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1964



# Local Government (Development and Finance) (Scotland) Act 1964

## CHAPTER 67

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ELIZABETH II



1964 CHAPTER 67

An Act to enable local authorities in Scotland to develop, and assist in the development of, land and to make provision for the disposal of litter and the advertising of amenities; to empower such authorities to set up certain capital funds and renewal and repair funds, to borrow by means of bonds and to allow discount for early payment of rates; and for purposes connected with the matters aforesaid. [31st July 1964]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART I  
DEVELOPMENT

1.—(1) A local authority may, for the benefit or improvement of their area, erect any building and construct or carry out works on land. Power to develop land.

(2) The consent of the Secretary of State shall be requisite to the carrying out of an operation under the power conferred by the foregoing subsection; and any such consent may be given—

- (a) either in respect of a particular operation or in respect of operations of any class,
- (b) either in respect of a particular local authority or in respect of local authorities of any class, and
- (c) either subject to or free from conditions or limitations.

(3) For the purpose of enabling him to determine whether he shall give the consent mentioned in the last foregoing subsection, the Secretary of State may direct such advertisement by the local authority as appears to him to be desirable.

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(4) Nothing in this section shall prevent the exercise by a local authority of power to develop land under section 19 of the Town and Country Planning (Scotland) Act 1945 (which gives power to develop land held under that Act for planning purposes).

Additional  
power to  
develop  
land.

2.—(1) Notwithstanding anything contained in section 1 of this Act, a local authority may, for the purpose of—

- (a) preserving or enhancing the natural beauty of land in their area, or
  - (b) enabling land in their area to be brought into use or restoring or improving its appearance, where the land appears to them to be derelict, neglected or unsightly,
- carry out such work as appears to them to be expedient.

(2) Without prejudice to the generality of the foregoing subsection, a local authority may—

- (a) for the purpose of enabling members of the public to enjoy the countryside,
  - (i) provide on land in their area picnic places, footpaths, seats, shelters, public conveniences, view-point stances and indicators, and
  - (ii) provide passenger ferries;
- (b) for the purpose of enabling members of the public to engage in boating, fishing, water sports, or similar activities, provide piers, jetties, boatslips, landing places and landing stages.

Nothing in this subsection shall authorise the carrying out of any operation in contravention of section 34 of the Coast Protection Act 1949 (which provides for the restriction of works detrimental to navigation).

(3) In this section—

- “footpath” includes gates, stiles, steps, bridges and other ancillary works;
- “indicator” includes signposts, milestones, plaques, panoramic drawings and other means of indicating landmarks, together with any necessary mountings therefor;
- “picnic places” includes equipment ancillary thereto;
- “provide” includes maintain and improve.

Powers  
supplementary  
to sections  
1 and 2

3.—(1) The powers conferred by sections 1 and 2 of this Act—

- (a) may be exercised by a local authority either on land belonging to them, or, with the consent of all persons having an interest therein, on other land; and

(b) shall include power to manage any land so far as relates to anything done thereon by or on behalf of the local authority and to maintain any works carried out under the said powers.

(2) Where a local authority exercise their powers under either of the said sections on land not belonging to them, any power conferred by those sections or by paragraph (b) of the foregoing subsection shall include power—

(a) to make arrangements by agreement for the exercise of the power on behalf of the local authority by some other person on such terms as may be specified in the agreement, and

(b) to make an agreement with persons having an interest in the land fixing the terms on which the local authority will exercise their said powers.

(3) The terms mentioned in the last foregoing subsection shall include, where appropriate, provision for securing public access to the land on which any works will have been carried out or facilities provided under the said powers and generally for safeguarding the interest of the public in any such works or facilities.

4.—(1) A local authority may provide and maintain receptacles for the deposit of litter (in this section referred to as “litter bins”), and may within their area set up litter bins in any place situated—

(a) in or adjacent to any road maintainable, or public way maintained, by them, or

(b) on any land owned or occupied by them.

