

SCHEDULES

SCHEDULE 3

PROVISIONS SUPPLEMENTING PART IV

PART IV

MINIMUM REVENUE PROVISION

- 15 (1) Subject to sub-paragraphs (2) and (3) below, for any financial year other than that beginning on 1st April 1990, a local authority's minimum revenue provision shall be the aggregate of—
- (a) an amount in respect of principal which, except in so far as regulations made by the Secretary of State otherwise provide, shall be the prescribed percentage of the authority's adjusted credit ceiling on the last day of the immediately preceding year; and
 - (b) an amount in respect of notional interest on each credit arrangement entered into by the authority which came into being before the beginning of that year, other than an arrangement excluded by regulations under paragraph 11 above.
- (2) If a local authority's credit ceiling on the last day of a financial year is nil or a negative amount, the authority's minimum revenue provision for the immediately following financial year shall be nil.
- (3) In the case of a credit arrangement falling within section 49(3) of this Act, the Secretary of State may by regulations provide that the amount referred to in sub-paragraph (1)(b) above is nil.
- 16 (1) Subject to sub-paragraphs (2) and (3) below, for the financial year beginning on 1st April 1990, a local authority's minimum revenue provision shall be the aggregate of—
- (a) an amount in respect of principal which, except in so far as regulations made by the Secretary of State otherwise provide, shall be the prescribed percentage of the authority's adjusted initial credit ceiling; and
 - (b) an amount in respect of notional interest on each transitional credit arrangement entered into by the authority, other than an arrangement excluded by regulations under paragraph 11 above.
- (2) If a local authority's initial credit ceiling is nil or a negative amount, the authority's minimum revenue provision for the financial year referred to in sub-paragraph (1) above shall be nil.
- (3) In the case of a transitional credit arrangement falling within section 49(3) of this Act, the Secretary of State may by regulations provide that the amount referred to in sub-paragraph (1)(b) above is nil.

Status: This is the original version (as it was originally enacted).

- 17 In paragraphs 15(1)(a) and 16(1)(a) above “the prescribed percentage” means such percentage, which may be any percentage from nil to 100, as may be prescribed by regulations made by the Secretary of State; and different percentages may be so prescribed in relation to different amounts taken into account in determining an authority’s adjusted credit ceiling or initial credit ceiling.
- 18 (1) Any reference in this Part of this Schedule to an authority’s adjusted credit ceiling at any time or their adjusted initial credit ceiling is a reference to their credit ceiling or, as the case may be, initial credit ceiling, determined in accordance with Part III of this Schedule as modified, in such manner as the Secretary of State considers appropriate, by regulations made by him for the purposes of this Part of this Schedule.
- (2) Without prejudice to the generality of sub-paragraph (1) above, for the purpose of determining an authority’s adjusted credit ceiling or adjusted initial credit ceiling at any time, regulations under this paragraph may require amounts which are taken into account in determining the authority’s credit ceiling or initial credit ceiling to be treated as having been repaid, in whole or in part, by reference to amounts set aside as provision for credit liabilities and also, in such cases as may be specified in the regulations, may require a local authority to determine which of the amounts so taken into account are to be treated as so repaid.
- 19 (1) Subject to paragraphs 15(3) and 16(3) above, for any financial year, the amount referred to in paragraph 15(1)(b) or paragraph 16(1)(b) above in respect of notional interest on a credit arrangement is that determined by the formula—
- $$\frac{\mathbf{a} \times \mathbf{b}}{100}$$
- where, subject to sub-paragraphs (2) and (3) below,—
- “a” is the cost of the arrangement on 1st April in that financial year; and
- “b” is the percentage rate of discount prescribed under section 49(2) of this Act for the financial year in which the arrangement came into being or, in the case of a transitional credit arrangement, for the financial year beginning on 1st April 1990.
- (2) In the case of a credit arrangement which has been varied as mentioned in section 51(1) of this Act, “b” in the formula in sub-paragraph (1) above is the percentage rate of discount prescribed under section 49(2) of this Act for the financial year in which the arrangement was so varied or, as the case may be, last varied.
- (3) In the case of a credit arrangement falling within section 49(3) of this Act, the Secretary of State may by regulations provide that “b” in the formula in sub-paragraph (1) above shall be such figure as may be specified in, or determined under, the regulations.
- 20 Regulations under this Part of this Schedule—
- (a) may make provision by reference to amounts determined by local authorities in respect of particular financial years; and
- (b) may require such determinations to be made within such time limits as may be specified in the regulations.