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*Changes to legislation: Local Government and Housing Act 1989, Cross Heading: Local Government Finance Act 1988, local finance (Scotland) and block grants is up to date with all changes known to be in force on or before 19 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*



# Local Government and Housing Act 1989

## 1989 CHAPTER 42

### PART IX

#### MISCELLANEOUS AND GENERAL

*Local Government Finance Act 1988, local finance (Scotland) and block grants*

#### **139 Local Government Finance Act 1988: amendments.**

Schedule 5 to this Act (which amends the <sup>M1</sup>Local Government Finance Act 1988) shall have effect.

#### **Marginal Citations**

**M1** 1988 c. 41.

#### **<sup>F1</sup>140 <sup>F1</sup> Scottish non-domestic rates: interim provisions.**

#### **Textual Amendments**

**F1** S. 140 repealed (1.4.1993) by [Local Government Finance Act 1992 \(c. 14\)](#), s. 117(2), [Sch.14](#) (with s. 118(1)(2)(4)); S.I. 1993/575, [art. 2\(d\)](#), Sch.

**<sup>F2</sup>141** .....

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### Textual Amendments

- F2** S. 141 repealed (1.4.1993) by [Local Government Finance Act 1992 \(c. 14\)](#), s. 117(2), [Sch.14](#) (with s. 118(1)(2)(4)); S.I. 1993/575, [art. 2\(d\)](#), Sch.

## 142 Powers to vary incidence of standard community charge: Scotland.

In section 10 of the <sup>M2</sup>Abolition of Domestic Rates Etc. (Scotland) Act 1987 (liability for and calculation of standard community charge) for subsections (6) and (7) there shall be substituted the following subsections—

“(6) The standard community charge due to a local authority in respect of any premises in respect of any financial year shall be the product of the personal community charge determined in respect of that year by the local authority and—

- (a) where the premises are in a specified class, the standard community charge multiplier determined in respect of that class by the authority; or
- (b) where the premises are not in a specified class, the standard community charge multiplier determined by the authority in relation to such premises,

in respect of that year.

(7) A specified class is one which has been prescribed under this subsection or determined under regulations made under subsection (7F) below.

(7A) A local authority shall determine their standard community charge multiplier or multipliers before such date in each year as is prescribed.

(7B) A standard community charge multiplier must be one of the following, 0, ½, 1, 1½, 2.

(7C) A local authority may resolve that different standard community charge multipliers shall apply in relation to different classes of premises prescribed under subsection (7) above.

(7D) A standard community charge multiplier relating to a class of premises prescribed under subsection (7) above shall not exceed such maximum multiplier as may be prescribed in relation to that class.

(7E) In prescribing classes under subsection (7) above, the Secretary of State may classify premises by reference to such factors as he thinks fit, including, without prejudice to that generality—

- (a) the physical characteristics of premises or any part of them;
- (b) the fact that premises are, or any part of them is, unoccupied;
- (c) the fact that premises are, or any part of them is, occupied for prescribed purposes;
- (d) the fact that premises are, or any part of them is, occupied by persons of prescribed descriptions;
- (e) the circumstances of persons liable to pay the standard community charge.

(7F) The Secretary of State may, by regulations, make provision—

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- (a) enabling local authorities or local authorities of such class or classes as he may specify in the regulations—
    - (i) to determine, in relation to their areas, classes of premises additional to those prescribed under subsection (7) above;
    - (ii) to determine different such classes of premises in relation to different parts of their areas; and
    - (iii) to resolve that different standard community charge multipliers shall apply in relation to different classes of premises determined under the regulations, and
  - (b) requiring them, when determining a class or classes under the regulations, to classify premises only by reference to one or more prescribed factors being such factors as the Secretary of State thinks fit.
- (7G) Regulations under subsection (7F) above may make provision enabling the district council to resolve that different standard community charge multipliers shall apply in relation to such different classes of premises as have, in relation to the district, been determined under the regulations by the council of the region in which the district is situated.
- (7H) A regional council may resolve that different standard community charge multipliers shall apply in relation to the same specified class of premises in different districts within the region.”

**Marginal Citations**

M2 1987 c. 47.

**143 Reduced liability for personal community charges: Scotland.**

—The following section shall be inserted after section 9 of the <sup>M3</sup>Abolition of Domestic Rates Etc. (Scotland) Act 1987—

**“9A Reduced liability for personal community charge.**

- (1) The Secretary of State may make regulations as regards any case where—
  - (a) a person is or was liable to pay, in respect of any time in such financial year as is prescribed, the personal community charge determined by a local authority in respect of that year; and
  - (b) prescribed conditions are fulfilled.
- (2) Regulations under this section may provide that the amount of a person’s liability in respect of personal community charge shall not be such amount as it would be apart from the regulations or, as the case may be, such amount as it was, but instead such smaller amount as is arrived at in accordance with prescribed rules.
- (3) The conditions mentioned in subsection (1) above may be prescribed by reference to such factors as the Secretary of State sees fit; and in particular such factors may include all or any of the following—
  - (a) rates for a period before 1 April 1989;
  - (b) the circumstances of or other matters relating to the person concerned;