(2) A local authority shall from time to time empty and cleanse any litter bins set up by them under the foregoing subsection, and may so deal with any other litter bins set up in any place in their area, being a place situated as mentioned in the last foregoing subsection; and they may in such manner as they think fit remove and dispose of litter taken from such litter bins or any litter found lying in any such place.

(3) For the purpose of the exercise of their powers under the last foregoing subsection a local authority may provide and use such plant or apparatus for treating or disposing of litter as they may think necessary.

(4) The powers conferred on a local authority by this section shall be exercisable in relation to any place in their area which is not situated as mentioned in subsection (1) of this section, but in relation to such a place the powers shall be so exercisable—

(a) only with the consent of all persons having an interest in the land on which the place is situated;

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## PART I

(b) on such terms as may be arranged between the local authority and those persons.

(5) A local authority may arrange by agreement for any power conferred or duty imposed on them by this section to be exercised or performed on their behalf by some other person on such terms as may be specified in the agreement.

(6) The provisions of this section shall have effect in substitution for the corresponding provisions of any local enactment regarding the provision of litter bins and the removal and disposal of litter by a local authority, and every such corresponding provision shall cease to have effect.

(7) In this section, "litter" includes derelict vehicles, vessels or scrap metal and rubbish of any description.

Power to  
advertise  
amenities.

5.—(1) County councils shall have the like powers as are conferred on town councils by section 1 of the Local Authorities (Publicity) Act 1931 (which empowers a town council to contribute to organisations advertising amenities), and accordingly there shall be added at the end of subsection (2) of that section the words "or a county council".

(2) County councils and district councils shall have the like powers as are conferred on town councils by section 1 of the Health Resorts and Watering Places Act 1936 (which empowers a town council to advertise the amenities of the burgh), and accordingly section 1(1) of that Act shall have effect as if references therein to the council of a burgh and to a burgh included—

(a) references respectively to a county council and the landward part of a county, and

(b) references respectively to a district council and a district.

(3) The proviso to section 1(1) of the said Act of 1936 (which prevents a council from advertising amenities in any newspaper published in their area) shall cease to have effect.

(4) So much of subsection (3) of section 191 of the Local Government (Scotland) Act 1947 as relates to expenditure under the said Acts of 1931 and 1936 (but not the proviso to the said subsection (3)) shall apply with any necessary modifications in relation to expenditure incurred by a county council or district council under those Acts as extended by this section, as it applies to expenditure incurred by a town council under those Acts.

Supplementary  
provisions.

6.—(1) A local authority may make contributions towards expenditure incurred or to be incurred by any other local

authority or by any voluntary organisation in the doing of anything which could have been done under this Part of this Act by the first-mentioned local authority ; and a local authority may receive from any other person contributions towards expenditure incurred or to be incurred by them under this Part of this Act.

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In this subsection “ voluntary organisation ” means any body of persons, whether corporate or unincorporate, carrying on or proposing to carry on an undertaking otherwise than for profit.

(2) Where any person having such an interest in any land as enables him to bind the land enters into any agreement relating to the land with a local authority acting in exercise of powers conferred on them by this Part of this Act, the agreement may be recorded in the Register of Sasines, and if so recorded shall be enforceable at the instance of the local authority against persons deriving title to the land from the person who entered into the agreement :

Provided that any such agreement shall not be enforceable against a third party who shall have in good faith and for value acquired right (whether completed by infestment or not) to the land prior to the agreement being recorded as aforesaid, or against any person deriving title from such third party.

(3) Expenditure incurred by a district council under or by virtue of this Part of this Act shall not be taken into account in any calculation as to the limit of one shilling per pound imposed on such a council by section 226 of the Local Government (Scotland) Act 1947.

## PART II

### FINANCE

7.—(1) For the purpose of enabling any person to whom a local authority have sold, feued or let, or agreed to sell, feu or let, any land to erect a building on that land, the local authority may, subject to the provisions of this section, advance money to that person. Power to make advances for erection of buildings.

