Department of the Environment, Transport and the Regions

Local Government Finance (England)

Special Grant Report (No. 47)

Report by the Secretary of State for the Environment, Transport and the Regions under section 88B of the Local Government Finance Act 1988

Ordered by The House of Commons
to be printed on 27 April 1999

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Introduction

1. This Report is made by the Secretary of State for the Environment, Transport and the Regions ("the Secretary of State"), and is laid before the House of Commons, under section 88B of the Local Government Finance Act 1988 ("the 1988 Act"), as substituted by paragraph 18 of Schedule 10 to the Local Government Finance Act 1992. It specifies a determination with respect to special grants which the Secretary of State proposes to pay to certain local authorities (being receiving authorities as defined in Section 76(2) of the 1988 Act) and Passenger Transport Authorities in England.

2. This Report specifies the Secretary of State's determination, under section 88B(3) of the 1988 Act, of the authorities to which the grants are to be paid (paragraph 5), the purpose for which the grants are to be paid (paragraph 4) and the amount which he proposes to pay to each of the authorities concerned or the manner in which the amount is to be calculated (paragraphs 6 and 7 and Annex A). It also contains such explanation as the Secretary of State considers desirable of the main features of the determination (paragraph 8 and Annex B) and specifies, under section 88B(7) of the 1988 Act, the conditions which the Secretary of State intends to impose on the payment of the grants (paragraph 9 and Annex C).

3. In making this determination and in specifying the conditions, the Secretary of State acts with the consent of the Treasury.

The purpose for which the grants are payable

4. Special grants (known as "rural bus subsidy grants") are to be paid for the following purpose:

> to provide support towards the expenditure of the authorities to which the grants are to be paid, in the exercise of their powers under the Transport Act 1985, in connection with the subsidy of certain bus services in rural areas.

The amounts payable to authorities

5. The authorities to which rural bus subsidy grants are to be paid are the authorities whose areas are listed in column 1 in Annex A.

6. Subject to paragraph 7, the amount of grant which the Secretary of State proposes to pay to an authority whose area is listed in column 1 in Annex A is that specified in relation to that area in column 2 of Annex A.

7. Where, at any point, an authority provides a statement confirming a grant requirement showing a lower amount than that shown in Annex A, the amount of the grant payable to that authority is that lower amount instead of the amount specified in Annex A.

Main features

8. Annex B contains such explanation as the Secretary of State considers desirable of the main features of the determination specified in this Report.

The conditions for the payment of grants

9. The conditions which the Secretary of State intends to impose on payment of rural bus subsidy grants, are the conditions specified in Annex C.

Signed by authority of the Secretary of State for the Environment, Transport and the Regions

Glenda Jackson

1 April 1999

Parliamentary Under Secretary of State,
The Department of the Environment,
Transport and the Regions.

We consent to the making of the determination, and to the conditions, specified in this Report.

Jim Dowd

Jane Kennedy

21 April 1999

Two of the Lords Commissioners
of Her Majesty's Treasury.

Annex A

Amounts payable to authorities

Authority area	£
Shire Counties	
Bedfordshire	442,974
Buckinghamshire	561,112
Cambridgeshire	790,268
Cheshire	612,812
Cornwall	1,221,068
Cumbria	957,384
Derbyshire	714,122
Devon	1,409,020
Dorset	579,362
Durham	604,510
East Sussex	559,229
Essex	1,050,249
Gloucestershire	794,084
Hampshire	894,468
Hertfordshire	443,714
Kent	1,289,989
Lancashire	751,438
Leicestershire	556,163
Lincolnshire	1,194,385
Norfolk	1,594,337
North Yorkshire	1,380,246
Northamptonshire	696,765
Northumberland	476,343
Nottinghamshire	522,686
Oxfordshire	926,906
Shropshire	630,354
Somerset	1,017,790
Staffordshire	809,149
Suffolk	1,201,593
Surrey	610,684
Warwickshire	596,387
West Sussex	579,324
Wiltshire	786,146
Worcestershire	675,505
Passenger Transport Authorities	
Greater Manchester	132,321
Merseyside	83,474
South Yorkshire	338,768
Tyne and Wear	82,047
West Midlands	86,800
West Yorkshire	555,733

Authority area	£
Unitaries	
Bath & NE Somerset	139,970
Blackburn with Darwen	39,026
Bracknell Forest	40,038
Bristol	6,522
Darlington	48,352
East Riding	534,364
Halton	12,685
Hartlepool	16,872
Herefordshire	522,462
Isle of Wight	159,271
Medway	87,475
Middlesbrough	11,542
Milton Keynes	71,496
NE Lincolnshire	42,652
North Lincolnshire	257,450
North Somerset	132,855
Peterborough	84,040
Plymouth	9,756
Poole	7,421
Redcar & Cleveland	56,497
Rutland	107,010
South Gloucestershire	191,415
Stockton-on-Tees	33,832
Stoke-on-Trent	5,423
Swindon	55,773
Telford and The Wrekin	76,048
Thurrock	38,176
Torbay	8,384
Warrington	59,644
West Berkshire	232,602
Windsor & Maidenhead	50,584
Wokingham	77,436
York	73,216

Annex B

Main features

1. The authorities to which the grant is to be paid are either Passenger Transport Authorities or authorities which have a duty under section 63(1) of the Transport Act 1985 to secure the provision of public passenger transport services in their area. The amount of the grant to be paid to each authority under this report has been calculated by taking the total amount to be distributed to all the authorities (£32,500,000) and dividing it between them in proportion to the rural population of the area of each authority.

2. For this purpose, "rural population" means the total population in the authority's area living outside settlements of 3,000 people or more; settlement size for this purpose has been calculated using information from the 1991 census. The table below gives the rural population so derived for each authority and therefore used in the calculation of the amount to be paid to each authority.

