



Local Government Finance Act 1982

1982 CHAPTER 32

PART II

BLOCK GRANT

8 Adjustments of distribution of block grant

- (1) In subsection (6) of section 59 of the Local Government, Planning and Land Act 1980 (purposes for which the amount of block grant payable to a local authority may be adjusted under that section) after paragraph (c) there shall be inserted—
 - “(cc) making, in the amount of block grant payable to an authority, adjustments by reference to guidance issued by the Secretary of State and designed to achieve any reduction in the level of local authority expenditure (or any restriction on increases in that level) which he thinks necessary having regard to general economic conditions; and”.
- (2) After subsection (11) of the said section 59 there shall be inserted—
 - “(11A) Any guidance issued for the purposes of subsection (6)(cc) above shall be framed by reference to principles applicable to all local authorities; and before issuing any guidance for those purposes the Secretary of State shall consult such associations of local authorities as appear to him to be concerned and any local authority with whom consultation appears to him to be desirable.”
- (3) The powers conferred by the said section 59 and by paragraph 8 of Schedule 11 to the said Act of 1980 (which makes corresponding provision in relation to authorities wholly or partly within the Metropolitan Police District)—
 - (a) shall not be exercised for the purpose specified in paragraph (a) of subsection (6) of that section so as to decrease the amount of block grant payable to a local authority unless the Secretary of State is satisfied that there will be an unreasonable increase, unless he exercises the power, in the amount of block grant payable to that authority for a year compared with the amount payable to them for the previous year ;

Status: This is the original version (as it was originally enacted).

- (b) shall not be exercised for the purpose specified in paragraph (b) or (c) of that subsection so as to decrease the amount of block grant payable to a local authority ; and
 - (c) shall be exercisable for the purpose specified in paragraph (cc) of that subsection so as to increase or decrease the amount of block grant payable to a local authority according to whether or the extent to which they have or have not complied (or have or have not taken steps to comply) with the guidance referred to in that paragraph.
- (4) If representations in that behalf are made to him by any association of local authorities or by any local authority the Secretary of State may—
- (a) in the Rate Support Grant Report made for any year under section 60 of the said Act of 1980; or
 - (b) in a supplementary report made for any year under section 61 of that Act, provide that expenditure of any description or amount shall be disregarded for the purposes of paragraph (cc) of subsection (6) of the said section 59 and in determining under subsection (3)(c) above whether or the extent to which local authorities have or have not complied (or have or have not taken steps to comply) with the guidance referred to in that paragraph.
- (5) Subsections (2) and (3) of the said section 59 and sub-paragraphs (3) and (4) of the said paragraph 8 (which are superseded by subsection (3) above) shall be omitted; and the reference to the said subsection (3) in section 59(12) and to the said sub-paragraph (4) in paragraph 8(13) shall be construed as references to subsection (3)(a) above.
- (6) The powers conferred by the said section 59 and paragraph 8 shall not be exercised for the purpose specified in subsection (6)(cc) of that section except in accordance with principles to be applied to all local authorities; and accordingly subsections (5)(a)(ii) and (7) of that section and sub-paragraphs (9) to (11) of that paragraph shall not apply to any exercise of those powers for that purpose.
- (7) A supplementary report made for any year under section 61 of the said Act of 1980 may specify a determination under the said section 59 or paragraph 8 in relation to a local authority notwithstanding that no such determination was specified in relation to that authority in the Rate Support Grant Report made for that year under section 60 of that Act.
- (8) No determination made for the purpose specified in subsection (6)(cc) of the said section 59 and specified by virtue of subsection (7) above in a supplementary report shall be such as to decrease the amount of block grant payable to a local authority in any year to any greater extent than is permissible in accordance with principles specified in that behalf in the Rate Support Grant Report made for that year.
- (9) Where by virtue of subsection (7) above a determination is specified in a supplementary report—
- (a) the principles in accordance with which the power to make the determination are exercised ; and
 - (b) the considerations leading the Secretary of State to make the determination, shall be specified in the supplementary report except that paragraph (a) above shall not apply to any determination which is subject to subsection (8) above.
- (10) This section has effect in relation to block grant for any year beginning on or after 1st April 1981 except that so much of subsection (2) above as relates to consultation and subsection (8) above do not apply to any year beginning before 1st April 1983.

- (11) In relation to the year beginning on 1st April 1981 or 1st April 1982 references in this section to guidance issued by the Secretary of State include references to guidance issued by him before the passing of this Act and, as respects any determination under the said section 59 or paragraph 8, the requirements of subsection (5) of section 60 of the said Act of 1980 and of that subsection as applied by section 61(2) of that Act may be satisfied by consultation before the passing of this Act.

9 Information for purposes of block grant

- (1) The Secretary of State shall have power to require any information submitted to him by a local authority under section 65(1) of the Local Government, Planning and Land Act 1980 (information for purposes of block grant) to be certified under arrangements made by the Audit Commission established under Part III of this Act.
- (2) The said section 65(1) shall have effect with the substitution for the words " the total expenditure to be incurred " of the words " the expenditure incurred or to be incurred " and as if section 8 above were included in the provisions there mentioned.
- (3) Subsection (2) above has effect in relation to any year beginning on or after 1st April 1981.

10 Block grant for Receiver for the Metropolitan Police District

- (1) Schedule 2 to this Act shall have effect for enabling block grant to be paid to the Receiver for the Metropolitan Police District.
- (2) This section has effect for any year beginning on or after 1st April 1983.