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- (c) an amount relating to the local authority concerned and specified, or to be specified, for the purposes of the regulations in a report laid, or to be laid, before the House of Commons;
  - (d) such other amounts as may be prescribed or arrived at in a prescribed manner;
  - (e) the making of an application by the person concerned.
- (4) The rules mentioned in subsection (2) above may be prescribed by reference to such factors as the Secretary of State sees fit; and in particular such factors may include all or any of the factors mentioned in subsection (3)(a) to (d) above.
- (5) Without prejudice to the generality of section 31(2) of this Act, regulations under this section may include—
- (a) provision requiring the Secretary of State to specify in a report, for the purposes of the regulations, an amount in relation to each local authority;
  - (b) provision requiring him to lay the report before the House of Commons;
  - (c) provision for the review of any prescribed decision of a local authority relating to the application or operation of the regulations.
- (6) To the extent that he would not have power to do so apart from this subsection, the Secretary of State may—
- (a) include in regulations under this section such amendments of any social security instrument as he thinks expedient in consequence of the regulations under this section;
  - (b) include in any social security instrument such provision as he thinks expedient in consequence of regulations under this section.
- and any such amendments or provision may be deemed by the regulations or, as the case may be, instrument to have come into effect prior to the date of coming into force of the regulations or instrument.
- (7) In subsection (6) above “social security instrument” means an order or regulations made, or falling to be made, by the Secretary of State under the Social Security Act 1986.”

**Marginal Citations**

M3 1987 c. 47.

**144 Community charge grants: Scotland.**

The following section shall be inserted after section 23 of the <sup>M4</sup>Abolition of Domestic Rates Etc. (Scotland) Act 1987—

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## “PART IIIA

### COMMUNITY CHARGE GRANTS

#### 23A Community charge grants.

- (1) If regulations under section 9A have effect in respect of a financial year, the Secretary of State may, with the consent of the Treasury, pay a grant to a local authority in respect of that year.
- (2) The amount of the grant shall be such as the Secretary of State may, with the consent of the Treasury, determine.
- (3) A grant under this section shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State may, with the consent of the Treasury, determine.
- (4) In making any payment of grant under this section the Secretary of State may impose such conditions as he may, with the consent of the Treasury, determine; and the conditions may relate to the repayment in specified circumstances of all or part of the amount paid, or otherwise.
- (5) In deciding whether to pay a grant under this section, and in determining the amount of any such grant, the Secretary of State shall have regard to his estimate of the aggregate of—
  - (c) any amount which, in consequence of the regulations, the local authority might reasonably be expected to lose, or to have lost, by way of payments in respect of community charges in respect of the financial year concerned; and
  - (d) any administrative expenses the local authority might reasonably be expected to incur, or to have incurred, in respect of the financial year in giving effect to the regulations.”

#### Marginal Citations

M4 1987c. 47.

#### 145 Amendment of Abolition of Domestic Rates Etc. (Scotland) Act 1987 and other enactments: Scotland.

Schedule 6 to this Act (which amends the <sup>M5</sup>Abolition of Domestic Rates Etc. (Scotland) Act 1987 and other enactments) shall have effect.

#### Marginal Citations

M5 1987 c. 47.

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**Textual Amendments**

**F3** S. 146 repealed (1.4.1993) by [Local Government Finance Act 1992 \(c. 14\)](#), s. 117(2), [Sch.14](#) (with s. 118(1)(2)(4)); [S.I. 1992/2454](#) art.3 (with saving in art. 4) and subject to an amendment (28.11.1994) by [S.I. 1994/2825](#), [reg. 40](#)

**F<sup>4</sup>147 Adjustment of block grant.**

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**Textual Amendments**

**F4** S. 147 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 2

**F<sup>5</sup>148 Rate support grant, 1985/86.**

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**Textual Amendments**

**F5** S. 148 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 10](#) Group 2

**149 Statutory references to rating.**

(1) In the case of a provision which is made by or under any enactment and refers to a rate or a rateable value or any other factor connected with rating, the Secretary of State may make regulations—

- (a) providing that the reference shall instead be to some other factor (whether or not connected with rating); or
- (b) providing for the factor to be amended (whether by limiting its operation or in any other way);

and this section shall have effect in place of section 119 of the <sup>M6</sup>Local Government Finance Act 1988.

(2) Regulations under this section—

- (a) may make provision in such manner as the Secretary of State thinks fit (whether by amending provisions or otherwise);
- (b) may provide for a factor expressed by reference to valuation, rent, a premium, the length of a lease, anything connected with rating, or any other matter whatever;
- (c) may provide for a factor expressed by reference to a combination of matters (whether expressed in terms of a formula or otherwise);
- (d) may provide for a factor which includes a method of adjustment (whether by reference to indexation or otherwise);
- (e) may make provision with respect to the resolution of disputes (whether by a court or otherwise); and
- (f) may contain such supplementary, incidental, consequential or transitional provisions as appear to the Secretary of State to be necessary or expedient.

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- (3) A factor expressed by reference to rent may be by reference to ground rent, rent of premises at a market rate, rent as limited by law, or otherwise.
- (4) Nothing in this section shall be construed as limiting the power conferred by section 14 of the <sup>M7</sup> Interpretation Act 1978 to revoke, amend or vary regulations previously made under this section.
- (5) In this section “enactment” means an enactment contained in Schedule 10 to this Act, or in any other Act whether passed before or in the same Session as this Act; and for this purpose “Act” includes a private or local Act.
- (6) Without prejudice to the generality of the powers conferred by this section, section 37 of the <sup>M8</sup> Landlord and Tenant Act 1954 (which provides for compensation by reference to rateable values) shall be amended in accordance with Schedule 7 to this Act.

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**Marginal Citations**

- M6** 1988 c. 41.  
**M7** 1978 c. 30.  
**M8** 1954 c. 56.

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