# LOCAL GOVERNMENT, SCOTLAND

## 1956 No. 646 (S. 30)

## The Local Government (Payment of Grants, etc.) (Scotland) Regulations, 1956

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| *Made* - - - - | *25th April*, 1956 |
| *Laid before Parliament* | *3rd May*, 1956 |
| *Coming into Operation* | *4th May*, 1956 |

In exercise of the powers conferred on me by section 31 of the Local Government Act, 1948(**a**), as read with section 12 of the Local Government (Financial Provisions) (Scotland) Act, 1954(**b**), and, with respect to the times at which payments in respect of Exchequer Equalisation Grants and Exchequer Transitional Grants under the Act of 1954 are to be made, with the consent of the Treasury, I hereby make the following regulations :—

**1.** These regulations may be cited as the Local Government (Payment of Grants, etc.) (Scotland) Regulations, 1956, and shall come into operation on the 4th day of May, 1956.

**2.**—(1) In these regulations—

(*a*) " the Act of 1954 " means the Local Government (Financial Provisions) (Scotland) Act, 1954(**b**), and,

(*b*) " any grant " means any Exchequer Equalisation Grant payable to the council of a county or burgh under the Act of 1954.

(2) Instalments shall be payable under these regulations on or about the first day of each of the months of July, September, November, January, March and May, and " payment dates " shall be construed accordingly.

(3) The Interpretation Act, 1889(**c**), shall apply to the interpretation of these regulations as it applies to the interpretation of an Act of Parliament.

**3.** The Local Government (Payment of Grants, etc.) (Scotland) Regulations, 1949(**d**), and the Local Government (Payment of Grants, etc.) (Scotland) Amendment Regulations, 1954(**e**), shall not apply to any grant or any Exchequer Transitional Grant payable in respect of any year subsequent to the year 1955-56.

**4.**—(1) Before the beginning of the year to which any grant relates the Secretary of State shall ascertain and notify to the council of the county or burgh concerned the amount to be advanced on account of such grant to that council during that year, and such amount shall be ascertained by reference to a governing factor which will result as nearly as may be in the distribution to the councils of counties and burghs during the said year of ninety per cent. of the total sum estimated to be available for the payment of Exchequer Equalisation Grants in respect of that year:

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(**a**) 11 & 12 Geo. 6. c. 26. (**b**) 2 & 3 Eliz. 2. c. 13. (**c**) 52 & 53 Vict. c. 63.
(**d**) S.I. 1949/1616 (1949 I, p. 2493). (**e**) S.I. 1954/567 (1954 I, p. 1155).

Provided that during the year to which any grant relates the Secretary of State may, as he thinks fit, alter the amount to be advanced as aforesaid during that year, having regard to information not previously available, and shall notify the council concerned accordingly.

(2) Before the beginning of the year following the year to which any grant relates the Secretary of State shall ascertain and notify to the council of the county or burgh concerned the amount to be advanced on account of such grant to that council during the period of two years beginning with the commencement of the year to which the grant relates, and such amount shall be ascertained by reference to a governing factor which will result as nearly as may be in the distribution to the councils of counties and burghs during the said period of ninety-five per cent. of the total sum which according to the latest estimate is available for the payment of Exchequer Equalisation Grants in respect of the year to which the grant relates.

(3) Before the beginning of the second year following the year to which any grant relates and thereafter until such grant has been conclusively calculated the Secretary of State shall make and notify to the council concerned such estimates of the said grant, based on information not previously available, as he thinks fit; and such estimates shall be made by reference to a governing factor which will result as nearly as may be in the distribution to the councils of counties and burghs of the total sum which according to the latest estimate is available for the payment of Exchequer Equalisation Grants in respect of the year to which the grant relates.

(4) As soon as practicable after he has received what appears to him to be sufficient information for the purpose the Secretary of State shall make a conclusive calculation of any grant payable and shall notify the result to the council concerned.

**5.**—(1) Subject as hereinafter provided in these regulations, any grant payable to a council shall be paid in accordance with this regulation.

(2) The amount to be advanced on account of any grant to the council concerned during the year to which such grant relates, being the amount ascertained and notified to that council in accordance with paragraph (1) of regulation 4 of these regulations, shall be paid to the council in approximately equal instalments on the payment dates in the said year:

Provided that if during that year such amount is altered in accordance with the proviso to the said paragraph (1), any instalments thereafter falling to be paid on account of the said grant in that year shall be so adjusted as to secure, as far as possible, that the sum paid to the council in that year under this paragraph is the said amount as so altered.

(3) The amount to be advanced on account of any grant to the council concerned during the year following the year to which such grant relates, being the unpaid balance of the amount ascertained and notified to that council in accordance with paragraph (2) of regulation 4 of these regulations, shall be paid to the council in approximately equal instalments on the payment dates in the year following the year to which such grant relates.