(2) An advance made under this section, together with interest thereon, shall be secured over the land in respect of which the advance is made.

(3) The amount of the principal of an advance made under this section shall not exceed three quarters of the amount which it is estimated will be the value of the land secured as aforesaid when the building for the erection of which the advance is made has been erected.

(4) An advance made under this section shall carry interest at a rate not less than one quarter per cent. greater than the

## PART II

lower rate fixed by the Treasury under section 2 of the Public Works Loans Act 1964 in respect of loans to local authorities made on the date on which the terms of the advance are settled and for the same period as the advance, or at such other rate as the Secretary of State may, on the application of the local authority, fix.

(5) An advance made under this section shall be repayable within a period not exceeding 30 years and either by instalments of principal or by an annuity of principal and interest combined.

(6) The security for an advance made under this section—

- (a) shall be taken at the time of the making of the advance or, in the case of an agreement to sell, feu or let the land, at the time of the conveyance or grant of the feu or lease of the land ; and
- (b) shall be constituted by a bond and disposition in security, an assignation in security of a lease or an *ex facie* absolute disposition or assignation.

Power to establish certain special funds.

8.—(1) Subject to the provisions of this Act, a local authority may establish either or both of the following funds, that is to say—

- (a) a capital fund, to be used for defraying any expenditure of the authority to which capital is properly applicable, or in providing money for repayment of the principal of loans (but not any payment of interest on loans) ;
- (b) a renewal and repair fund, to be used for the purpose of defraying expenditure to be incurred from time to time in repairing, maintaining, replacing and renewing any buildings, works, plant, equipment or articles belonging to the authority.

(2) In relation to a county council, the power conferred by the last foregoing subsection shall be construed as a power to establish—

- (a) either or both of the funds therein mentioned in respect of any of the following areas of the county—
  - (i) the landward area ;
  - (ii) the landward area and the small burghs ;
  - (iii) the landward area and all the burghs ;
- (b) a renewal and repair fund for any special district of the county formed under section 146 of the Local Government (Scotland) Act 1947.

(3) A fund established by a local authority under this section shall not be used to meet, directly or indirectly, any expenditure incurred by the authority for the purposes of a statutory under-

taking of the authority, being a transport, district heating, harbour, dock, pier or ferry undertaking or a market or civic restaurant.

In this subsection, " pier " and " ferry " do not include a pier or ferry provided under section 2(2) of this Act.

(4) Pending the application of any such fund as aforesaid for the purposes authorised by this section, the moneys in the fund shall (unless applied in any other manner authorised by any enactment) be invested in statutory securities; and any income arising from the investment of those moneys, or otherwise from the application of the fund, shall be added to the fund.

(5) Notwithstanding anything contained in this section, any such fund as aforesaid which has been established in respect of any area by a county council under subsection (2)(a) (ii) or (iii) above, and any income therefrom, shall be used only for defraying expenditure attributable to functions in respect of which the territorial extent of the county council's responsibilities is identical with that area.

(6) The provisions of this section shall be in addition to and not in substitution for any other enactment authorising a local authority to establish a fund for a purpose for which a fund may be established under this section; and where such a fund has been established by a local authority before the commencement of this Act, the Secretary of State may, by order made by statutory instrument on the application of that authority, make provision for the amalgamation of that fund with any corresponding fund established by that authority under this section.

(7) In this section " statutory securities " means—

(a) any security in which trustees are for the time being authorised by law to invest trust moneys,

(b) any mortgage, bond, debenture, debenture stock, stock, annuity or other security created by a local authority, and

(c) any feu-duty or ground annual,

but does not include any security transferable by delivery.

(8) An order made under this section shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of the House of Commons.

9.—(1) A local authority by whom a capital fund is established under section 8 of this Act may pay into that fund— Capital funds.

