
STATUTORY INSTRUMENTS

1987 No. 1583

**The Local Government (Prescribed
Expenditure) (Works) Regulations 1987**

Cases to which section 80A(1) of the Act does not apply

3.—(1) Subject to paragraph (2), section 80A(1) of the Act shall not apply in relation to any works carried out for any authority on or after 1st October 1987 which comprise or form part of a project which is estimated to cost three million pounds or less at the date on which the contract relating to it or, if more than one, the first such contract is made (a “qualifying project”).

(2) Paragraph (1) shall not exclude the application of section 80A(1) to a second or further qualifying project carried out for the same authority unless there is an interval of at least sixty consecutive months between the commencement of works on that project and the last previous qualifying project.

(3) Subject to paragraph (4), section 80A(1) of the Act shall not apply in relation to works for the construction, preparation, conversion, improvement, renewal or replacement of a dwelling-house carried out for a housing authority on or after 23rd July 1986 pursuant to an agreement whereby the authority retains its interest in the land on which the works are carried out if that agreement provides (or that agreement and any other agreement or arrangement made in connection with that agreement or any variation or extension of those agreements or arrangements together provide) for—

- (a) the sale or the grant of a long lease of the dwelling-house by the authority to a person other than—
 - (i) a public body, or
 - (ii) a company which is under the control of a public body; or
- (b) the retention of the dwelling-house by the authority for the sole purpose of enabling the authority to grant a shared ownership lease.

(4) Paragraph (3) shall not apply if the authority does anything that has the effect of releasing it from its obligations to sell or grant a lease of the dwelling-house as mentioned in paragraph 3(a) or (b).

(5) A company shall be treated for the purposes of paragraph (3) as under the control of a public body if at the time of the agreement, arrangement, variation or extension either—

- (a) it is a subsidiary of a single public body; or
- (b) if two or more public bodies who are members of the company were a single body corporate, it would be a subsidiary of that body corporate.