
STATUTORY INSTRUMENTS

1998 No. 562

**The Income-related Benefits
(Subsidy to Authorities) Order 1998**

PART III

CALCULATION OF SUBSIDY

Relevant benefit

13.—(1) Subject to any adjustment in accordance with paragraph (3), for the purposes of section 140A of the Act, the subsidy to be paid to an authority shall, subject in the case of Scottish Homes to paragraph (2), be—

- (a) in the case of an authority to which none of articles 14, 16 and 17 applies, 95 per cent. of its qualifying expenditure;
- (b) in the case of any authority to which at least one of those articles applies an amount equal to the aggregate of—
 - (i) 95 per cent. of so much of its qualifying expenditure as remains after deducting from total qualifying expenditure the amount of expenditure attributable to the relevant benefit to which each of those articles which is relevant applies; and
 - (ii) the appropriate amount calculated in respect of the relevant benefit under each such article,

plus, in each case, the additions, where applicable, under articles 18 and 21(2), but subject, in each case, to the deductions, where applicable, under articles 20 and 21(3).

(2) In the case of Scottish Homes, its subsidy for the relevant year shall include a further sum being—

- (a) where sub-paragraph (a) of paragraph (1) applies, 5.5 per cent. of its qualifying expenditure, but subject to a maximum of £1,683,746; or
- (b) where sub-paragraph (b) of paragraph (1) applies, 5.5 per cent. of so much of its qualifying expenditure as remains after the deductions set out in paragraph (1)(b)(i), but subject to the maximum specified in sub-paragraph (a).

(3) Where, during the relevant year, there is a period overrun in respect of relevant benefit then the subsidy for the authority for that year shall be adjusted by the deduction from the subsidy otherwise due under this article of—

- (a) an amount equal to the percentage, as calculated in accordance with paragraph 2 of Schedule 3, of that part of the qualifying expenditure for that authority attributable to expenditure in respect of allowances, to the extent that the overrun relates to allowances;
- (b) an amount equal to the percentage, as calculated in accordance with paragraph 3 of Schedule 3, of that part of the qualifying expenditure for that authority attributable to expenditure in respect of rebates, to the extent that the overrun relates to rebates; and

- (c) an amount equal to the percentage, as calculated in accordance with paragraph 4 of Schedule 3, of the qualifying expenditure for that authority attributable to expenditure in respect of council tax benefit, to the extent that the overrun relates to council tax benefit.