penny in the pound for the area of any district or islands area for any year shall be calculated by dividing the net rate income for that area for that year by the total in pence in the pound of the rate for that area for that year.

4. The product of a rate of one penny in the pound for the area of any region shall be the sum of the products of a rate of one penny in the pound for each of the districts in that region.

5. Each rating authority shall—

- (a) before 8th February in each year calculate as near as may be in the manner prescribed by these regulations an estimate of the product of the rate of one penny in the pound for the year commencing 1st April next for their area, in the case of islands councils, or for the area of each of the districts in the region in the case of regional councils; and
- (b) before 1st September in each year calculate a further estimate in the manner of (a) above of the product of the rate of one penny in the pound for that year; and
- (c) before 1st September after the close of each year calculate in the manner prescribed by these regulations the product of a rate of one penny in the pound for that year for their area in the case of islands councils or the area of each of the districts in the region in the case of regional councils; and
- (d) transmit to the Secretary of State the results of the calculations made under (a), (b) and (c) above within 14 days of the dates mentioned therein (and where in any year a rating authority has failed to transmit the results of their calculations by the said dates the Secretary of State may make such calculation in lieu of the rating authority).

6. The Local Government (Rate Product) (Scotland) Regulations 1975<sup>(a)</sup> are hereby revoked.

New St Andrew's House,  
Edinburgh.  
20th February 1985.

*George Younger,*  
One of Her Majesty's Principal  
Secretaries of State.

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#### EXPLANATORY NOTE

*(This Note is not part of the Regulations.)*

These regulations consolidate the Local Government (Rate Product) (Scotland) Regulations 1975 and take account of changes in the rate rebates scheme, the extension of the exemption from rates or remission thereof of certain non-domestic lands and heritages not in active use and the transfer of the staff of the office of the Assessor of Public Undertakings (Scotland) to the Scottish Office, whereby the public utilities valued by the Assessor now pay rates based on the full rate poundage.

The regulations provide the method of calculation of a rate of one penny in the pound for district or islands areas (regulation 3) and regions (regulation 4). Rating authorities are required to transmit calculations to the Secretary of State (regulation 5). The previous regulations are revoked (regulation 6).

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<sup>(a)</sup> S.I. 1975/652, amended by S.I. 1979/227, 1597, 1980/2050, 1982/51, 1843.



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