



Local Government and Housing Act 1989

1989 CHAPTER 42

PART IV

REVENUE ACCOUNTS AND CAPITAL FINANCE OF LOCAL AUTHORITIES

Capital receipts

60 The usable balance of capital receipts

- (1) This section applies to the balance of any capital receipts received by a local authority after deducting—
- (a) the reserved part of each such receipt; and
 - (b) any sum which, by virtue of subsection (8) or subsection (9) of section 59 above, falls to be deducted in determining the amount of any receipt for the purposes of the preceding provisions of that section;
- but nothing in this section applies to a capital receipt which falls within section 59(7) above.
- (2) The balance referred to in subsection (1) above (in this Part referred to as “the usable part” of the authority’s capital receipts) shall be applied by the local authority, according as they determine, in one of the following ways, or partly in one way and partly in the other,—
- (a) to meet expenditure incurred for capital purposes; or
 - (b) as provision to meet credit liabilities;
- and, subject to subsection (3) below, may be so applied in the financial year in which the receipts are received or in any later financial year.
- (3) A determination by a local authority under subsection (2) above as to the manner in which the usable part of their capital receipts are to be applied may not be made later than 30th September in the financial year following that in which, in accordance with the determination, the receipts are to be applied.

Status: This is the original version (as it was originally enacted).

- (4) For the purposes of this Part, to the extent that the usable part of an authority's capital receipts are applied as mentioned in subsection (2)(a) above, it shall be taken to be so applied at the time when the expenditure in question is defrayed.
- (5) For the purposes of this Part, to the extent that the usable part of an authority's capital receipts are applied as mentioned in subsection (2)(b) above, it shall be taken to be so applied—
- (a) if it is used as an amount of credit cover as mentioned in section 50(3)(b) above, when the credit arrangement in question is entered into or varied; and
 - (b) subject to subsection (6) below, in any other case, on the last day of the financial year in which (pursuant to the local authority's determination) it is so applied.
- (6) In the case of a determination under subsection (2) above which—
- (a) relates to the application of the usable part of a 1980 Act receipt in the financial year beginning on 1st April 1990, and
 - (b) is made not later than 30th September 1990,
- subsection (5)(b) above shall have effect with the substitution of a reference to 1st April 1990 for the reference to the last day of the financial year in which the usable part is so applied.