3. On the basis outlined above, a number of authorities with low rural populations, would have received an amount of less than £5,000. Rather than distribute such relatively small sums, the amounts those authorities would have received have been added to the distribution to the remaining authorities, in proportion to their rural populations, resulting in the distribution at annex A.

Table : rural populations as defined for each authority.

Shire Counties	
Bedfordshire	81,363
Buckinghamshire	103,062
Cambridgeshire	145,152
Cheshire	112,558
Cornwall	224,279
Cumbria	175,847
Derbyshire	131,166
Devon	258,801
Dorset	106,414
Durham	111,033
East Sussex	102,716
Essex	192,904
Gloucestershire	145,853
Hampshire	164,291
Hertfordshire	81,499
Kent	236,938
Lancashire	138,020
Leicestershire	102,153
Lincolnshire	219,378
Norfolk	292,839
North Yorkshire	253,516
Northamptonshire	127,978
Northumberland	87,492
Nottinghamshire	96,004
Oxfordshire	170,249
Shropshire	115,780
Somerset	186,942
Staffordshire	148,620
Suffolk	220,702
Surrey	112,167

Warwickshire	109,541
West Sussex	106,407
Wiltshire	144,395
Worcestershire	124,073
Passenger Transport Authorities	
Greater Manchester	24,304
Merseyside	15,332
South Yorkshire	62,223
Tyne and Wear	15,070
West Midlands	15,943
West Yorkshire	102,074
Unitaries	
Bath & NE Somerset	25,709
Blackburn with Darwen	7,168
Bracknell Forest	7,354
Bristol	1,198
Darlington	8,881
East Riding	98,149
Halton	2,330
Hartlepool	3,099
Herefordshire	95,963
Isle of Wight	29,254
Medway	16,067
Middlesbrough	2,120
Milton Keynes	13,132
NE Lincolnshire	7,834
North Lincolnshire	47,287
North Somerset	24,402
Peterborough	15,436
Plymouth	1,792
Poole	1,363
Redcar & Cleveland	10,377
Rutland	19,655
South Gloucestershire	35,158
Stockton-on-Tees	6,214
Stoke-on-Trent	996
Swindon	10,244
Telford and The Wrekin	13,968
Thurrock	7,012
Torbay	1,540
Warrington	10,955
West Berkshire	42,723
Windsor & Maidenhead	9,291
Wokingham	14,223
York	13,448

Annex C

Conditions for the payment of grant

1. Rural bus subsidy grant paid shall be used in the financial year 1999/2000 and then only for supporting the provision of eligible bus services within the area of the receiving authority, using the authority's powers in the Transport Act 1985, and in meeting administrative costs directly related to the securing and monitoring of services provided by means of this grant and the costs of provision of necessary passenger information related to those services together with other services with which they are reasonably associated.

2. "Eligible bus service" means a service (which expression includes, for the avoidance of doubt, an extension or variation of an existing service) satisfying the following criteria, namely that -

(a) the particulars of the service are registered under section 6 of the Transport Act 1985;

(b) the service was not being provided on 1st May 1998;

(c) the registered particulars show that the route over which the service operates -

(i) comprises at least one continuous stretch 3 miles or more in length outside a settlement comprising 10,000 or more persons and has at least one stopping place outside such a settlement, or

(ii) lies entirely outside a settlement comprising 10,000 people or more, if the service is not part of an extended or varied service the remainder of which was being provided (or being provided in substantially the same form) on 1st May 1998;

the population of a settlement being calculated from the 1991 Census;

(d) it is not a service of one of the following descriptions -

(i) a service the route, timetable and stopping places of which are the same (or substantially the same) as a service which was being provided on 1st May 1998;

(ii) a service which differs only from a service which was being provided on 1st May 1998 in that the route is shorter, the timetabled intervals between buses are generally longer or the stopping places are fewer;

(iii) a service forming a section of an extended service the registered particulars of that section being the same (or substantially the same) as a service which was being provided on 1st May 1998;

(iv) a part of a new service arising from the variation of an earlier registration (other than an extension of a route) to the extent that it is the same (or substantially the same) as a service which was being provided on 1st May 1998.

3. An authority shall provide the Secretary of State with:

- written confirmation before 30 September 1999 at the latest, and again before 18 February 2000, that it intends, and believes it is able, to use the grant in the financial year 1999-2000 and that expenditure will be in accordance with the conditions set out in this report; and

The confirmation may be for the full amount shown in relation to the authority's area in Annex A, or for a lower amount. The amount then confirmed will be paid to the authority for the year. The amount for which confirmation is given may be amended by an authority at any point in the financial year, so as to be lower than that previously confirmed.

4. The grant to an authority will be paid to that authority in three instalments.

- The first of these will be equal to 40% of the amount shown in Annex A and will be paid as soon as possible after the start of the financial year.

- The second instalment, equal to 50% of the balance between the first instalment and the amount of grant confirmed by the local authority under paragraph 3 above will be paid as soon as possible after 30 September 1999.

- The final instalment will then be for the balance of the grant payable taking into account the instalments already paid and the confirmation given by 18 February 2000 under para 3 above and will be paid as soon as possible after that date.

5. The authority shall submit an audit certificate, signed by an external auditor appointed by the Audit Commission, by 30 October 2000 showing payments in respect of the year met from the grant.

6. Where -

(a) an amount paid to an authority on account of grant exceeds the amount of the grant which the authrity is entitled in accordance with paragraph 7 of the Report and paragraph 4 of these conditions; or

(b) any amount of grant paid is used otherwise than in accordance with these conditions,

the authority shall repay to the Secretary of State such amount (being the whole or part of the excess or the amount wrongly used) as the Secretary of State may notify in writing to the authority.

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