EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends two transitional provisions in the Police and Magistrates' Courts Act 1994 (Commencement No. 5 and Transitional Provisions) Order 1994 ("the 1994 Order").

Under section 4C of the Police Act 1964, as inserted by section 4 of the Police and Magistrates' Courts Act 1994, the new police authorities established by virtue of the 1994 Act must, as soon as possible after the end of each financial year, issue a report relating to the policing of their areas for that year. Article 4(2) of the 1994 Order disapplied this provision as respects the financial year ending on 31st March 1994. Article 2(2) of this Order corrects that reference so that it refers to the financial year ending on 31st March 1995.

Article 11(2) of the 1994 Order provides that, where the old police authorities to whom the article applies (which authorities continue to exist as local authorities) and the relevant new police authorities have been unable to agree before 1st April 1995 to the transfer of all loans incurred by the old police authorities in their capacity as such, the new police authorities will be deemed to have borrowed an amount in respect of loans so incurred. Article 11(4) of the 1994 Order (which is one of the provisions by which that amount is calculated) provides for calculations by reference to supplementary credit approvals issued to the old police authorities in their capacity as such. Article 2(3) of this Order corrects that reference so that it will now refer to such approvals issued *and used* by the old police authorities. It also amends article 11(4) so that account can be taken of the supplementary credit approval even though it was not issued to the old police authority (to reflect the fact that under section 56(2) of the Local Government and Housing Act 1989 (c. 42) such approvals can be transferred).