
STATUTORY INSTRUMENTS

1995 No. 798

**The Local Government Changes for
England (Capital Finance) Regulations 1995**

PART VI

**MINIMUM REVENUE PROVISION SAVINGS
AND COMMUTATION ADJUSTMENTS**

Commutation adjustments of designated successor authority

28.—(1) In this regulation and regulation 29—

“designated authority” means a designated authority in relation to an abolished authority;

“item G” means item “G” as defined in Part III of Schedule 6 of the 1990 Regulations⁽¹⁾ (“the Schedule”);

“minimum revenue provision savings” means the amounts determined in accordance with Part II of the Schedule;

“preceding years” means the financial year beginning on 1st April 1992 and every subsequent financial year beginning before the reorganisation date; and

“relevant debts” has the same meaning as in Part I of the Schedule.

(2) The Schedule shall have effect in relation to a designated authority as if—

- (a) the relevant debts of the abolished authority had been relevant debts of the designated authority;
- (b) the total of the abolished authority’s minimum revenue provision savings in respect of the preceding years were part of the total of the designated authority’s minimum revenue provision savings in respect of those years;
- (c) the total of the abolished authority’s commutation adjustments in respect of the preceding years were part of the total of the designated authority’s commutation adjustments in respect of those years;
- (d) item G calculated by the designated authority in respect of any financial year beginning on or after the reorganisation date were increased by an amount equal to item G in respect of the same year calculated by the abolished authority;
- (e) any amount set aside by the abolished authority under section 63(2) of the 1989 Act in respect of a commuted payment within the meaning of section 157 of that Act had been set aside by the designated authority; and

(1) Schedule 6 was inserted in the 1990 Regulations by [S.I. 1993/520](#).

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- (f) the aggregate of any amounts applied in the preceding years by the abolished authority under section 64(2) of the 1989 Act (by virtue of regulation 26B(3) of the 1990 Regulations⁽²⁾) had been applied by the designated authority.

Commutation adjustments of newly-established authority

29. A designated authority which is a newly-established authority shall be treated for the purposes of regulation 27 above as if—

- (a) the total of their minimum revenue provision savings in respect of the preceding years amounted to nil;
- (b) the total of their commutation adjustments in respect of the preceding years amounted to nil; and
- (c) they had, before the reorganisation date, calculated that item G in respect of any financial year beginning on or after the reorganisation date amounted to nil.

(2) Regulation 26B was inserted in the 1990 Regulations by S.I. 1992/738, and paragraph (3) of that regulation was added by S.I. 1993/520.