(a) any sums derived from the sale of any property of the local authority, not being property held by them for any such purposes as are mentioned in subsection (3) of section 8 of this Act;



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- (b) the whole or any part of the surplus of the revenue income over the revenue expenditure of the county fund or, as the case may be, the burgh fund, on the last day of any financial year of the local authority; and
- (c) such sums as the local authority may from time to time by resolution direct.

(2) The aggregate amount paid in any year by a local authority into all their capital funds under paragraphs (b) and (c) of the foregoing subsection shall not, except with the consent of the Secretary of State, exceed the equivalent of the product of a rate of sixpence in the pound for the area of the local authority, calculated on the basis of the product for that year of a rate of one penny in the pound within the meaning of section 9(1) of the Local Government (Financial Provisions) (Scotland) Act 1963.

In this subsection, in relation to the capital funds established by a county council, "the product of a rate of one penny in the pound" means the sum of the penny rate products (within the meaning of section 9(1) of the said Act of 1963) of all the local authorities included in the areas to which the capital funds relate.

(3) Except as provided by this section, all moneys applied from any such capital fund may, if the local authority think fit, be repaid from the account to which those moneys are advanced by such annual instalments (with or without interest) and within such period as the local authority may determine.

(4) No payment shall be made by a county council into any capital fund established in respect of any area under section 8(2) above unless the payment is derived from that area or is attributable to functions in respect of which the territorial extent of the county council's responsibilities is identical with that area.

Renewal and  
 repair funds.

**10.**—(1) A local authority by whom a renewal and repair fund is established under section 8 of this Act may from time to time pay into that fund such sums as they may by resolution direct.

(2) Subsection (4) of the last foregoing section shall apply to payments into a renewal and repair fund under this section as it applies to payments into a capital fund under that section.

(3) The purposes for which any such renewal and repair fund may be applied shall not include the defraying of expenditure of an undertaking of the local authority in respect of which the authority are authorised to provide a reserve fund, or in connection with any building in respect of which the authority are required under the enactments relating to housing to keep a housing repairs account.

11.—(1) The means by which a local authority who are authorised to borrow money may raise that money shall, without prejudice to the exercise of any power to raise the money by any other means, include the issue of bonds (hereafter in this Act referred to as “local authority bonds”) in accordance with the provisions of this Act.

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Power to borrow by means of bonds.

(2) The provisions set out in the Schedule to this Act shall have effect with respect to local authority bonds.

(3) In accordance with the provisions of this section, section 260(1) of the Local Government (Scotland) Act 1947 shall be amended by the insertion after paragraph (e) of the words “or (f) by the issue of bonds in accordance with section 11 of the Local Government (Development and Finance) (Scotland) Act 1964”.

(4) In any enactment passed before this Act, a reference to Part XII or section 260 of the Local Government (Scotland) Act 1947 shall be construed as including a reference to the foregoing provisions of this section.

12.—(1) A local authority may by resolution direct that an allowance by way of discount not exceeding two and one-half per cent. shall be made on the amount due in respect of rates from every person who shall pay (without any allowance or deduction other than that mentioned in this subsection) the net amount of rates due by him before such date as the local authority shall prescribe.

Power to allow discount on rates.

(2) While any resolution under this section is in force there shall be included in every demand note to which a resolution under this section applies a statement of the effect of the resolution including the date after which payment must be made in full.

(3) The local authority may at any time revoke or vary a resolution made under this section but not so as to prejudice any rights which have accrued to any person in any financial year by virtue of this section.

### PART III

#### MISCELLANEOUS PROVISIONS

13. A local authority may pay subscriptions in respect of corporate membership of any society or body formed to acquire, preserve, maintain or improve rights of way.

Membership of rights of way societies.

14.—(1) On the application of any local authority directly concerned, the Secretary of State may, subject to the provisions of this section, by order repeal or amend any provision in any

Power to amend local Acts.

