Financial Provisions.

THE AIR-RAID PRECAUTIONS (FINANCE) REGULATIONS, 1939, DATED 6TH JANUARY, 1939, MADE BY THE MINISTRY OF HOME AFFAIRS WITH THE CONCURRENCE OF THE MINISTRY OF FINANCE UNDER SECTION 10(1) OF THE AIR-RAID PRECAUTIONS ACT, 1938 (2 GEO. 6. c. 26).

1939. No. 5.

In pursuance of the powers vested in it by section 10(1) of the Air-Raid Precautions Act, 1938, the Ministry hereby makes the following regulations :—

1. These regulations may be cited as the Air-Raid Precautions (Finance) Regulations, 1939, and shall come into force on the date hereof.

2. (i) In these regulations, unless the context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them :—

" the Act " means the Air-Raid Precautions Act, 1938;

" the Ministry " means the Ministry of Home Affairs for Northern Ireland;

" air-raid precautions arrangements " means arrangements made in pursuance of a scheme approved by the Ministry under the Act, or, with the concurrence of the Ministry, otherwise than in pursuance of such a scheme for the protection of persons and property from injury or damage in the event of hostile attack from the air, and

" air-raid precautions services " means services in connection with such arrangements;

" appropriate loan charges," in relation to any item of capital expenditure, means the amount which would be payable by a local authority in any year by way of loan charges in respect of moneys borrowed for that purpose, on the assumption that the money had been so borrowed—

(*a*) on terms that it was repayable by equal annual instalments of principal and interest combined over such period as the Ministry may consider appropriate; and

(*b*) at a rate of interest which (unless the Ministry otherwise determines) shall, in a case where the expenditure was defrayed out of borrowed money, be the rate at which the money was so borrowed, or the rate which at the time the expenditure was incurred was the rate for the time being fixed by the Ministry of Finance in respect of loans to local

authorities advanced out of the Government Loans Fund for expenditure of a similar character whichever is less, and in a case where the expenditure was defrayed out of revenue the rate so fixed by the Ministry of Finance as aforesaid;

" local government auditor " includes any person appointed by the Minister of Home Affairs to perform the functions of a local government auditor;

" financial year " means the period of twelve months ending on the thirty-first day of March;

" prescribed " means prescribed by these regulations, and

" prescribed form " means the appropriate one of the forms set out in the schedule to these regulations or such other form substantially to the like effect as the Ministry may from time to time approve.

(ii) The Interpretation Act, 1921, shall apply to the interpretation of these regulations as it applies to the interpretation of an Act of the Parliament of Northern Ireland.

3. Subject to the provisions of these regulations, expenditure incurred for the purposes of air-raid precautions arrangements shall only be approved for the purposes of the Act in so far as it represents expenditure incurred specifically for the purposes of air-raid precautions arrangements and does not include any expenditure which would have had to be incurred had no air-raid precautions arrangements been made: and, in particular, in so far as such expenditure represents—

(*a*) expenditure on salaries, wages or other remuneration of officers, servants or employees of a local authority it shall only be approved in so far as—

(i) such persons were appointed to the service of the authority for the purpose of and are wholly employed on air-raid precautions services; or

(ii) such expenditure represents additional cost incurred by reason of the fact that some person originally appointed to the service of the local authority for other purposes is employed on air-raid precautions services; or

(iii) such expenditure represents additional remuneration which has been paid to any such person in respect of additional duties performed by that person in connection with air-raid precautions arrangements; or

(iv) such expenditure represents the appropriate proportion of the remuneration of a person appointed to the service of

the local authority for the purposes of air-raid precautions services who is partly employed on other duties :

(*b*) expenditure in the nature of loan charges, rent and other like payments in respect of any property used or appropriated (whether in whole or in part) for air-raid precautions arrangements, it shall only be approved in so far as it represents expenditure which would not have been incurred if that property had not been so appropriated or used.

4. No expenditure representing expenditure incurred for the purpose of protecting from injury or damage in the event of hostile attack from the air, persons employed in or property belonging to or appropriated for the use of any water, gas, electricity, transport, harbour or dock undertaking, whether carried on by a local authority or not, or for the purpose of ensuring the continued functioning of the undertaking in time of war, shall be approved for the purposes of the Act.

5. Expenditure which has been incurred at any time after the 31st day of December, 1937, for the purpose of making provision for the protection of persons and property from injury or damage in the event of hostile attack from the air, may be approved notwithstanding that the prior concurrence of the Ministry was not obtained to the making of such provision, if and in so far as the Ministry is satisfied that such provision was in all circumstances reasonable and proper.