(4) The amount to be advanced on account of any grant to the council concerned in any subsequent year, being the unpaid balance of the amount last estimated and notified to that council in accordance with paragraph (3)

of regulation 4 of these regulations before the beginning of such subsequent year, shall be paid to the council in approximately equal instalments on the payment dates in that year:

Provided that where a further estimate is notified as aforesaid to the council during any such subsequent year, any instalments thereafter falling to be paid on account of the said grant in that year shall be so adjusted as to secure as far as possible that the amount paid to the council in that year shall correspond to the balance due to them in accordance with such further estimate.

(5) Any balance shown by the conclusive calculation of any grant to be due to the council concerned shall, after notification to them, be paid on the next ensuing payment date.

**6.** Where at the end of any year it appears to the Secretary of State from the last amount or estimate of any grant notified to a council that an excess over the amount due has already been paid on account of such grant to the council the Secretary of State may make such deductions of approximately equal amounts from the instalments falling to be paid to the council on account of any grant in the following year as will serve to offset the amount of the excess or as much thereof as possible; and any part of such excess which is not so recoverable shall be paid by the council to the Secretary of State in approximately equal instalments on the payment dates in the said following year or, if the council so desire and the Secretary of State agrees, by a single payment on or about the first day of November in that year:

Provided that where from an amount or estimate notified to the council during the said following year there appears to the Secretary of State to be a variation in the amount of the said excess then outstanding or in the amount of the instalments thereafter falling to be paid to the council on account of any grant in that year, this regulation shall apply afresh to the altered circumstances, with the substitution, however, for references to the following year and to the payment dates in that year of references to the remainder of the year then current and to the payment dates in the remainder of that year respectively.

**7.** Where it is shown by a conclusive calculation of any grant notified to a council that an excess over the amount of that grant has already been paid on account thereof to the council, the amount of the excess shall be recoverable by the Secretary of State, as far as possible, by deductions from any payments falling to be made to that council on account of any grant during the year current on the next ensuing payment date and any part of such excess which is not so recoverable shall be paid by the council to the Secretary of State on the payment date next ensuing after a demand therefor.

**8.**—(1) The amount to be paid to the council of any county or burgh in respect of any Exchequer Transitional Grant during the year to which the grant relates shall be approximately ninety per cent. of the grant as last estimated and notified to the council.

(2) During any year subsequent to the year to which such Exchequer Transitional Grant relates any balance of such grant shown to be due to any county or burgh according to the estimate or conclusive calculation last notified to the council concerned shall be paid to that council in the manner

prescribed in relation to Exchequer Equalisation Grants by paragraphs (4) and (5) of regulation 5 of these regulations, and any excess over the amount due to the council shall be recoverable by the Secretary of State in the manner prescribed in relation to the said grants by regulations 6 and 7 of these regulations.

**9.** The making of any payment under these regulations of any grant or any Exchequer Transitional Grant is conditional upon the provision by Parliament of the necessary moneys.

Dated this 25th day of April, 1956.

*James Stuart,*
One of Her Majesty's Principal Secretaries of State.

St. Andrew's House,
Edinburgh, 1.

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## EXPLANATORY NOTE

*(This Note is not part of the Regulations, but is intended to indicate their general purport.)*

The regulations prescribe the manner in which Exchequer Equalisation and Exchequer Transitional Grants to counties and burghs under the Local Government (Financial Provisions) (Scotland) Act, 1954, for the year 1956-57 and subsequent years are to be paid.

Normally payments will be made by two-monthly instalments.

In the case of the Exchequer Equalisation Grants the sums payable to the counties and burghs in the year to which the grant relates will, so far as possible, amount in aggregate to 90 per cent. of the total sum estimated to be available for the payment of Exchequer Equalisation Grants in respect of that year. In the following two years the sums so paid will be adjusted so as to bring, as far as possible, the aggregate of the payments to the counties and burghs in respect of the first mentioned year up to 95 per cent. and 100 per cent. respectively of the total sum estimated to be available for the payment of Exchequer Equalisation Grants in respect of that year.

Payments in the first instance must be based upon estimates and provision is therefore made for the adjustment from time to time of outstanding instalments, for the making of further payments, and for the recovery of sums overpaid in the light of successive estimates. A final adjustment is to be made in respect of each grant when the conclusive calculation of that grant has been notified to the council concerned.

Exchequer Transitional Grants will be paid in like manner and in similar instalments on the same dates as the Exchequer Equalisation Grants, except that payment in any year will be based on approximately 90 per cent. of the latest estimate of the grant payable for that year, the balance being payable in the following year.