



Local Government Finance (Supplementary Credit Approvals) Act 1997

1997 CHAPTER 63

An Act to permit account to be taken of the reserved part of capital receipts in determining the amount of a supplementary credit approval to be issued to a local authority; and to substitute a power for the existing duty to specify an amortisation period when issuing a supplementary credit approval to a local authority in respect of expenditure treated by the authority as expenditure for capital purposes. [6th November 1997]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. In section 55(3) of the Local Government and Housing Act 1989 (which provides, for both basic and supplementary credit approvals, that account must not be taken of the reserved part of capital receipts etc. in determining the amount of an approval), for the words from the beginning to “(b)” substitute—

Power to take account of reserved part of capital receipts.
1989 c. 42.

“(3) In determining the amount of a basic credit approval, the Secretary of State shall not take account of capital receipts to the extent that the authority concerned are required to set aside the receipts as provision for credit liabilities; and in determining the amount of a basic credit approval or a supplementary credit approval, the Secretary of State or other Minister shall not take account of capital receipts”.

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Power in place of duty to specify amortisation period.

2. In section 54(5) of that Act (which provides that a supplementary credit approval must specify an amortisation period not exceeding seven years if it is issued to a local authority in respect of expenditure treated by the authority as expenditure for capital purposes by virtue of directions under section 40(6)), for the words “must specify” onwards substitute “may specify an amortisation period.”

Short title and extent.

3.—(1) This Act may be cited as the Local Government Finance (Supplementary Credit Approvals) Act 1997.

(2) This Act extends to England and Wales only.

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