6. The approval by the Ministry of an air-raid precautions scheme or its concurrence in proposals for the purpose of making provision, otherwise than in pursuance of such a scheme, for the protection of persons and property from injury or damage in the event of hostile attack from the air, shall not be treated as implying the approval by the Ministry of the expenditure of any particular sum on any matter included in or connected with such scheme or proposals.

7. If the Ministry shall have notified any authority by which any air-raid precautions scheme or proposals for making, otherwise than in pursuance of such a scheme, provision for the protection of persons and property against injury or damage in the event of hostile attack from the air has or have been submitted, that either generally in relation to the scheme or proposals or with respect to any particular matter therein—

(*a*) it requires the authority to submit for its concurrence particulars of the numbers of persons to be employed in connection therewith and of the remuneration proposed to be

paid to such persons, or estimates, plans, specifications, or other particulars; or

(*b*) it requires the authority to comply with certain specified conditions in connection with such expenditure; or

(*c*) for the purposes of the Act it is not prepared to approve expenditure of a particular character or beyond a specified amount;

then the Ministry may, for the purposes of determining the amount of expenditure thereon to be regarded as approved expenditure under the Act, disregard any expenditure which has been incurred otherwise than in accordance with particulars, estimates, plans or specifications, concurred in by it or which has been incurred otherwise than in compliance with any conditions so notified or which is so excluded or which is in excess of the amount so specified.

8. Where, after consultation with such associations of local authorities as appear to the Ministry to be concerned and with any local authority with whom consultation appears to it to be desirable, the Ministry either generally or in the case of a particular local authority or class of local authorities so directs, expenditure on any particular matter may for the purpose of being approved under the Act be calculated on the basis of an annual sum of a specified amount or of a capitation rate or on some other specified basis.

9. In estimating the amount of expenditure incurred by a local authority for the purpose of paragraph 2 of the Schedule to the Act :—

(i) Expenditure of a capital nature, whether defrayed out of borrowed moneys or out of revenue, shall, unless by reason of the relative smallness in the circumstances of the amount involved the Ministry otherwise determines, be estimated on the basis of the appropriate loan charges :

Provided that—in the event of any property concerned being no longer available for purposes of air-raid precautions arrangements the Ministry may make such adjustments as appear to it to be fair and reasonable in the circumstances.

(ii) Where an arrangement exists for the exercise by one local authority of functions connected with air-raid precautions arrangements as the agents of another local authority, the Ministry, in estimating the expenditure incurred by each of the local authorities concerned in any such arrangement, shall make such adjustment as appear to it to be necessary

for the purpose of arriving at a true estimate of the expenditure incurred by each local authority respectively.

10. Where two or more local authorities enter into a mutual arrangement under Section 3 of the Act the schemes submitted by each such local authority may be identical in terms and may include the air-raid precautions arrangements of all the local authorities parties to such mutual arrangement, provided that every such scheme shall in that case provide :—

(*a*) a clear statement of the extent to which each particular air-raid precautions service will be performed by each such local authority; and

(*b*) for the manner in and the extent to which each such local authority will contribute to the expenditure incurred in connection with the scheme; and

(*c*) that one specified local authority a party to the mutual arrangement shall act as agent in matters of finance and that such local authority shall, subject to the contributions provided for as aforesaid, defray all expenditure and shall keep all accounts and furnish all financial estimates and statements which may be required in connection with the scheme; and

(*d*) that in the event of any dispute arising regarding the liability of any of the local authorities parties to the mutual arrangement or regarding the allocation of expenditure or the contributions to be made under the scheme the question shall be submitted to and determined by the Ministry.

11. (i) For the purpose of obtaining the approval of the Ministry to expenditure for the purpose of air-raid precautions arrangements a local authority shall on or before the 1st day of December in each year, submit to the Ministry a Financial Estimate of the expenditure expected to be incurred in connection with such arrangements during the financial year next ensuing, except that the Financial Estimate for the year ended 31st March, 1940, may be submitted at such later date as the Ministry may allow.

(ii) The expenditure to be included in a Financial Estimate shall be confined to expenditure in connection with air-raid precautions arrangements in accordance with these Regulations and shall be distinguished under the headings in Schedules A and B to these Regulations. Particulars of all revenue and receipts other than Grants under the Act expected to be received by the local authority shall be submitted with the estimate of expenditure and the total of such revenue and receipts shall be deducted from the estimated gross expenditure.