
STATUTORY INSTRUMENTS

1987 No. 2186

**The Local Government (Prescribed Expenditure)
(Consolidation and Amendment) Regulations 1987**

PART III

Interpretation

7. In this Part —

“dwelling-house” shall be construed in accordance with section 112 of the Housing Act 1985⁽¹⁾ but shall not include any hostel or lodging-house as defined in sections 622 and 56 of that Act respectively; and references to a dwelling-house shall include references to any outhouses and appurtenances belonging to the dwelling-house or usually enjoyed with it;

“housing authority” means a district council, a London borough council, the Common Council of the City of London or the Council of the Isles of Scilly;

“long lease” shall be construed in accordance with section 458 of the Housing Act 1985;

“new town corporation” means a development corporation established by order made, or having effect as if made, under the New Towns Act 1981⁽²⁾, or the Commission for the New Towns;

“project” means the aggregate of the works included in a single contract or in two or more contracts where the works are to be carried out on the same or adjacent sites;

“public body” means a housing authority, a county council, a new town corporation, an urban development corporation or the Development Board for Rural Wales.

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

8.—(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

(1) 1985 c. 68.

(2) 1981 c. 64.

(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.

Prescribed expenditure

9. Where works to which section 80A(1) does not apply by virtue of regulation 8 are carried out for an authority, the authority shall be taken for the purposes of Part VIII of the Act (capital expenditure of local authorities etc.) to make payments in respect of expenditure on the works when and as they are actually made.

Revocation

10. The instruments listed in Schedule 4 are hereby revoked.