## PART III

local Act passed before this Act, or in any Act passed before this Act and confirming a provisional order, where it appears to him that the provision is inconsistent with, or has become unnecessary in consequence of, any provision of this Act.

(2) Before making an order under this section the Secretary of State shall consult with any local authority appearing to him to be concerned, not being a local authority by whom an application for the making of the order was made.

(3) An order made under this section—

(a) may contain such transitional, supplemental or incidental provisions as appear to the Secretary of State to be expedient, and

(b) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

## Expenses.

15. There shall be paid out of moneys provided by Parliament any increase attributable to this Act in the sums payable out of moneys so provided by way of Exchequer Equalisation Grant under the enactments relating to local government in Scotland.

## Interpretation.

16.—(1) In this Act, except where the context otherwise requires—

“erect” includes extend, alter and re-erect, and “erection” shall be construed accordingly;

“land” includes any structure or erection thereon, land covered with water and any interest or right in or over land;

“local authority” means a town council, county council or joint county council of a combined county and, except in Part II of this Act, includes a district council.

(2) Any reference in this Act to any enactment shall be construed as a reference to that enactment as amended or extended by or under any other enactment.

## Short title and extent.

17.—(1) This Act may be cited as the Local Government (Development and Finance) (Scotland) Act 1964.

(2) This Act shall extend to Scotland only.

## SCHEDULE

Section 11.

### LOCAL AUTHORITY BONDS

1.—Local authority bonds issued by a local authority shall, subject to the next following paragraph,—

- (a) bear interest at such rate as the local authority may determine at the time of the issue of the bonds ;
- (b) be issued in denominations of five pounds and multiples of five pounds ;
- (c) be issued for periods of not less than one year.

2. The period for which any local authority bonds are issued by a local authority may be extended for such further period as the local authority and the persons entitled to repayment of the money raised by the issue of those bonds agree and during that further period shall bear interest at such rate as may be so agreed.

3. The provisions of section 115 of the Stamp Act 1891 (which relates to composition for stamp duty) shall, with the necessary modifications, apply in the case of any local authority by whom local authority bonds are issued as if those bonds were stock or funded debt of the authority within the meaning of that section.

4. Local authority bonds may be issued by a local authority at such price as the authority may from time to time determine, but not, without the consent of the Secretary of State, at a discount.

5.—(1) Local authority bonds shall, without prejudice to the foregoing provisions of this Schedule, be issued, transferred, dealt with and redeemed upon such terms and in accordance with such provisions as may be prescribed by regulations made by the Secretary of State with the approval of the Treasury ; and any such regulations may, in relation to any local authority bonds, apply (with or without modifications) any provisions of any enactments relating to stock or debentures issued by or mortgages created by a local authority.

(2) The power to make regulations under the foregoing subparagraph shall be exercisable by statutory instrument ; and an instrument containing such regulations shall be subject to annulment in pursuance of a resolution of either House of Parliament.



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*Table of Statutes referred to in this Act*

Short Title	Session and Chapter
Stamp Act 1891 ... ..	54 & 55 Vict. c. 39.
Local Authorities (Publicity) Act 1931 ...	21 & 22 Geo. 5. c. 17.
Health Resorts and Watering Places Act 1936...	26 Geo. 5. c. 48.
Town and Country Planning (Scotland) Act 1945 ... ..	8 & 9 Geo. 6. c. 33.
Local Government (Scotland) Act 1947 ...	10 & 11 Geo. 6. c. 43.
Coast Protection Act 1949 ... ..	12, 13 & 14 Geo. 6. c. 74.
Local Government (Financial Provisions) (Scot- land) Act 1963... ..	1963, c. 12.
Public Works Loans Act 1964 ... ..	1964, c. 9.

PRINTED BY SIR PERCY FAULKNER, K.B.E., C.B.

Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament

LONDON: PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

Price 1s. 3d. net

PRINTED IN ENGLAND

(38466)