



Local Government and Housing Act 1989

1989 CHAPTER 42

PART IV

REVENUE ACCOUNTS AND CAPITAL FINANCE OF LOCAL AUTHORITIES

Charge of expenditure to revenue accounts

41 Expenditure to be charged to revenue account.

- (1) All expenditure incurred by a local authority, other than expenditure excluded by section 42 below, must be charged to a revenue account of the authority and unless, in accordance with proper practices (exclusive of this subsection), it is appropriate to charge some or all of any particular item of expenditure to a revenue account for an earlier or a later financial year, the expenditure shall be charged to a revenue account of the authority for the year in which it is incurred.
- (2) In relation to a local authority, any reference to a revenue account is a reference to one of the following accounts for a financial year of the authority, namely—
 - (a) a revenue account which the authority are required to keep by virtue of any enactment;
 - (b) a revenue account which the authority are required to keep in order to comply with proper practices; or
 - (c) any other revenue account which the authority decide to keep in accordance with proper practices.
- (3) The reference in subsection (1) above to expenditure incurred by a local authority in any financial year includes the following (whether or not giving rise to actual payments)—
 - (a) any amount which does not form part of the authority's capital receipts and which is set aside for the year by the authority as provision to meet credit liabilities, otherwise than by virtue of any of subsections (2) to (4) of section 63 below; and

Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation: Local Government and Housing Act 1989, Section 41 is up to date with all changes known to be in force on or before 17 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (b) any other amount which is set aside for the year by the authority as reasonably necessary for the purpose of providing for any liability or loss which is likely or certain to be incurred but is uncertain as to the amount or the date on which it will arise (or both);

and the reference in subsection (5) below to expenditure incurred by a local authority shall be construed in accordance with this subsection.

- (4) Subsection (2) above has effect not only for the purposes of this Act but also for the purposes of—

- (a) any enactment passed after or in the same Session as this Act; and
(b) any earlier enactment which is amended by this Act or by any such enactment as is referred to in paragraph (a) above.

- (5) Nothing in this section or the following provisions of this Part shall permit an authority to charge to a revenue account which they are required to keep by virtue of Part VI of this Act or any other enactment any expenditure incurred by a local authority which could not otherwise be so charged.

Modifications etc. (not altering text)

- C1** S. 41(3) applied (6.3.1992) by [Local Government Finance Act 1992 \(c. 14\)](#), **ss. 32(11)**, 43(8), 50(6)
(with s. 118(1)(2)(4))

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