
 STATUTORY INSTRUMENTS

1985 No. 257

LOCAL GOVERNMENT, ENGLAND AND WALES

**The Local Government (Prescribed Expenditure) (Amendment)
Regulations 1985**

Made - - - 25th February 1985

Laid before Parliament 4th March 1985

Coming into Operation 1st April 1985

The Secretary of State for the Environment, in relation to England, and the Secretary of State for Wales, in relation to Wales, in exercise of the powers conferred on them by sections 72(3)(d), 75(5)(a) and (f), and 84 of the Local Government, Planning and Land Act 1980(a) and of all other powers enabling them in that behalf, hereby make the following regulations:—

Title, commencement and revocation

1—(1) These regulations may be cited as the Local Government (Prescribed Expenditure) (Amendment) Regulations 1985 and shall come into operation on 1st April 1985.

(2) Regulation 3 of the Local Government (Prescribed Expenditure) (Amendment) Regulations 1984(b) (which amends the Schedule now replaced by these regulations) is revoked.

2. The Local Government (Prescribed Expenditure) Regulations 1983(c) shall be amended in accordance with the following provisions of these regulations.

Prescribed proportion of net capital receipts

3. For paragraph (2) of regulation 3 there shall be substituted:

“(2) For Wales, the prescribed proportion of an authority’s net capital receipts for the purposes of section 72(3)(d) of the Act shall be, in the case of sums received on the disposal of assets of a class mentioned in paragraphs 2, 4 and 5 of column 1 of Schedule 1, or the repayment of an advance or grant of a class mentioned in paragraphs 6, 7 and 8 of that column, the proportion mentioned opposite thereto in column 3.”

4. For Schedule 1 there shall be substituted:

(a) 1980 c.65. (b) S.I. 1984/223.
(c) S.I. 1983/296, amended by S.I. 1984/223.

SCHEDULE 1

PRESCRIBED PROPORTIONS OF NET CAPITAL RECEIPTS

Column 1	Column 2	Column 3
1. Land held for the purposes of the Housing Acts not being land comprising a dwelling house.	30%	—
2. Land comprising a dwelling-house held for the purposes of Part V of the Housing Act 1957(a) and normally let or available for letting, not being land mentioned in paragraph 3.	20%	15%
3. Land comprising a dwelling-house held for the purposes of Part V of the Housing Act 1957 and normally let or available for letting which — (a) is disposed of on a shared ownership tenancy, or (b) requires significant repair or improvement, or both, and is disposed of on condition that the purchaser executes significant repair or improvement or both within a specified period.	30%	—
4. Land (including buildings and structures on land) held other than for the purposes of the Housing Acts.	30%	50%
5. A vehicle or vessel and any movable or immovable plant, machinery or apparatus.	30%	50%
6. A grant or advance, not being one made under the Housing Acts.	30%	50%
7. An advance made to enable a person — (a) to acquire otherwise than from an authority an interest in a dwelling-house, or (b) to improve a dwelling-house.	20%	15%
8. A grant or advance made to a housing association.	1%	1%

Sums to be treated as capital receipts

5. In Schedule 2:

(a) there shall be substituted for paragraph 10:

“10. Payments by a special, district, or former area health authority to the extent that they are used to finance a payment in respect of prescribed expenditure.”; and

(b) there shall be inserted at the end of paragraph 11:

“(hh) The Historic Buildings and Monuments Commission for England.”.

Patrick Jenkin,
Secretary of State for the Environment.

25th February 1985.

Nicholas Edwards,
Secretary of State for Wales.

25th February 1985.

(a) 1957 c.56.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

Section 72(3) of the Local Government, Planning and Land Act 1980 limits the prescribed expenditure of a local authority, and other bodies to which Part VIII of the Act applies, to the aggregate of various amounts including its net capital receipts. "Prescribed expenditure" is essentially expenditure of a capital nature.

Regulations may provide that only a proportion of net capital receipts of any specified class may be taken into account.

Schedule 1 to the Local Authority (Prescribed Expenditure) Regulations 1983, as amended in 1984, currently prescribes in the case of receipts arising from the disposal of certain dwelling-houses and the repayment of certain Housing Act advances a proportion of 40% for authorities in England, and 25% for authorities in Wales. These regulations substitute a new Schedule which reduces those proportions from 1st April 1985 to 20% for authorities in England, and 15% for authorities in Wales.

The new Schedule also —

- (i) introduces a proportion of 30% for authorities in England in the case of receipts arising from the disposal of other land held for the purposes of the Housing Acts;
- (ii) reduces the prescribed proportion for the classes of assets and repayments mentioned in paragraphs 4 to 6 of the Schedule from 50% to 30% for authorities in England; and
- (iii) introduces for authorities in Wales a prescribed proportion of 50% for the classes of assets and repayments mentioned in paragraphs 4 to 6 of the Schedule.

No proportion is prescribed in respect of dwellings built or acquired for sale or built under licence for sale.

Schedule 2 to the 1983 regulations specifies certain sums which are to be treated as capital receipts in addition to the sums mentioned in section 75 of the Act. These regulations amend that Schedule to include payments made by special health authorities and by the Historic Buildings and Monuments Commission for England.

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